



# FLEUROSELECT RULES OF PROCEDURE

Updated per 15<sup>th</sup> July 2016

## LANGUAGE

### Rule 1

The official language of the association as used at meetings and in the Rules of Procedure is the English language.

## MEMBERSHIP (articles 3, 4 and 5)

### Rule 2 (applicable to the Association and to the Business Units)

1. Representation: The number of full members connected with each other shall not exceed 20% of the total number of full members. For the purpose of this section a full member will be regarded as connected with another full member if:
  - more than 25% of the issued share capital in any full member company is owned by or on behalf of shareholders in another full member company or by or on behalf of such other full member company itself; or
  - more than 25% of the issued share capital in any full member company is owned by any other person or company (whether or not also a full member of this Association) which also owns not less than 25% of any other full member company.
2. Companies offering ancillary services may join the association as associate members
3. Application for membership: new members must present themselves in person to the A.G.M. If this is not possible for whatever reason, then the company should at least present itself to the members at another occasion e.g. at a Business Unit Meeting.
4. Withdrawal from membership: Full Members and associate members may withdraw from membership only at the end of the calendar year. Notification of withdrawal shall be received by the Secretary before the first of October and be confirmed within 2 weeks
5. Expulsion of Members: Membership can be terminated by the association at the end of the current financial year, subject to at least four weeks' notice and without prejudice to the provisions of the law,
  - a. in the event that a member, after repeated written reminders, has not met his financial obligations in full on the first of November.
  - b. if a member is acting contrary to the Articles of Association, the Rules of Procedure or resolutions of the association, or if he is injuring the association in an unreasonable way.

The expulsion shall be decided on by the Board, who shall inform the member concerned of the resolution as soon as possible, stating the reasons for the expulsion. The member may appeal to the Board against this expulsion within 3 months of their decision. Should the Board maintain their decision, this requires approval of the Annual General Meeting.

6. Honorary members are persons who have been appointed as such by the Board of Directors. Honorary Membership honours (employees of) members for exceptional contribution to Fleuroselect. There can be a maximum of ten honorary members at one time.
7. The Fleuroselect Laureate is an award to individuals for outstanding contribution to the flower trade in general and/or to Fleuroselect, independent from any official function in the organisation. Laureates are nominated and chosen by the Board. The Secretary contacts the Laureate for acceptance of the award and requests permission to use the name of the Laureate for publicity purposes.

## **THE BOARD OF DIRECTORS AND BUSINESS UNIT ORGANISATION (article 7)**

### Rule 3

1. The Board meets at least twice a year following a written convening notice from the President or at the written request of at least three of its members.
2. Resolutions are adopted by a majority of the votes cast by the members present. Each member has one vote. The President holds the casting vote.
3. Minutes of each meeting are made by the Secretary and must be approved by the Board and signed by the President.
4. The members of the Board receive a reimbursement for travel costs, which are exclusively made for attending Board meetings, with exception of the convention meeting. This reimbursement is reviewed annually by the Treasurer and accepted by the Board. Fleuroselect pays hotel costs during meetings, with the exception of the convention meeting.
5. The President is appointed by the General Meeting for a period of three years, upon the expiry of which, in exceptional cases, he may be eligible for re-election for another term of office of maximum two years.
6. The term of office is effective per 1st of January.
7. A member of the Board of Directors is a full member representing the Business Unit that delegated him to the Board.
8. If a Board member is not re-eligible for re-election and the respective Business Unit cannot find a successor, this seat shall remain vacant until the members of the respective Business Unit nominate a candidate.
9. Chairman and vice-chairman of the Business Units are appointed for a period of three years, upon the expiry of which they are eligible for re-election for two more terms of office of three years. Additional periods may be added if approved by the Business Unit members and confirmed by the A.G.M.
10. The term of office of Chairman and Vice-chairman of the Business Units is effective per 1st of January.

11. Chairman and Vice-chairman of the Business Units may be suspended and removed from the office by resolution of the full members of the Business Unit, if it is considered that there are grounds for such an action.
12. Vice-chairman has the first option to take over the chair if the Chairman resigns.

## OBJECTIVES

### Rule 4

The Business Unit allows a platform for specific areas of business interests. The objective of the Business Unit is to represent and co-ordinate these specific interests of the floriculture industry under the umbrella of the general Fleuroselect organisation.

## RESPONSIBILITIES

### Rule 5

1. All full members of Fleuroselect can apply for participation in a Business Unit.
2. New members of a Business Unit will be accepted in accordance with Articles of Association 3 and 4. They shall give proof of activities in the related Business Unit.
3. Full members of a Business Unit elect a Chairman and a Vice-chairman
4. The Chairman and the Vice-chairman represent the Business Unit on the Board of Directors.
5. The Business Units make a detailed plan and budget for strictly Business Unit activities, which have to be presented to the Board of Directors for approval.
6. Business Units can define their own rules which apply to the respective Business Unit members only and are in accordance with general Fleuroselect rules and approved by the Board of Directors.

## THE SECRETARY

### Rule 6

1. The Secretary is in charge of carrying out the work of the association as instructed by the Board of Directors. The Secretary appoints members of staff and is responsible for the daily running of the Secretariat. The Secretary has financial responsibility for purchases and payments. The Treasurer or in his absence a member of the Board of Directors, must countersign for amounts exceeding EUR 5000.
2. The Secretary ensures that a written convening notice is sent to all relevant members a month prior to all official meetings.
3. The Secretary is not permitted to disclose any confidential data such as figures of turnover of companies and varieties.

## THE TREASURER

### Rule 7

1. The Treasurer is appointed by the Board. He supports the Secretary in all financial matters. He countersigns for payments and contracts above EUR 5000 and signs off all bank statements. The Treasurer is responsible for the preparation of all Financial reporting to the Board and to the Annual General Meeting. The Treasurer has no voting rights on the Board.

## **COMMITTEES**

### Rule 8

1. The members of a committee are appointed by the Board, based on expertise.
2. The association has an Entries and Evaluation Committee for Gold Medal trials, Novelty trials and the FleuroStar contest.
3. Members of committees receive a reimbursement for travel costs if exclusive made for attending committee meetings, with the exception of the convention meeting. These are set by the Treasurer and approved by the Board. Fleuroselect pays hotel costs during meetings, with the exception of the convention meeting.
4. Committees are responsible for preparing their own Rules of Procedure for the trials, which should be approved by the Board.

## **THE MANAGEMENT TEAM**

### Rule 9

1. The Management Team is composed of the President, the Vice-President, the Treasurer, and the Secretary. If no other Dutch member is on the committee, a Dutch Board member may be added for the purpose of advising on Dutch law and contracts. The Management Team is primarily responsible for managerial items of the internal organisation.

## **WORKING GROUPS**

### Rule 10

1. The association recognises working groups which are appointed by the Board for specific activities.
2. Members of working groups receive a reimbursement for travel costs if exclusive made for attending meetings, with the exception of the convention meeting. These are prepared by the Treasurer and approved by the Board. Fleuroselect pays hotel costs during meetings, with the exception of the convention meeting.

## **TRIAL GROUNDS FOR GOLD MEDAL AND NOVELTY TRIALS**

### Rule 11

1. The Board reserves the right to appoint or withdraw a trial ground.
2. The Board appoints trial grounds upon recommendation by members or the Entries & Evaluation Committee, taking into consideration their competence,

expertise and capacity to carry out the trials correctly and to evaluate the entries in a proper way.

3. Trial grounds may keep Fleuroselect trials separate from their internal trials to allow members to visit.
4. Trial grounds may use none of the plant material entrusted to them and they ensure its complete destruction after their final judgement. All plant material remains the property of the entrant and may not be used for breeding purposes.
5. Trial grounds must allow the members and the Secretary of the association to visit the trials.
6. Trial grounds undertake all the necessary steps to ensure that the trials are a success, using the samples supplied, according to the instructions, e.g. indications for growing as given by the entrant or those laid down in the rules.
7. For vegetatively propagated entries, trial grounds must complete a Test and Trial covenant.

## **JUDGES**

### Rule 12

1. Trial grounds must appoint a judge to evaluate their trials.
2. Judges who are not trial holders are appointed by the Board.
3. The judges meet once a year to exchange experiences.
4. Judges evaluate each entry that has been planted. They present a final judgement by filling out the appropriate score sheet in accordance with the guidelines laid down in the Rules of Procedure,
5. They undertake to return the completed score sheet to the Secretary before the date specified by the Entries and Evaluation Committee.
6. Judges may not return a score sheet for an entry from their own company or affiliated or associated company.

## **ENTRIES AND PROCEDURES**

### Rule 13

1. Entries may be submitted by full members.
2. Procedures for Entering and Judging each of the trial categories are set by the Entries and Evaluations Committees and approved by the Board.

## **NOVELTIES**

### Rule 14

1. The rules for determination of Novelties are set by the Entries and Evaluation Committee.
2. The entrant of the entries which have been acknowledged by the Board to be novelties and accepted as such by the entrant, decides if the Novelty protection will last eight, fifteen, twenty or twenty five years. One year before

protection ends, the entrant can declare to the secretariat the extension of the Novelty protection period for this entry to the next longer period.

3. The entrant undertakes to introduce an entry as referred to in paragraph 1 within three years of the decision referred to in paragraph 1. When an entry is not introduced within three years, the entrant may ask the Board to extend this period by one year. If introduction has not taken place after 3 years or after the extension, Novelty status is annulled. Any Novelty protection paid for when Novelty status was granted will be forfeited.
4. The entrant shall name each of the entries referred to in paragraph 1.
5. The entries referred to in paragraph 1 may only be traded under the registered name or a translation approved by the entrant.
6. The name and translation as referred to in paragraph 4 shall, together with the entrant's name and the name of the species, be included in the Novelty register to be kept by the Secretary, the year following the acknowledgement as meant in paragraph 1.
7. The entrant of an entry, which has been considered by the Board to be a Novelty, has the right to decline the nomination as a Novelty at any time, in which event the provisions of Rule 13 shall not be applicable.
8. The Novelty register is sent annually to all members and published on the Fleuroselect Website.
9. The Approved Novelty Logo may be applied to varieties having been granted Novelty Protection.
10. Botanical species cannot be protected and these varieties are therefore not to be considered as novelties.
11. Vegetatively propagated varieties entered for trials will not be offered novelty protection.

## **OBLIGATIONS OF ALL MEMBERS REGARDING NOVELTIES**

### Rule 15

1. Entries which have been accepted by the Board to be Novelties and have been accepted as such by the entrant are included in the Novelty register for a nominated period according to Rule 11, paragraph 1.
2. Each member undertakes, for the period of protection, not to reproduce varieties referred to in paragraph 1, unless a member has been authorised by the breeder.
3. Each member undertakes, for the period of protection, not to market reproduced entries referred to in paragraph 1 nor varieties violating the protection of entries referred to in paragraph 1.
4. Each member undertakes, for the period of protection, to buy entries referred to in paragraph 1 only from the breeder or from those who have been authorised by the breeder.

5. Each member undertakes to report to the Secretary (with name and surname) any use made of the entries referred to in paragraph 1 which is contrary to the wording and intent of these Rules of Procedure.
6. The period referred to in paragraph 1 will start on the 1st January following the year when the Board has accepted the entry as a Novelty.

## **VIOLATION OF NOVELTY PROTECTION**

### Rule 16

1. If an entrant assumes that protection of his variety has been encroached upon, he will first urge the seller to refrain from such violation.
2. If the issue is not resolved, he may apply to Fleuroselect and the Secretary on the basis of the Rules of Procedure will approach the other party in writing.
3. Failing this, the Secretariat will obtain the original variety at issue and have it trialled by Fleuroselect in comparison to the protected variety, at the expense of the entrant of the protected variety. It will be judged in the usual way and evaluated by the Entries and Evaluation Committee. If it does not obtain the 75% majority required for Novelty protection, this will serve as evidence of its encroachment upon the protection of the other variety. Fleuroselect will refund the entry fee for this trial to the entrant if violation of his Novelty rights is proven. In that case the Board will,
  - a. if the seller of the variety is a member of Fleuroselect, ask him in writing to immediately stop any offers and deliveries. If he does not comply with this demand, the Board may decide on his expulsion (rule 2.4.b).
  - b. if the seller of the variety is not a member of Fleuroselect, inform all Fleuroselect members about the infringement of variety protection and refer them to their obligations under Rule 15.

## **GOLD MEDAL WINNERS**

### Rule 17

1. Following recommendation from the Entries & Evaluation Committee, the Board decides if an entry is to be awarded the Fleuroselect Gold Medal.
2. The entrant has the right to refuse a Gold Medal nomination before-hand or up to one week after the Board has advised him of the results. In this case rule 17 no longer applies.
3. A designated Gold Medal winner will be introduced if in the Board's opinion:
  - a. enough commercial stock is available on 1st November of the year prior to introduction;
  - b. the name of the variety proposed by the entrant is acceptable;
  - c. sufficient information and material for publicity purposes is available.
4. The entrant abstains from any publicity, in whatever form, concerning his entry until the Board has decided on the introduction.

5. The entrant, after his entry has been awarded a Gold Medal, is given a period of 3 years to enable the introduction of the awarded entry. The Board can extend the said period twice by one year.
6. The entrant of a designated Gold Medal winner has an obligation to introduce the variety unless exceptional circumstances which have been accepted by the Board prevail. In this event the provisions of rule 17 shall not be applicable.
7. The entrant of a seed raised Gold Medal winner shall provide sufficient samples of his entry for distribution to trial grounds and display gardens.
8. The entrant may present his Gold Medal winning variety at a professional level of the industry after all members of the association have officially been made aware of the award.
9. A seed raised winning garden variety may be delivered to third parties, from the date of the announcement.
10. The entrant is at liberty to determine the distribution strategy for the Gold Medal winner.

## **FLEUROSTAR CONTEST**

### Rule 18

1. The FleuroStar contest is set-up and executed by the FleuroStar Entries & Evaluation committee with rules and locations approved by the Board.
2. On the basis of the recommendation from the FleuroStar Entries & Evaluation Committee, the Board determines if an entry is to be awarded the FleuroStar
3. The FleuroStar award may not be refused.
4. A winning variety must be available for immediate introduction in the coming season unless exceptional circumstances prevail.
5. The entrant may present his award winning variety at a professional level of the industry after all members of the association have officially been made aware of the award.

## **CONFIDENTIALITY**

### Rule 19

No information whatsoever is given by any constituent body of the association concerning an entry which has not been awarded a Gold Medal or FleuroStar award nor has been considered to be a Novelty, if such information would damage the interests of the entrant.

## **CONVENTIONS**

### Rule 20

1. The Fleuroselect convention is organised annually by an Organising Committee of members with the assistance of the secretariat.
2. The Organising Committee makes a detailed budget, which is presented to the Board of Directors, via the Treasurer, for approval. The costs for the meetings and the Board of Directors dinner are paid out of the budget



3. Unless they participate at the convention as a member, Laureates are invited to the convention for presentation of the Laureate (at the cost of Fleuroselect). Honorary members and their partners are invited to participate at the whole convention at the cost of Fleuroselect (excl. hotel and travel costs). The conventions can only be attended by representatives of members. Others can only be invited by the Board of Directors.

## **FINANCES**

### Rule 21

1. The Board controls the financial resources of the organisation.
2. The financial resources of the association are made up of:
  - a. membership fees calculated from turnover in ornamentals or for non-ornamental companies in Home Gardening related plant products.
  - b. entrance fees – new members pay an entrance fee in the year which they join which is equivalent to a membership fee.
  - c. entry fees, paid for each entry which is accepted for the trials;
  - d. novelty register fees, for each entry listed in the Novelty register;
  - e. assessments for varieties which have been awarded the Fleuroselect Gold Medal or the FleuroStar being a percentage of the annual turnover; Fleuroselect is entitled to verify assessment figures provided by breeders with the assistance of an auditor appointed by Fleuroselect and approved by the Board;
  - f. fees for other or additional services rendered as agreed;
  - g. revenues from different sources as they arise.
3. The fees and assessments are payable within 30 days upon receipt of the respective invoice. If payment is not received within 30 days after invoice date, interest will be charged over the period from the date of invoice. The rate is to be set by the Treasurer and approved by the Board and will include a recovery charge.
4. The Treasurer prepares an annual budget for approval by the Board. This is then presented for approval to the Annual General Meeting. The budget includes a specification of the fees and assessments.
5. The Secretary executes the financial administration and prepares the Financial Report. The Treasurer reviews the financial administration and the Financial Report and makes them available to the members of the Board.
6. The Board has an obligation to have a compilation report prepared on the Financial Report.
7. The Treasurer presents the Financial Report to the Annual General Meeting.
8. As per Dutch Law, the Board of Directors is jointly responsible for the approval of the Financial Report.