

Trade Terms – 21st May 2018

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Good morning,

We continue to take measures to improve our service and efficiency. I would like to take this opportunity to reiterate some of the policies we have had in place for a number of years now.

2018/19 Updates

Pack Size.

HZPC only offer and will only supply seed in multiples of 1.25 tonnes.

Ex Farm Collections

Smaller consignments are often moving through the pallet system now. This requires the seed to be on pallets and the grower to be able to load the lorry within minutes of arrival. There is also a tendency for these companies to be less able to quote the collection reference.

Please state on the dressing instruction if the seed is required on pallets and is to be collected by a pallet service company. Pallets will be charged at £ 5.00 per tonne (£6.25 per pallet)

Storage Premiums

The most significant change is that we have removed the April option for Dutch seed deliveries. This is in response to the uncertainties of the import rules in a Post BREXIT Britain (29th March 2019). All Dutch seed must be instructed for delivery by the 4th March 2019

The standard format for UK origin seed pricing is:

Nov/Dec as a base price, Jan +£10, Feb +£20, Mar +£40, Apr +£50

Reminders for 2018/19

Dressing / Delivery Instructions

We have to be strict in the application of Clause 7) ii) in the BPTA Conditions of Sale. *In the event of the Seed Potatoes being sold for delivery within a specified period the Buyer must give the Seller loading instructions not less than three weeks before the end of the specified period, time being of the essence.*

Customers taking seed on an ex farm basis, ordering for the last week of a delivery period and then failing to collect is a significant source of irritation to our contract growers. Seed must be collected within 4 working days of being made available. Detail on Page 3.

Period	Latest instruction	Period	Latest instruction
December	3 rd December	February	4 th February
January	7 th January	March	4 th March

As Easter is the 19th to 22nd of April 2019, we do not expect that it will have a significant impact as a consequence. If you are planning late deliveries, beware of the limited transport available at this time.

Small Lots

HZPC do not offer to supply seed in consignments of less than 2.5 tonnes either on a delivered or Ex farm basis. In the event that we do waive this restriction for any reason the minimum cost has risen from £ 450.00 to £ 500.00 per tonne.

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Sales

The price lists issued are HZPC's wholesale terms to yourselves and your normal trading margins should be added to these prices before offering the seed to farmer customers.

All offers are subject to the seed being unsold on receipt of order.

Orders HZPC - UK Limited's normal office hours are 8.00am to 5.00pm Monday to Friday. Normally a fax or e-mail will be acceptable advice of purchase, where stocks are limited a phone call is advisable. Faxes and e-mails will be acknowledged quickly. (Neither replaces your normal Contract of Purchase)

All sales are subject to Classification, Safe harvest, grading out – turn.

All Sales seed sales are subject to BPTA Conditions of Sale (English Law Version)

All Sales are Subject to HZPC's General Conditions of Sale.

Third Party - For the avoidance of doubt nothing in our contracts of sale shall confer on any third party any benefit or the right to enforce any term of such agreements.

Delivery

Delivery instructions - we will only prepare seed for dispatch on receipt of your loading instructions. This allows you to resell the seed in smaller lots, different containers and different delivery periods. Small drop and later delivery premia will be applied to the invoice as per the price list published at the time of order. The price list reference number will usually be printed on your contract of sale.

With the exception of the outlying areas of England and Wales, we will deliver 25 tonnes plus to the week specified 10 tonnes plus to the half month specified and less than 10 tonnes to the month specified, weather permitting.

We draw your attention to clause 7.1.2 of the BPTA Conditions of Sale. If loading instructions are not received more than 21 days before the end of the specified period and the seed is subsequently delivered in the next period, HZPC - UK will invoice the seed at the price applicable to the actual time of delivery, not the requested delivery period.

Split Grading – The storage management in The Netherlands differs from “standard” UK practice. The sizes supplied are specific to the variety and this is noted on the seed offer.

Special Arrangements for the outlying areas of England and Wales - These are defined by HZPC as: Cumbria, Northumberland, Wales, Hampshire, Kent, Sussex, Dorset Hampshire, Somerset, Devon and Cornwall.

We will deliver 25 tonnes or more to these areas at any time the seed is required by your clients.

All delivery instructions must be with HZPC **no less than 21 days** before these delivery weeks. HZPC reserve the right to refuse the delivery instruction or charge the additional costs incurred for delivery requests outside these conditions.

Small drops - HZPC do not offer deliveries of less than 2.5 tonnes(UK), 5 tonnes (NL). On occasion we have received instructions for less. Without accepting any obligation to accept these instructions they will be charged on a full cost recovery basis and in any event at no less than £500 per tonne delivered, £420.00 Ex farm if accepted.

Accounts

Accounts - must be settled within the agreed Credit Terms.

Delivery Period Detail

Price Period	Week Number	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
December Price	48	26-Nov-18	27-Nov-18	28-Nov-18	29-Nov-18	30-Nov-18	01-Dec-18	02-Dec-18
	49	03-Dec-18	04-Dec-18	05-Dec-18	06-Dec-18	07-Dec-18	08-Dec-18	09-Dec-18
	50	10-Dec-18	11-Dec-18	12-Dec-18	13-Dec-18	14-Dec-18	15-Dec-18	16-Dec-18
	51	17-Dec-18	18-Dec-18	19-Dec-18	20-Dec-18	21-Dec-18	22-Dec-18	23-Dec-18
	52	24-Dec-18	25-Dec-18	26-Dec-18	27-Dec-18	28-Dec-18	29-Dec-18	30-Dec-18
January Price	53	31-Dec-18	01-Jan-19	02-Jan-19	03-Jan-19	04-Jan-19	05-Jan-19	06-Jan-19
	2	07-Jan-19	08-Jan-19	09-Jan-19	10-Jan-19	11-Jan-19	12-Jan-19	13-Jan-19
	3	14-Jan-19	15-Jan-19	16-Jan-19	17-Jan-19	18-Jan-19	19-Jan-19	20-Jan-19
	4	21-Jan-19	22-Jan-19	23-Jan-19	24-Jan-19	25-Jan-19	26-Jan-19	27-Jan-19
	5	28-Jan-19	29-Jan-19	30-Jan-19	31-Jan-19	01-Feb-19	02-Feb-19	03-Feb-19
February Price	6	04-Feb-19	05-Feb-19	06-Feb-19	07-Feb-19	08-Feb-19	09-Feb-19	10-Feb-19
	7	11-Feb-19	12-Feb-19	13-Feb-19	14-Feb-19	15-Feb-19	16-Feb-19	17-Feb-19
	8	18-Feb-19	19-Feb-19	20-Feb-19	21-Feb-19	22-Feb-19	23-Feb-19	24-Feb-19
	9	25-Feb-19	26-Feb-19	27-Feb-19	28-Feb-19	01-Mar-19	02-Mar-19	03-Mar-19
	10	04-Mar-19	05-Mar-19	06-Mar-19	07-Mar-19	08-Mar-19	09-Mar-19	10-Mar-19
March Price	11	11-Mar-19	12-Mar-19	13-Mar-19	14-Mar-19	15-Mar-19	16-Mar-19	17-Mar-19
	12	18-Mar-19	19-Mar-19	20-Mar-19	21-Mar-19	22-Mar-19	23-Mar-19	24-Mar-19
	13	25-Mar-19	26-Mar-19	27-Mar-19	28-Mar-19	29-Mar-19	30-Mar-19	31-Mar-19
	14	01-Apr-19	02-Apr-19	03-Apr-19	04-Apr-19	05-Apr-19	06-Apr-19	07-Apr-19
April Price	15	08-Apr-19	09-Apr-19	10-Apr-19	11-Apr-19	12-Apr-19	13-Apr-19	14-Apr-19
	16	15-Apr-19	16-Apr-19	17-Apr-19	18-Apr-19	19-Apr-19	20-Apr-19	21-Apr-19
	17	22-Apr-19	23-Apr-19	24-Apr-19	25-Apr-19	26-Apr-19	27-Apr-19	28-Apr-19
		29-Apr-19	30-Apr-19	01-May-19	02-May-19	03-May-19	04-May-19	05-May-19

Deadline for Dressing Instructions for delivery period

Last delivery Week of the period

Easter

Plant Breeder's Rights

The majority of our business with you will be in varieties of which the plant breeder's rights are owned by HZPC. Our price lists give a synopsis of the special conditions of sale; our contracts have full details on the reverse in clause 3. It is the buyer's responsibility to confer these restrictions upon their customers.

General conditions of sale of HZPC Holland B.V. and HZPC UK Limited. (Hereafter referred to as HZPC)

Article 1 Applicable conditions

1.1. The following are applicable to our sales contracts of seed potatoes:

- The BPTA conditions of Sale.

As well as the additional conditions mentioned in the following articles:

1.2. HZPC explicitly reject general conditions of purchasers, which are contrary to the general conditions applied by HZPC, unless the parties have reached a written agreement in advance.

Article 2 Quality guarantee

2.1. With regard to seed potatoes, HZPC delivers on the basis of norms fixed in the inspection regulations of an official certifying authority and applicable to the class of seed potatoes delivered. Unless explicitly agreed, HZPC will give no supplementary guarantees. HZPC reserves the right to apply stricter norms than the official certifying authorities.

Article 3 Sales conditions of seed potatoes of HZPC varieties with Plant Breeder's Rights

- 3.1. Unless by specific written permission seed potatoes of HZPC-varieties with breeders rights cannot be entered into any classification scheme at any grade and cannot be used for further propagation without paying a reasonable remuneration to the breeder. Failure to pay will lead to prohibition of further propagation.
- 3.2. Upon request by HZPC, the buyer is obliged to supply HZPC with all the names and addresses of parties to which the buyer has delivered or sold seed potatoes to, originating from HZPC.
- 3.3. The buyer gives HZPC and its representatives the right to inspect, test and verify all fields planted with seed potatoes purchased from HZPC. Upon request by HZPC, the buyer is obliged to point out all fields planted with seed potatoes originating from HZPC.
- 3.4. The buyer is obliged to grant immediate access to his property and his potatoes, either in the field or in storage, to the inspection authorities who act on behalf of HZPC. If required, the buyer is obliged to give immediate access to his documentation such as invoices, relevant for the inspection.
- 3.5. The buyer is obliged to give full co-operation, as desired by the seller, including co-operation in collecting any evidence necessary in a case in which HZPC will be involved in a procedure regarding Plant Breeder's Rights or other intellectual property rights.
- 3.6. Seed potatoes of varieties with Plant Breeder's Rights are to be planted exclusively in the buyer's country; export of those varieties is expressly forbidden.
- 3.7. In the case of resale of seed potatoes of varieties with Plant Breeder's Rights, the buyer is obliged to agree with his purchaser on the conditions stipulated in article 3.1 to 3.6 inclusive. At all times buyer will be responsible for fulfilment of these conditions by his purchasers.
- 3.8. In case the buyer does not comply with above-mentioned conditions, the seller has the right to demand compensation among which can be included loss of profit.

Article 4 Force majeure

4.1. In case of force majeure, including circumstances created by the weather, resulting in inferior stocks, HZPC shall be relieved of any or all of its obligations in the contract.

Article 5 Complaints and compensations

- 5.1. If damage occurs, the buyer is obliged to keep this damage to a minimum to prevent further deterioration of the product. The seller can be indebted to no more than the invoice value of the goods, for which grounded complaints exist.
- 5.2. Nothing in this agreement shall confer on any third party any benefit for the right to enforce any term of disagreement.

Article 6 Conditions of payment

- 6.1. If, after realisation of an agreement, the financial circumstances of the opposite party are dubious and no payment securities are granted, HZPC still has the right to require payment security. If buyer does not comply, HZPC reserves the right to cancel the agreement and be compensated for all costs.
- 6.2. The term of payment amounts to 30 days after invoice date, unless agreed otherwise. If payment has not been effected within this period, the buyer is indebted for the interest amounting to 12 % per annum, to which each part of a month will be counted, without the necessity of proof of default.
- 6.3. In the case of non-timely payment, suspension of payment or bankruptcy, HZPC has the right to re-claim its goods and for that purpose enter the properties and buildings of the buyer.

Article 7 Right

7.1. To all our agreements English law is applicable.

Any changes to these terms will be notified in writing.