



FloraHolland

Articles of Association

Coöperatieve Bloemenveiling FloraHolland U.A.



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Articles of association of **Coöperatieve Bloemenveiling FloraHolland U.A.**, a cooperative, having its registered office in Aalsmeer, maintaining offices at Legmeerdijk 313 in 1431 GB Aalsmeer, registered in the trade register under number 34284016, as these read after the merger between Coöperatieve Bloemenveiling FloraHolland U.A., at the time of the merger having its registered office in Naaldwijk and Coöperatie Bloemenveiling Aalsmeer U.A., at the time of the merger having its articles of association in Aalsmeer (disappearing legal entities), laid down by deed executed on 31 December 2007 before A.Q. Blomaard, civil-law notary practising in Rijswijk, Zuid-Holland.

ARTICLES OF ASSOCIATION

Name and registered office.

Article 1.

1. The cooperative is called: **Coöperatieve Bloemenveiling FloraHolland U.A.**, hereafter called "the cooperative".
2. The cooperative is based in the municipality of Aalsmeer.
It can have establishments elsewhere, including outside of the Netherlands.

Duration.

Article 2.

The cooperative was founded as of One January Two Thousand and Eight by a legal merger of the cooperative based in Naaldwijk: Coöperatieve Bloemenveiling FloraHolland U.A. (hereafter: FloraHolland) and the cooperative based in Aalsmeer: Coöperatie Bloemenveiling Aalsmeer U.A. (hereafter: Bloemenveiling Aalsmeer). By this merger the cooperative took over under universal title all assets acquired from both of the aforementioned cooperatives which ceased to exist following said merger.

Objects.

Article 3.

1. The objects of the cooperative are to act in the interests of its members, in particular but not exclusively, by promoting the sale of ornamental plants and flowers in the broadest sense of the word.
2. The cooperative shall strive to achieve these objects by, inter alia:
 - a. holding auctions of ornamental plants and flowers;
 - b. selling and trading in ornamental plants and flowers other than by auction;

- c. supervising the capacity, quality, quantity, packing and sorting of ornamental plants and flowers to be settled via the cooperative;
 - d. deflecting unwanted actions and situations upon the production and sale of ornamental plants and flowers;
 - e. consulting and working together with other interested parties and organisations working in the interest of Dutch horticulture, in particular the ornamental plant and flower industry;
 - f. cooperating in collective transport for members;
 - g. purchasing and exploiting horticulture supplies on behalf of the members;
 - h. together with others or alone, producing advertising and giving information to the public regarding ornamental plants and flowers;
 - i. leasing and in other ways exploiting real estate and other assets on behalf of the sale of ornamental plants and flowers or to achieve the other goals of the cooperative;
 - j. all other activities which ensue from the objects of the cooperative or could be conducive thereto.
3. The cooperative is authorised to cooperate in promoting general horticulture interests, both by financing or co-financing of projects geared thereto and in other ways.
 4. The cooperative is authorised to participate in, work together with and provide financing to businesses with similar objects as those of the cooperative or with objects which are or can be useful for the cooperative.
 5. Moreover, the cooperative can serve the interests of its members by giving them operating advances on the proceeds of products still to be settled via the cooperative. These advances shall be limited in time and scope and secured by participation of the parties involved in the member's loan of the cooperative or shall be properly secured in some other way.
 6. Pursuant to a decision of the cooperative board, the cooperative is authorised to stipulate rights in the name of the members and to judicially enforce the stipulated rights on behalf of the members, which includes claiming compensation.
 7. Provided such is intended to preserve or reinforce the market place of ornamental plants and flowers in the Netherlands and/or the production of ornamental plants and flowers in the Netherlands, the cooperative can also develop its aforementioned activities or one or more thereof outside of the Netherlands.

8. a. The cooperative is authorised to have its activities carried out (in part) by businesses in which it has a whole or partial, direct or indirect stake, in whatever manner, either in the form of a stake in the share capital, or in the form of participation as a managing or limited partner, or in any other form of joint venture. In these articles of association these businesses shall be called "affiliated businesses", provided the cooperative board designates them an affiliated business. A decision of the cooperative board to make such designation shall be made on the proposal of the management. The members shall be informed of such designation in writing.
- Upon a proposal of the management, the cooperative board can revoke a designation as referred to above. The management shall immediately give the members written notice of such revocation.
- b. Before the cooperative board makes a proposal for a designation as referred to above, the management shall see to it that the cooperative enters into an agreement with the affiliated business, pursuant to which such business shall be subject to the obligation to always ensure that it provides the cooperative with all information and details which the cooperative requires for the proper application of the articles of association, regulations and decisions of the cooperative in due time and which agreement also provides for a satisfactory monitoring power thereof by the management or the persons designated by the management.

Definitions.

Article 4.

In these articles of association the following terms have the following meaning:

- **by recorded mail:** by recorded mail with confirmation of receipt or with proof from the postman that the item was offered to the addressee, or by bailiff's writ;
- **supplier(s):** the members insofar as they are not acting as buyer of ornamental plants and flowers, and non-members who sell ornamental plants and flowers by or via the cooperative;
- **the general meeting:** the general meeting of the cooperative as a body, and the gathering of this body;
- **the cooperative board:** the board of directors of the cooperative;
- **Book 2:** Book 2 of the Dutch Civil Code;
- **the cooperative:** the cooperative mentioned in Article 1;
- **the management:** the management of the cooperative;

- **group:** a composition of legal entities and/or companies which in the opinion of the cooperative board are organisationally connected in such way that they should be seen as a unit;
- **group company:** the legal entity or company which forms part of a group;
- **levies:** fees owed by suppliers to the cooperative for services provided by or on instruction of the cooperative other than services relating to the sale of products;
- **the member/members:** the member/members of the cooperative;
- **the member agreements:** the agreements of the cooperative with its members as referred to in Article 53 Paragraph 1 of Book 2;
- **combination of persons:** natural persons and/or legal entities who jointly run a business as referred to in Article 6 Paragraph 1.c;
- **commission:** a percentage of the purchase price of the products sold by a supplier which are to be settled via the cooperative;
- **the supervisory board:** the supervisory board of the cooperative;
- **in writing:** includes by e-mail, by telefax or by any other telecommunication medium which is enabled to transmit written text, unless the contrary ensues from the law or from a provision of these articles of association;
- **ornamental plants and flowers:** all products which are commonly accepted as such, unless and insofar as the cooperative board has stated that a given product is not deemed an ornamental plant or flower, and furthermore the products which the cooperative board has designated ornamental plants and flowers;
- **the meeting of regional chairmen:** the meeting referred to in Article 25 Paragraph 5.

General provisions.

Article 5.

1. Alteration of amounts

Amounts set out in these articles of association can be altered by the general meeting upon a proposal of the cooperative board.

2. Hardship clause

In the event full enforcement of any provision by or pursuant to these articles of association shall, in the opinion of the cooperative board, in individual cases lead to substantial unfairness, the cooperative board can declare such provision not to apply in whole or in part, temporarily or otherwise. The cooperative board can make such decision subject to conditions.

3. Appeal

If these articles of association allow an appeal before the supervisory board against a decision of the cooperative board, the supervisory board shall determine, by regulations determined by the supervisory board or otherwise, the way in which the appeal shall be dealt with.

4. Compensation

- a. The cooperative can set off the amounts it can claim from a member or former member under the heading of these articles of association, regulations or under any other heading whatsoever at any time against what the cooperative owes such member or former member, even if the claim of the member or former member on the cooperative is not yet due.
- b. The (former) member who owes any amount under whatever heading to the cooperative can never set off this amount against what the cooperative owes him unless the cooperative has agreed to such in writing.

5. Costs

All costs caused by the - judicial or otherwise - collection of amounts owing by a member or former member to the cooperative are at the expense of the relevant member or former member.

6. Member agreements

- a. The member agreements shall be laid down in writing. These member agreements shall include the provision that changes can be made therein pursuant to a decision made by the cooperative board. The members shall be given written notice of changes thus made.
- b. The cooperative is authorised in the course of its business to enter into agreements with third parties which are similar to those it enters into with its members, provided that these agreements with third parties are not such that the agreements with its members would only be of subordinate significance for its business.

7. Affiliated businesses

When a business is designated an affiliated business, the cooperative board can, on a proposal of the management, specify for the application of which provisions of these articles of association or rules laid down pursuant to these articles of association, the affiliated business shall be deemed equivalent to the cooperative itself, such as provisions regarding commission, the liquidity contribution, the member's loan and the participation reserve.

Obtaining (ordinary) membership.

Article 6.

1. The following can be members of the cooperative:
 - a. Natural persons and legal entities who are not bankrupt and run one or more businesses in which ornamental plants and flowers are cultivated.
 - b. Legal entities which are not bankrupt and the participants (members or partners) of which run one or more businesses as referred to under a.
 - c. Combinations of persons, such as a (public) company and limited partnership, which are not bankrupt and run one or more businesses as referred to under a.

A combination of persons does not have to become a member if all participants of that combination are themselves a member or become a member of the cooperative.

2. Legal entities which do not themselves run an ornamental plant and flower business (such as associations of suppliers), and combinations of persons can only be a member if all participants (partners or members) also become a member.

The cooperative board can grant dispensation from the requirements of the preceding sentence, on conditions to be determined by the cooperative board.

The cooperative board can deem participants to whom dispensation is granted to be members for the application of provisions to be designated by the cooperative board laid down by or pursuant to these articles of association. These provisions can include, inter alia, Article 11 (termination by the cooperative board), Article 17 (member's loan), Article 18 (member obligations), Article 27 Paragraph 1 (representative in the general meeting), Article 31 (participation reserve) and Article 32 (legal entities reserve).

3. With regard to members referred to in parts b. and c. of the first paragraph of this article, all participants (members or partners) in addition to the legal entity or combination of persons of which they form part are severally bound vis-à-vis the cooperative to perform all obligations ensuing from the membership of said legal entity or combination of persons.

The products sold by the above-mentioned members by or via the cooperative shall be settled in one name. The turnover thereby achieved and/or the monies directly or indirectly derived therefrom, such as the commission and the addition to the member's loan, shall be entered in the books of the cooperative after every financial year for such part in the name of each participant (members or partners) as the participants specified at the start of the membership or within fourteen days after the end of the

relevant financial year and in the event of lack of such specifications, for equal parts.

4. Membership must be applied for in writing. The cooperative board shall establish an application form which can also encompass the contents of the members agreement. This form must be handed over to the cooperative, completed in full by the applicant(s) and, signed by the applicant(s) and participants, accompanied by the documents set out in the form. The applicant who is registered in the trade register shall submit a recent excerpt from the trade register with the application. After admission to the membership, the member is bound to inform the cooperative in writing of every change which occurs with regard to the details submitted at the start of the membership or thereafter, submitting documents which evidence the change.
5. If an applicant is informed that he has been admitted by the cooperative board, he shall also be informed as to the date as of when the membership starts or has started. This date shall at earliest be the date of receipt by the cooperative of the application for the membership.
6. In the event of rejection the cooperative board shall give the relevant person written notice thereof. For a period of fourteen days after receipt of the notice the relevant person has the right to lodge an appeal against the decision of the cooperative board with the supervisory board. If the supervisory board decides on admission, it shall also stipulate as of what time the membership starts. The supervisory board can make the admission subject to rules.
7. The membership is personal and is therefore not open to transfer or transmission. Nevertheless the cooperative board can, in cases which in its opinion are eligible, such as death, legal merger or division and change of legal form, after consultation with the relevant persons, make arrangements which entail that a legal successor shall take the place of his legal predecessor in whole or in part for the application of the eligible provisions, such as those relating to the member's loan or the participation account.

Extraordinary members.

Article 7.

1. Natural persons can, at their request, be admitted to the cooperative by the cooperative board as extraordinary members.
2. The cooperative board can decide that extraordinary members owe a periodic contribution to the cooperative and shall then determine the amount thereof.

3. The provisions of these articles of association regarding the end of the membership apply as much as possible mutatis mutandis to the extraordinary membership.
4. Extraordinary members have no further rights than the right to be called to the general meeting, the right of access to such meeting and the right to receive information regarding the cooperative and its business/businesses at the times and in the manner determined by the cooperative board. Extraordinary members have no voting right in the general meeting, nor the right to speak at the general meeting.
5. Everything relating to extraordinary members can be regulated by the cooperative board.

End of the membership.

Article 8.

1. Membership ends:
 - a. due to the death of the member. If the member is a legal entity, its membership shall end when it ceases to exist;
 - b. due to termination by the member according to Article 10;
 - c. due to termination by the cooperative board in accordance with Article 11;
 - d. due to expulsion in accordance with Article 12.
2. If the membership ends in the course of the financial year, the annual contribution owed for the financial year shall nevertheless still be owed in full.

Services after death.

Article 9.

After the death of a member, during a time period of at most twelve months after the death, his heirs and legal successors have the right, on the same conditions as the members, to make use of the services of the cooperative with regard to the products of the business which belonged to the deceased. An individual who wishes to enforce the right referred to in the preceding sentence must present a declaration of admission to the estate to the cooperative board which evidences that he is entitled to enforce the right, or a declaration of admission to the estate and written authorisations from the other entitled parties from which his entitlement ensues.

Membership. Termination by a member.

Article 10.

1. Termination of the membership by a member can only be effected in writing. The member who is terminating the membership shall receive written notice of receipt of the termination by or on behalf of the

cooperative board.

2. Termination by the member can take place at any time; if it is effected earlier than three months before the end of the current financial year the membership shall terminate at the end of the current financial year; if notice is given at a later time of the financial year, the membership shall terminate at the end of the following financial year.
3. In deviation from the provisions of the two preceding paragraphs, a member can terminate his membership with immediate effect if it would be unreasonable to demand that the membership continue. A member can also terminate his membership with immediate effect within one month after he has been informed or has become aware of a decision in which his rights are limited or his obligations are encumbered, subject to the following. A member does not have this right of termination in the event of a change in the applicable rights and obligations.

A member can furthermore terminate his membership with immediate effect within one month after he has been informed or become aware of a decision to convert the cooperative into another legal form or to effect a merger or division.

Membership. Termination by the cooperative board.

Article 11.

1. The cooperative board can terminate a member's membership, effective as of the next financial year and without having to observe a notice period:
 - a. if the member has lost one or more requirements for membership;
 - b. if the member on average has settled less than fifteen thousand euros (EUR 15,000) in products via the cooperative per financial year during three consecutive financial years.
2. The cooperative board can also terminate a member's membership with immediate effect if it cannot be reasonably demanded of the cooperative for the membership to continue.
3. The cooperative board will inform the member in question of a decision as referred to in the preceding paragraphs of this article as soon as possible by recorded mail, specifying the reason for the notice.
4. The member whose membership has been terminated with application of paragraph 2 of this article has the right for a period of thirty days after receipt of the notice referred to in the preceding paragraph to lodge an appeal with the supervisory board against the decision of the cooperative board.

Membership. Expulsion.

Article 12.

1. Expulsion from membership can be effected if a member acts contrary to the articles of association, regulations or decisions of the cooperative, or unreasonably disadvantages the cooperative.
2. The expulsion shall be effected by a decision of the cooperative board which must set out the facts on which the decision for expulsion is based. The cooperative board shall inform the member of a decision to expel by recorded mail.
3. The cooperative board shall not make a decision to expel until after the member involved has been given written notice of the objections existing against him and the cooperative board, or directors so designated by the cooperative board, of whom there must be at least two, have heard him, or have given him notice to present his case by recorded mail.
4. For a period of thirty days after receipt of the notice referred to in Paragraph 2, the relevant member has the right to lodge an appeal with the supervisory board against the decision of the cooperative board.

Article 13.

The members whose membership has terminated, in whatever manner, shall immediately lose all related rights and functions, but only for the period after loss of membership. Upon the first demand of the cooperative board they are obliged to pay to the cooperative everything they owe the cooperative, under any heading whatsoever.

Suspension.

Article 14.

1. The member whose membership has been terminated by the cooperative board with immediate effect pursuant to Article 11 Paragraph 2 and the member in respect of whom a decision to expel has been made by the cooperative board and who has been given notice of said decision, shall be suspended during the term within which he can lodge an appeal against the decision of the cooperative board with the supervisory board and while awaiting the appeal.
2. The cooperative board can suspend a member whose actions or omissions are contrary to the articles of association, regulations or decisions of the cooperative, or unreasonably disadvantage the cooperative, for a period of a maximum of three months and can extend this suspension one time by no more than three months.
The cooperative board shall immediately give the relevant member written notice of the decision, stating the reasons therefore.

The member in question has the right to lodge an appeal with the supervisory board within thirty days after receipt of the notice.

3. In the event a suspended member forms part of a body of the cooperative, his suspension shall also entail a suspension of his function in that body.
4. In the event a member-legal entity is suspended, the same applies with regard to its direct or indirect director who forms part of any body of the cooperative.
5. During a suspension the member is not entitled to attend meetings of the cooperative or be represented in said meeting. The cooperative board is authorised to decide in cases which in its opinion merit such, that during his suspension the member in question shall not be entitled to exercise the other rights granted to him pursuant to the articles of association. The cooperative board must immediately give the relevant member notice thereof by recorded mail.
6. The member who is suspended shall remain bound to perform all his obligations ensuing from the membership and the members agreement.

Financial resources.

Article 15.

The funds necessary to achieve the goal of the cooperative board can be obtained by, inter alia:

- a. charging an annual contribution of the members;
- b. charging commission;
- c. charging fees and levies for services provided by the cooperative or by actions of the cooperative;
- d. taking out monetary loans and credit facilities, inter alia by establishing a member's loan;
- e. charging a liquidity contribution to the members, being a percentage of the purchase prices of the products to be settled by the members via the cooperative, to cover any deficit of the cooperative over the financial year in which the contribution is charged.

The amounts so held form a conditional claim of the member on the cooperative. This claim is interest-free unless and insofar as it is added to the member's loan pursuant to the provisions hereafter, in which case the claim is interest-bearing as of the start of the financial year in which the addition occurs. Unless and insofar as the annual accounts show a deficit which is to be covered by the liquidity contribution pursuant to a resolution of the general meeting, it shall be paid by addition to the member's loan immediately after the adopting of the annual accounts over the relevant financial year;

- f. other assets.

Article 16.

1. Upon a proposal of the cooperative board the general meeting shall determine the amount of the contribution of the members, as well as the amount of the commission referred to in Article 15 Paragraph 1.b, the lot levies, the stacking trolley levies, and the liquidity contribution as referred to in Article 15 Paragraph 1.e.

A levy is a lot levy or a stacking trolley levy if a levy is noted as such by the cooperative board.

2. The cooperative board shall determine the other fees and levies and the further conditions for the services to be provided by the cooperative, and charge the supplements on the commission to suppliers who are not a member of the cooperative. The cooperative board can delegate this right, which includes a partial delegation, to the management.

Member's loan.

Article 17.

1. Every member participates in the member's loan to the cooperative by a withholding for this purpose, pursuant to application of Article 15.e, of a percentage of the purchase prices of the products to be settled by the members by or via the cooperative to be determined by the general meeting on a proposal of the cooperative board. Additions to the member's loan can also take place on the basis of Article 30 Paragraph 3.

A separate account regarding a member's positive balance in the member's loan shall be held in the name of each member in the books of the cooperative.

2. The cooperative shall pay annual interest over the positive balance in the member's loan.
The interest percentage shall be determined by the cooperative board.
This interest shall be made payable to the members annually on a date to be determined by the cooperative board.
3. The amounts which are added to the member's loan on the basis of the provisions of Paragraph 1 of this article, shall always be repaid in the first month of the ninth financial year following that in which the aforementioned addition took place. Upon a proposal of the cooperative board, the general meeting can resolve to repay all amounts added in one or more years ("annual additions") to the member's loans of the members earlier or later.
4. After termination of the membership the positive balance on the member's loan shall be paid to the former member or his legal successor(s) as follows.
The preceding paragraph shall remain in effect during the three calendar

years after the year in which the membership terminated.

The amount not yet repaid at that time shall be paid within three months after the adopting of the annual accounts over the last financial year of the three-year period.

If the former member has attained the age of sixty-five on the date when his membership ends, or will reach that age in the course of the three aforementioned calendar years, or passes away in that period, the positive balance shall be paid on the member's loan within three months after the adopting of the annual accounts in which said event occurred.

5. With application of the provisions of Paragraph 2 of Article 5 (hardship clause) the cooperative board can in individual cases deviate from the provisions of the two preceding paragraphs.
6. The claims of the members under the heading of the member's loan shall be subordinate to all claims which third parties enforce on the cooperative at any time.

Obligations of the members. Settlement obligation. Duty of disclosure and reporting.

Article 18.

1. By joining the members subject themselves to all provisions of these articles of association and to all rules, regulations and further decisions of the cooperative.
2. Subject to the provisions of Paragraph 3 of this article, the members are obliged to settle all ornamental plants and flowers cultivated or put together at their business in whole or in part by the cooperative or on instruction of the cooperative.

The cooperative board has the right to agree additional conditions with members who work with or process ornamental plants and flowers of third parties after which these products shall be settled in accordance with those conditions.

3. The cooperative board can grant an exemption from the auction and settlement obligation and make such exemption subject to conditions. If the conditions are not satisfied, the exemption shall be deemed as not having been granted.
4. Upon a written request of the cooperative the members shall furnish the cooperative with a written statement regarding their turnover in ornamental plants and flowers, in the form prescribed by the cooperative board and within the term stipulated by the cooperative board. Furthermore, to inspect compliance with the auction and settlement obligation, the cooperative board can impose an obligation on the members to present an

auditor's certificate, prepared by a registered accountant, to the cooperative from which it must be possible to determine the realised turnover of the business run by the relevant member.

The costs of this inspection shall only be at the cooperative's expense if it were to turn out that the relevant member did not act contrary to his obligations to the cooperative.

5. In the event a member belongs to a group, and this group includes one or more other legal entities or companies which meet the requirements for membership, but which are not a member of the cooperative nor have they applied to be a member, such member is obliged to ensure that either the relevant legal entities or companies apply for membership of the cooperative within a term stipulated by the cooperative board, or bind themselves vis-à-vis the cooperative to permanently make all their ornamental plants and flowers available to the cooperative as supplier.

Sanctions. Fines. Additional levies.

Article 19.

1. Without prejudice to the provisions of Article 12 (expulsion) and Article 14 Paragraph 2 (suspension), the cooperative board is authorised to impose one or more fines on a member who acts contrary to the provisions of Paragraph 1 of Article 18 up to an amount per financial year of a maximum of one hundred thousand euros (EUR 100,000).
2. Without prejudice to the provisions of Article 12 (expulsion), Article 14 (suspension) and the preceding paragraph, in the event a member has acted or failed to act in contravention of the provisions of Paragraphs 2, 3 or 5 of Article 18, the cooperative board is entitled to impose an additional levy on the relevant member.
The amount of an additional levy is at most equal to the losses made by the cooperative as a result of the relevant actions or omissions of the member. Unless an amount included in an additional levy by the cooperative because of a lost liquidity contribution shall be used to cover a deficit of the cooperative as referred to in Article 30, this amount shall be added to the member's loan of the relevant member in the financial year following that in which the cooperative received the payment.
3. A member is bound to pay a fine or additional levy upon the cooperative's first demand in the manner specified by the cooperative.
4. The cooperative board shall not impose a fine or an additional levy, unless it amounts to a lower amount than three thousand euros (EUR 3,000), until after the relevant member has been heard by or on behalf of the cooperative board, or has been given notice to present his case by recorded

mail.

5. If the cooperative board intends to impose a fine or additional levy of an amount lower than three thousand euros (EUR 3,000) the cooperative board shall give the relevant member the opportunity to present his views on the matter in writing.
6. In regulations of the cooperative, like safety regulations, breach of provisions thereof can also be made subject to fines which can amount to a maximum of three thousand euros (EUR 3,000). Such fines can be imposed without the breaching party having first been heard.

Cooperative board. Daily management. Composition.

Article 20.

1. The cooperative board shall consist of an uneven number, to be determined by the general meeting, of at least nine natural persons who shall be appointed by the general meeting from among the member-natural persons, the direct or indirect directors of the member-legal entities or the participants (or the direct or indirect directors thereof) of a combination of persons who are a member of the cooperative.
2.
 - a. The cooperative board shall nominate one person to the general meeting for every vacancy on the cooperative board and shall set out this nomination on the notice to the relevant general meeting.
 - b. Individual members can recommend persons to the cooperative board for nomination as members of the cooperative board. The cooperative board shall enable them to do so by giving timely notice to the members as to when a vacancy on the cooperative board has to be filled. The notice shall set out the term, which must be at least fourteen days, during which the members can make their recommendation(s) and the way in which the recommendation has to be made.
One and the same person may not be recommended to fill more than one vacancy. A recommendation contrary to the preceding provisions shall not be considered by the cooperative board.
The cooperative board shall inform the member/members who has/have made the recommendation as soon as possible whether the cooperative board shall nominate the recommended candidate for appointment as a member of the cooperative board to the general meeting.
 - c. If there is a vacancy on the cooperative board, a group of at least twenty-five members, in addition to the cooperative board, can nominate one person for appointment and present said person to the general meeting until at latest fourteen days before the relevant meeting. If a group of members makes use of this right, it shall present

the nomination to the cooperative board as soon as possible. If possible the cooperative board shall mention this nomination in the notice.

3. The nominations referred to in the preceding paragraph are binding, and consequently only nominated persons can be appointed a member of the cooperative board.

However, the general meeting can remove the binding nature of a nomination by a resolution passed by at least two-thirds of the number of votes validly cast; this majority must encompass at least a one-quarter share of the number of votes which can be cast in a plenary general meeting. If the binding nature of a nomination has been removed, the general meeting is free to appoint who it wants.

4. There may not be a relationship by blood or marriage to the second degree between members of the cooperative board, nor between a member of the cooperative board and a director.
 - a. If a relationship by marriage arises between members of the cooperative board during a term of office, the person due to whose marriage and/or registered partnership such relationship arose shall retire in the next general meeting.
 - b. If a relationship by marriage arises between a member of the cooperative board and a director during a term of office of this board member, the board member in question shall retire in the next general meeting.
 - c. If a director is appointed and if there is a relationship by blood or marriage in the degree prohibited above between the director to be appointed and a member of the cooperative board, then prior to the appointment of said director, the board member in question shall retire.
 - d. If in one and the same election two or more persons are elected board members, between which persons there is a relationship by blood or marriage in the degree prohibited above then the youngest person shall be deemed to have been elected and the other vacancy or vacancies shall be filled by continued elections.
 - e. If in an election a person is elected as a board member and if there is a relationship by blood or marriage in the degree prohibited above between such person and a director then that person shall be deemed not to have been elected as a board member and said vacancy shall be filled by continued elections.

For application of the above provisions a relationship by marriage shall be deemed to have ceased to exist if and as soon as the marriage by which it has arisen has been dissolved or the registered partnership has

terminated.

5. Persons who are sixty-five or older cannot be appointed a member of the cooperative board neither at the first election, nor upon a re-election. A member of the cooperative board who has turned sixty-five, without prejudice to the other provisions of these articles of association regarding retirement of members of the cooperative board, shall retire in the first general meeting which shall be held thereafter.
6. Annually one-third of the members of the cooperative board or a number as close thereto as possible shall retire in accordance with a roster to be drawn up by the cooperative board.

Retiring members of the cooperative board can be immediately re-elected three consecutive times, so that the maximum term of office they can have is twelve years. However, when applying the preceding sentence a partial term of office of a member of the cooperative board elected to an interim vacancy - who shall take the place of his predecessor on the retirement roster - shall not be taken into account. This maximum term of office starts again each time when a member of the cooperative board is elected to the position of member of the daily management or changes his position within the daily management.

Vacancies which have arisen pursuant to the above provisions shall be filled in a following general meeting. As soon as that meeting has been closed the membership of the cooperative board of the board members referred to in the first sentence shall have terminated and that of their successors shall have started.

7. A member of the cooperative board can be suspended by the supervisory board.

The suspension of a member of the cooperative board shall be terminated if the general meeting does not decide on dismissal or lifting or maintaining the suspension within three months after the date the suspension started. A suspension can be maintained for a maximum of three months, starting on the date when the decision to keep the suspension in force was made.

8. The general meeting can dismiss every member of the cooperative board at any time.

Such resolution can only be passed by a majority of at least two-thirds of the votes cast in a meeting in which at least such number of members are present or represented as are entitled to cast at least a one-quarter share of the number of votes that can be cast in a plenary meeting.

9. An interim vacancy shall be filled in the next general meeting on the understanding that upon death or interim retirement of three or more

members of the cooperative board a general meeting must be held as quickly as possible, but in any event within three months, in order to fill the vacancies. A member appointed in accordance with the preceding sentence shall take the place on the retirement roster of the member who has retired. In deviation from the provisions of Paragraph 6, a member of the cooperative board who takes the place of another in the roster can be immediately re-elected four times.

10. The cooperative board shall appoint a chairman, a secretary and a vice-chairman from amongst its midst. A decision to appoint the chairman requires the approval of the general meeting.
11. The daily management of the cooperative shall consist of at least the chairman, the vice-chairman and the secretary, but can, if this is necessary in the opinion of the cooperative board, be expanded by other members of the cooperative board.

Cooperative board and daily management. Tasks and powers. Representation.

Working method.

Article 21.

1.
 - a. Subject to restrictions according to these articles of association, the cooperative board is charged with running the cooperative. In the framework thereof the cooperative board shall see to compliance with the articles of association, regulations and decisions of the cooperative and shall implement the resolutions of the general meeting.
 - b. The daily management is charged with the day to day management of the cooperative, shall perform the other tasks charged to the daily management in these articles of association and the tasks which the cooperative board delegates to the daily management. Matters which pursuant to these articles of association are subject to the approval of the supervisory board and/or the general meeting cannot be delegated.
2. The cooperative board represents the cooperative.
Moreover, the cooperative can be represented by two board members acting jointly, at least one of whom must be a member of the daily management.
3. In addition, every member of the management is authorised to represent the cooperative subject to the limitations to be specified by the cooperative board.
4. The cooperative board shall meet as often as the daily management deems this necessary or if at least three members of the cooperative board deem such necessary, but at least once a month and cannot make any decisions if fewer than half of the number of members of the board of directors are

present. With regard to topics which for the reason set out in the preceding sentence have not been dealt with in a meeting and can be discussed again in a following meeting of the cooperative board, to which all members of the cooperative board have been invited personally and in writing, a valid decision can be made, even if fewer than half of the number of members of the cooperative board are present.

Article 22.

1. Subject to the provisions of the following paragraphs of this article, the cooperative board is authorised to enter into all legally binding transactions.
2. The following decisions of the cooperative board are subject to the approval of the supervisory board:
 - a. entering into or breaking off long-term cooperation of the cooperative or a dependent undertaking with another legal entity or company or as a fully liable partner in a limited partnership (*commanditaire vennootschap* or *vennootschap onder firma*), if this cooperation or breaking off thereof is of far-reaching significance for the cooperative;
 - b. the taking of a participation by the cooperative or by an undertaking dependent on the cooperative in the capital of a company in the value of at least one-quarter (25%) of the amount of the equity according to the balance sheet with notes of the cooperative over the last financial year for which the annual accounts were adopted, or, if said amount is lower, an amount equal to or more than a one-quarter percent of the gross turnover of the cooperative over the last financial year for which the annual accounts were adopted, and the far-reaching increase or decrease of such a participation;
 - c. investments which require an amount equal to or more than one-quarter (25%) of the equity according to the last adopted balance sheet of the cooperative, or, if such amount is lower, an amount equal to or more than a one-quarter percent of the gross turnover of the cooperative over the last financial year for which the annual accounts were adopted;
 - d. a proposal to alter the articles of association;
 - e. a proposal to dissolve the cooperative;
 - f. petitioning for bankruptcy and petitioning for a moratorium on payment;
 - g. termination of the employment of a considerable number of employees of the cooperative or of an undertaking dependent on the cooperative at the same time or within a short period of time;
 - h. far-reaching change in the working conditions of a considerable number of employees of the cooperative or of an undertaking dependent on the cooperative.

Decisions such as those referred to at the beginning of this paragraph include the decisions of the cooperative board to present any action as referred to in this paragraph to the general meeting for decision making.

3. The following decisions of the cooperative board are subject to the approval of the general meeting:
 - a. making investments and alienating tangible fixed assets as referred to in Article 366 of Book 2 of the Dutch Civil Code and/or financial fixed assets as referred to in Article 367 parts a and b of the aforementioned Book 2 by the cooperative, if such involves an amount or interest of more than half a percent (0.5 %) of the gross turnover of the cooperative over the last financial year for which the annual accounts were adopted;
 - b. giving security at the expense of the cooperative, if such involves an amount or interest of more than half a percent (0.5 %) of the gross turnover of the cooperative over the last financial year for which the annual accounts were adopted.
4. The lack of the approval of the supervisory board with regard to a decision as referred to in Paragraph 2 of this article or of the general meeting relating to a decision as referred to in Paragraph 3 of this article, does not affect the power of representation of the cooperative board or the members of the cooperative board.
5. The members of the cooperative board shall receive a remuneration determined by the supervisory board; their expenses such as travel and accommodation costs and the like incurred on behalf of the cooperative are at the cooperative's expense.

Management.

Article 23.

1. The cooperative board shall charge the management, consisting of one or more directors, with the daily management of the cooperative's business. In addition, the management shall take care of policy preparation and implementation.

The management shall receive its mandate from the cooperative board by means of management regulations.
2. The managing director is appointed and dismissed by the cooperative board. The directors are appointed on a proposal of the managing director and are dismissed by the cooperative board. The employment contracts with the directors are entered into in writing by the cooperative board on behalf of the cooperative.
3. A member of the management can be suspended by the cooperative board. A decision to suspend must set out the period for which it applies. If no

contrary decision has been made within the stipulated period, the suspension shall be lifted after the end of that period.

4. The management appoints, suspends and dismisses the personnel members of the cooperative and determines their remuneration and other employment conditions. The management is the highest body for the personnel.
5. The management can delegate its powers, while maintaining its own responsibility to the cooperative board, to one or more other personnel members mentioned by name. In addition it is authorised to grant power of attorney. This allocation of powers must be effected in writing and must set out the actions in respect of which they apply.
6. After prior approval by the cooperative board the management shall appoint the members of the product committees consisting of suppliers and employees of the cooperative. The goal of the product committees is to give each other advice on marketing the relevant ornamental plants and flowers.
7. The management must account to the cooperative board on the exercising of the powers granted to it by means of this article.

When executing its task the management is bound to continually consult with the cooperative board. In addition, the management shall provide insight into the administration and further documents and shall furnish information as often as the cooperative board requests such.

Supervisory board.

Article 24.

1. The cooperative has a supervisory board. The task of the supervisory board is to supervise the policy of the cooperative board and the general course of affairs in the cooperative and the related business. It shall assist the cooperative board with advice. When executing their task the supervisory directors shall act in the interests of the cooperative and the related business. In addition to its above-described activities, the supervisory board shall execute the tasks charged to it elsewhere in these articles of association.
2. The supervisory board consists of at least five natural persons. At least two supervisory directors shall be appointed from among the circle of members. For the application of this article, the circle of members includes former members, direct or indirect directors of member-legal entities and of former member legal entities, former direct or indirect directors of member-legal entities and of former member legal entities, as well as participants or former participants (or the direct or indirect directors thereof) of a combination of persons which is or was a member.

In the event of one or more vacancies, the supervisory board has power to act and the supervisory board shall immediately take measure to supplement its number of members.

3. The members of the supervisory board shall be appointed by the general meeting on the proposal of the supervisory board.
The general meeting, the works council and the cooperative board can recommend persons for appointment as supervisory director to the supervisory board. The supervisory board shall inform them in due time as to when and as a result of what a vacancy on the board has to be filled.
The supervisory board shall give the general meeting and the works council written notice of the candidate it is nominating, specifying the name, age, profession and the positions this person holds or has held insofar as they are relevant in connection with the execution of the task of a supervisory director. In addition, the legal entities with which the candidate is already affiliated as a supervisory director shall be specified. The recommendation and proposal shall be accompanied by reasons.
4. The general meeting shall appoint this person, unless the works council, within two months after the notice referred to in Paragraph 3 or the general meeting itself at latest in the first meeting after those two months, lodges a written objection to the nomination on the basis of:
 - a. the fact that the rules of Paragraph 3 have not been properly complied with;
 - b. the expectation that the nominated person will be unsuitable for the execution of the task of supervisory director; or
 - c. the expectation that in the event of an appointment in accordance with the proposal, the supervisory board will not be properly constituted.
The supervisory board shall be informed of the objection, stating the reasons therefore.
5. Notwithstanding the objection of the works council, the appointment can be effected in accordance with the proposal, if the enterprise section of the court of appeal of Amsterdam declares the objection unfounded upon an application of a representative so designated by the supervisory board.
If the general meeting has lodged an objection, or has not appointed the nominated person in the meeting called for that purpose, the enterprise section shall appoint the nominated person on the application of the representative referred to in the preceding sentence, unless the enterprise section deems an objection of the general meeting to be valid.
There is no appeal against the decision of the Enterprise Section.
6. A defence can be presented by a representative so designated by the general

meeting or by the works council which has lodged the objection referred to in Paragraph 4.

7. The following may not be supervisory directors:
 - a. persons in the employ of the cooperative;
 - b. persons in the employ of a dependent undertaking as referred to in Article 63a of Book 2 of the Dutch Civil Code;
 - c. directors and persons in the employ of an employee organization which tends to be involved in determining the employment conditions of the persons referred to under a and b;
 - d. members of the cooperative board or a regional management board of the cooperative.

The provisions of Article 20 Paragraph 4 of these articles of association with regard to prohibited degrees of relationships by blood or marriage apply *mutatis mutandis*; said degrees of relationship by blood or marriage may not exist between members of the cooperative board and members of the supervisory board.

8.
 - a. If all supervisory directors are lacking, the works council and the cooperative board can recommend persons for appointment as supervisory director to the general meeting. The person who calls the general meeting shall give the works council and the cooperative board timely notice that the appointment of supervisory directors shall be a topic of discussion.
 - b. The appointment shall become effective, unless the works council, within two months after having been informed of the name of the appointed person, specifying the details referred to in Paragraph 3 of this article, lodges an objection with the cooperative on the grounds set out in Paragraph 4 of this article. Notwithstanding this objection, the appointment shall become effective if the Enterprise Section of the court of appeal of Amsterdam deems the objection invalid on an application of a representative so designated by the general meeting.
 - c. There is no appeal against the decision of the Enterprise Section.
9. The power of the general meeting to make recommendations to the supervisory board shall be exercised by the meeting of regional chairmen. The general meeting can at all times decide to revoke this power of the meeting of regional chairmen, for a fixed period of time or otherwise.
10. A supervisory director shall retire at latest in the general meeting which is held three years after his last appointment.

11. Without prejudice to the provisions of the preceding paragraph the supervisory board can determine that with regard to one or more of its members, there shall be periodic retirement in such general meeting as the supervisory board determines in accordance with a roster drawn up in this respect by the supervisory board. A change in the roster cannot entail that a sitting supervisory director must retire against his will prior to the expiry of the term for which he has been appointed.
Furthermore, in the event of an interim retirement, the newly elected supervisory director shall take the place of his predecessor on the roster. The retired supervisory directors can only be immediately reappointed twice. When applying the last sentence, the partial term of office of a supervisory director appointed to an interim vacancy shall not be taken into account.
12. The following applies with regard to dismissal and suspension of supervisory directors:
 - a. The enterprise section of the court of appeal of Amsterdam can dismiss a supervisory director upon an application to this effect because:
 - he has neglected his task, or
 - other substantial reasons
 - far-reaching change in the circumstances on the basis of which it would be unreasonable of the cooperative to maintain the supervisory director. The request can be presented by a representative so designated by the supervisory board, by the general meeting or by the works council.
 - b. A supervisory director can only be suspended by the supervisory board. The suspension shall legally lapse if a request as referred to under a has not been presented to the enterprise section within one month after the suspension has started.
13. The supervisory board shall appoint a chairman and a vice-chairman from within its midst.
14. By means of a member from within its midst designated in this respect, the supervisory board at all times has the right to access the offices and the premises of the cooperative and the right to inspect the books and documents and other data carriers of the cooperative.
15. The members of the supervisory board shall receive remuneration; their expenses, such as travel and accommodation costs and the like incurred in the interests of the cooperative are at the cooperative's expense. The remuneration of the members of the supervisory board shall be determined by the meeting of regional chairmen.

Regions.

Article 25.

1. The cooperative board can divide members of the cooperative into regions. This also applies with regard to suppliers who are not a member. The cooperative board shall establish the criteria on the basis of which the division shall be made, for example by location or registered office of the business/businesses of the suppliers.
2. The members of the cooperative divided into the relevant region shall, if the region consists of more than fifty members, choose a regional management board from within their midst.
The objectives of the regional management board are:
 - functioning as a sounding board for the cooperative board on behalf of the determination by the cooperative board of the strategy and the policy of the cooperative;
 - performing a signal function to the cooperative board regarding developments in the region;
 - making a contribution to the communication between the members and the cooperative in order to reinforce the members' bond with the cooperative.
3. If the cooperative board establishes a new region and as long as a region does not consist of more than fifty members, the cooperative board can appoint the regional directors and determine their term of office.
4. The cooperative board shall establish one or more regional regulations which shall regulate, inter alia, the activities and structure of the region.
5. The chairmen of the regions form the meeting of regional chairmen. In addition to the cases stipulated in these articles of association, said meeting shall be consulted by the cooperative board in respect of urgent and/or significant decisions. For the rest the meeting of regional chairmen has the tasks and powers imposed on it and granted to it by these articles of association.
6. The meeting of regional chairmen can propose topics to the cooperative board for discussion in the general meeting.

GENERAL MEETINGS.

Article 26.

1. Annually the cooperative board shall call at least one general meeting; this general meeting shall be held within the first six months of the financial year, unless this term is extended by the general meeting. In these articles of association this meeting shall be called the "annual meeting".
Subject to what is specified in this respect in the articles of association, the

annual meeting shall in any event discuss the annual report and the annual accounts over the past financial year.

In addition to the annual meetings the cooperative board is authorised to call as many general meetings as it deems desirable.

2. The secretary or his substitute shall give the members notice to attend a general meeting at least eight days prior to the meeting, not counting the day the notice is sent and the day of the meeting, by means of letters of notice setting out the points of discussion.

The members who have agreed to such can be given notice of the meeting by a message sent electronically which is legible and reproducible to the address intended for this purpose of which he has informed the cooperative.

3. However, resolutions not mentioned in the letter of notice can, provided they do not entail an alteration of the articles of association or dissolution of the cooperative, immediately be taken into consideration, if the cooperative board does not object to such; for such resolutions to be passed, a majority of at least three-quarters of the votes validly cast in the meeting is required.

4. Decision making regarding resolutions from the circle of members, in respect of which the cooperative board has made a negative recommendation, and to which the cooperative board attaches the consequence of resigning if the general meeting passes the resolution, requires that such number of members are present or represented at the meeting as are entitled to cast at least a one-quarter share of the number of votes which can be cast in a plenary general meeting.

If the required number of members is not present or represented, the resolution shall be put to the vote in the next general meeting, in which meeting the resolution can be passed, regardless of the number of members present or represented.

5. The cooperative board is obliged to call a general meeting following a written request, setting out the topics to be discussed, of as many members as are entitled to cast a one-tenth share of the votes in a plenary general meeting. A request as referred to in the preceding sentence cannot be made by an electronic communication medium. If the request is not complied with within fourteen days or the meeting is not held within four weeks after the presentation of the request, the applicants can themselves call the meeting by placing an advertisement in one or more commonly read newspapers or by personal notice, at the cooperative's expense. In such case the meeting shall appoint its own chairman and secretary.

6. The members shall sign an attendance list at all general meetings.
In the event a member participates in the meeting by means of an electronic communication medium, the cooperative board shall note this on the attendance list.
7. The general meetings shall be held in a location to be determined by the cooperative board.
The meetings shall be held in Dutch.
If the cooperative board deems such desirable with an eye to persons attending the meeting who do not have a good command of Dutch, it can provide (simultaneous) translation facilities for those persons in one or more foreign languages.
The cooperative board can also stipulate on behalf of the persons referred to in this paragraph that documents which said persons are to take note of are translated into such language/languages and are (also) sent to them in that language.
In the event of a conflict between the Dutch text of any such document and that of the translation, the Dutch text shall prevail.
8. The cooperative board can decide that the parties entitled to attend the general meeting are entitled, in person or by written proxy, to participate in the general meeting by means of an electronic communication medium, to speak at the general meeting and, if the party entitled to attend the meeting has the right to vote, to exercise his voting right. It is required that the member entitled to attend the meeting can be identified via the electronic communication medium, can directly take note of the deliberations of the meeting, and, if he has the right to vote, can exercise said voting right. The cooperative board can set conditions for the use of the electronic communication medium. If the cooperative board sets such conditions, these shall be announced in the notice to the meeting.

Voting right and decision making.

Article 27.

1. The voting right is exercised by the member-natural persons themselves and for the member-legal entities (including combinations of persons with legal personality which are members) by a director or officer present in the meeting who is authorised to represent the member in question.
A member entitled to vote in accordance with the preceding sentence can, however, be represented in the general meetings by a member of his family who is of the age of majority, by another member-natural person or a representative of a fellow member-legal entity or by an agent who works in the member's business and has reached the age of majority. Agents as

referred to above must have an authority signed by the person they are representing, which must have been presented to the chairman prior to the start of the meeting.

A member who is a participant of a combination of persons shall cast the number of votes which corresponds with the amounts added to his member's loan as referred to in Paragraph 2.b.

One person can act as the representative of either one other member or, if he forms part of a combination of persons as referred to in part c. of Paragraph 1 of Article 6, of the other participants of that combination.

2. a. Every member has at least one vote in the general meeting of the cooperative.
- b. Extra votes are obtained on the basis of the amounts definitely added to the member's loan over the last three financial year pursuant to Article 17. The following bands apply in this respect:
 - over an amount to thirty thousand euros (EUR 30,000): one vote extra per full amount of two thousand five hundred euros (EUR 2,500); and
 - over the additional amount up to one hundred and fifty thousand euros (EUR 150,000): one vote extra per full amount of three thousand seven hundred and fifty euros (EUR 3,750); and
 - over the additional amount up to three hundred thousand euros (EUR 300,000): one vote extra per full amount of seven thousand five hundred euros (EUR 7,500); and
 - over the additional amount up to six hundred thousand euros (EUR 600.000,00): one vote extra per full amount of fifteen thousand euros (EUR 15,000); and
 - for the additional amount over six hundred thousand euros (EUR 600,000): one vote extra per full amount of thirty thousand euros (EUR 30,000).
- c. The books of the cooperative are decisive for determining the size of these additions.
- d. If due to any cause whatsoever determination of the addition to the member's loan is not possible, every member shall cast one vote.

Voting rights and decision making in the bodies of the cooperative.

Article 28.

1. Subject to the provisions of Article 27 above regarding voting rights in the general meeting, every member of a body, like the cooperative board, the daily management, the supervisory board and the meeting of regional chairmen, may cast one vote in the meeting of that body.

2. All resolutions of all bodies of the cooperative shall be passed by an absolute majority of the validly cast votes, unless these articles of association prescribe a qualified majority.
3. Votes on business shall be verbal unless the chairman of the meeting decides that the vote shall be in writing. Votes on people shall be by secret ballot. Voting by acclamation is possible on business and on people if none of the parties entitled to vote who are present at the meeting object to such.
4. If in a vote on persons no one has obtained the absolute majority of the validly cast votes there shall be another vote, if necessary after an interim vote between persons who obtained equal numbers of votes, between the two persons who obtained the highest number of votes in the first vote. If votes are tied between two or more persons in the interim vote, then which two persons shall participate in the second vote shall be decided by the drawing of lots. If votes are tied in a second vote, the matter shall be decided by the drawing of lots.
5. If no absolute majority is obtained in a vote on business, the resolution shall be rejected.
6. Blank votes and invalid votes shall be deemed as not having been cast.

Financial year. Annual accounts. Annual report. Accountant's audit.

Article 29.

1. The cooperative's financial year is the same as the calendar year.
2. Annually within six months after the end of the financial year, subject to extension of this term according to the law, the cooperative board shall prepare annual accounts, consisting of at least a balance sheet, a profit and loss account and notes to both, and an annual report.
The annual report shall be signed by the members of the cooperative board and the supervisory directors. If the signature of one or more of them is lacking, this fact shall be pointed out, along with the reason therefore. The supervisory board shall prepare a report regarding these documents and present said report to the general meeting.
3. The cooperative shall instruct an accountant to audit the annual accounts and the annual report as referred to in Article 393 Paragraph 1 of Book 2 of the Dutch Civil Code.
4. The accountant shall report on his audit to the supervisory board, the cooperative board and the management.
The accountant shall present the results of his audit in a certificate regarding the fairness of the annual accounts.
5. The cooperative board shall make the annual accounts, the annual report and the information which must be added pursuant to Article 392 Paragraph

1 of Book 2 of the Dutch Civil Code, including the auditor's certificate, and the report of the supervisory board, available for inspection by the members at the cooperative's office as of the notice to the general meeting intended to discuss the annual accounts. The members can obtain a copy of these documents free of charge.

6. The annual accounts shall be adopted by the general meeting.
The annual accounts cannot be adopted if the general meeting has not been able to take note of the auditor's certificate, subject to the provisions of Article 393 Paragraph 6, close of Book 2 of the Dutch Civil Code.
7. Discharge of the directors from liability for their management in the relevant financial year requires a separate resolution of the general meeting.
The same applies with regard to the discharge from liability of supervisory directors for their supervision in that financial year.
8. If the general meeting does not adopt the annual accounts, the cooperative board shall prepare new annual accounts within one month whereby account shall be taken of the findings of the general meeting. The preceding paragraphs of this article apply mutatis mutandis in this respect. The new annual accounts shall be presented to the general meeting for adopting in the next general meeting.

Operating result. Positive balance. Deficit.

Article 30.

1. If the profit and loss account shows a positive balance, the general meeting, on a proposal of the cooperative board, shall determine whether this balance or what part thereof, shall be added to the general reserve and what part is available for distribution or addition to specific reserve(s) as set out hereafter.
If the entire positive balance is not added to the general reserve, it shall first be determined what part thereof shall be added to the participation reserve by means of addition to the participation accounts of the members and of those persons whose membership ended in or at the end of the relevant financial year. This addition shall be effected pro rata to the commission owed by each of them in the relevant financial year.
2. From the positive balance of what remains thereof after application of the provisions of the preceding paragraph, on a proposal of the cooperative board, the general meeting can add a percentage of the amount of the participation accounts according to the status as at the last day of the relevant financial year to the participation accounts of the members as compensation ("participation compensation"), unless the contrary ensues from any other provision of these articles of association.

The percentage shall be no higher than the percentage referred to in Paragraph 2 of Article 17.

3. On a proposal of the cooperative board, the general meeting can pay any positive balance remaining after application of the preceding paragraph to the members and to those persons whose membership ended in or at the end of the relevant financial year, either by pay-out or by addition to the positive balance of each member's member's loan, either in part by pay-out and in part by such addition.

The positive amount which is paid to the (former) members shall be paid to each of them proportionally to the commission that each of them owes in the relevant financial year.

4. If the profit and loss account shows a deficit, this deficit, unless the general meeting, on a proposal of the cooperative board, resolves to cover the deficit in some other manner, shall first of all be covered by charging it to the liquidity contributions of the members withheld by the cooperative over the relevant financial year.

If a deficit remains after application of the preceding sentence, or the resolution of the general meeting pursuant to the preceding sentence, on a proposal of the cooperative board the general meeting shall determine which part thereof shall be charged to the general reserve and which part to the participation reserve.

If a deficit is charged to the participation reserve, the participation accounts of the members shall be debited proportionally to the size of each member's participation account. This debit shall be allocated to the entire amount of each member's participation account, proportional to the amount added thereto annually in the preceding years, including the participation compensation.

5. If a deficit cannot be covered in the ways set out in the preceding paragraphs, the general meeting shall decide, on a proposal of the cooperative board, in what way the deficit shall be covered.

This decision can entail that the whole or a part of the deficit is distributed over the members and over those persons whose membership ended in the relevant financial year. In such case the general meeting shall determine, on a proposal of the cooperative board, on the basis of what each member's share in the distribution shall be determined

Participation reserve.

Article 31.

1. The participation reserve is the sum of the participation accounts administered in the books of the cooperative in the name of the individual

members.

The participation reserve belongs to the cooperative's equity.

2. Additions to the participation accounts shall be made as stipulated in Article 30 Paragraphs 1 and 2.
3. On the proposal of the cooperative board the general meeting can resolve that the amounts added to the participation accounts in a financial year ("annual addition") - including the participation compensation referred to in Article 30 Paragraph 2 - shall be made payable to the members or their legal successors at latest in the twenty-first financial year after the financial year in which the addition was made.
4. a. After termination of the membership the balance of the participation account shall be paid to the former member or his legal successor(s) as follows.
The preceding paragraph shall continue to apply during the ten calendar years after the year in which the membership ended. The amount not yet paid at that time must be paid within three months after the adopting of the annual accounts over the last financial year of the ten-year period.
- b. If the membership has ended due to the death of the member, the balance of the participation account shall be paid to the legal successor(s) within three months after the adopting of the annual accounts of the cooperative over the financial year in which the member has passed away.
5. a. If a member or former member entitled to a participation account reaches the age of sixty-five, the balance thereof shall be paid to him within three months after the adopting of the annual accounts of the cooperative over the financial year in which he reaches that age.
- b. Furthermore, the cash value of the balance of the participation account of a member or former member who is irrevocably declared bankrupt shall be paid out within three months after the adopting of the annual accounts of the cooperative over the financial year in which the judgment in which bankruptcy is declared has become irrevocable.
The cooperative board shall determine the cash value or the criteria on which it shall be determined.
6. For reasons of effectiveness the cooperative board can pay out balances of participation accounts which constitute a minor amount to entitled parties in whole or in part prior to the dates set out in this article above.
Until the time when the general meeting has determined a different amount pursuant to Paragraph 1 of Article 5, in this respect two thousand five

hundred euros (EUR 2,500) is deemed a minor amount.

7. A participation account cannot be the subject of transfer or transmission, without prejudice to the application of Article 6 Paragraph 7.
8. An amount of a participation account which has been made payable which has not yet been paid is not interest-bearing. An amount which the cooperative has made available to a member or former member which has not been claimed shall go to the cooperative after ten years have passed.

Legal entities reserve.

Article 32.

1. Pursuant to a decision of the cooperative board, the member-legal entities can be made subject to the obligation to reimburse the cooperative for a corporation tax loss that the cooperative suffers or may suffer in any following year as a result of the circumstance that a pay-out (restitution) as referred to in Article 30 Paragraph 3 to the member-legal entities is not deductible from the fiscal results of the cooperative, by way of capital deposit in a reserve fund ("legal entities reserve"), proportionally to the pay-out received by each of them.
2. The amount of the corporation tax loss referred to in the preceding paragraph shall be determined by comparison of the amount in corporation tax which would have been owed if the pay-out received by the member-legal entities had been deductible and the amount in corporation tax which shall be owed according to the statutory provisions.
3. The cooperative board is entitled to either set off this tax loss against the positive balance of the relevant members in the member's loan of the cooperative as referred to in Article 17, or settle it in some other manner. If and insofar as there is set-off against the positive balance of the member's loan, such shall be effected against the most recently added positive balance.
4. In the event of liquidation, the legal entities reserve shall only go to the member-legal entities of the cooperative existing at that time as liquidation payment for a maximum of the deposits made by them, increased by compound interest as compensation over the capital, which interest is equal to the interest percentage applicable to the member's loan, calculated over the last twenty years.

The total of these payments can never be higher than the amount of the legal entities reserve present at that time without the addition of interest. If the reserve is insufficient to make the payment referred to in the first full sentence of said paragraph in full, the interest shall be paid out pro rata to the additions made to the capital reserve. If the reserve, after payment to

the member-legal entities, who at the time of the liquidation of the cooperative turn out to be a member of the cooperative, turns out to contain a surplus, the balance shall be added to the surplus as referred to in Article 36 Paragraph 5, and shall be divided in accordance with the provisions of said article.

General reserve.

Article 33.

The general reserve formed by the cooperative cannot be paid out to the members in whole or in part during its existence.

Alteration of the articles of association. Merger. Division.

Article 34.

1. The provisions of these articles of association can be altered on a proposal of the cooperative board or of the number of members referred to in Paragraph 4 of Article 26 if:
 - a. it was stated in the notice to the general meeting that alterations to the articles of association are to be proposed in said general meeting; the term of notice to this general meeting is at least fourteen days, not counting the day of notice and the day of the meeting;
 - b. the proposed alterations were set out in the notice;
 - c. as least two-thirds of the votes validly cast in the general meeting were in favour of the alteration.
2. The provisions of Paragraph 1 of this article apply mutatis mutandis to a resolution of the general meeting to effect a merger or division.
3. The alteration of the articles of association shall first come into effect after a notarised deed has been prepared therefore.

The cooperative board and the directors authorised to represent the cooperative are also entitled to instruct the deed altering the articles of association to be executed.

The general meeting can also authorise other persons to do so.
4. The directors are obliged to deposit an authentic copy of the deed of alteration of the articles of association and a full continuous text of the articles of association, as these read after the alteration at the office of the trade register.

The cooperative board shall make the text of the articles of association available to the members free of charge.

Dissolution and liquidation of the cooperative. Exclusion of liability.

Article 35.

1. The cooperative shall be dissolved:
 - a. by a resolution of the general meeting to this effect;

- b. by its insolvency after it has been declared bankrupt or by the lifting of the bankruptcy because of the status of the estate.

The provisions of Paragraph 1 of the preceding article apply mutatis mutandis to the resolution referred to under a.

- 2. The cooperative shall continue to exist after its dissolution insofar as this is necessary for the liquidation of its assets.

The words "in liquidation" must be put behind the name of the cooperative in documents and announcements which are published by the cooperative.

- 3. Unless the general meeting resolves otherwise or the law stipulates otherwise, the members of the cooperative board shall act as liquidators of the assets of the dissolved cooperative.

However, the general meeting can charge a special committee with the liquidation, to which committee it can also appoint non-members.

- 4. If a deficit is found during the liquidation, the members and the former members of the cooperative are not liable for this deficit.
- 5. If a surplus is found during the liquidation then such surplus shall first be put toward the participation reserve as referred to in Article 31 and then the legal entities reserve as referred to in Article 32 to be paid out to the persons entitled to said reserves and insofar as the balance is insufficient, proportionally.

The remaining part of the surplus shall then be divided among those persons who at the time of the dissolution were members and both in that financial year and in the three preceding financing years had a positive balance on the member's loan, proportional to the positive balance of those members on the member's loan on the date of dissolution as referred to in the first paragraph of this article.

- 6. The cooperative shall cease to exist at the time when there are no more assets known to the cooperative or the liquidators. The liquidators shall report the cessation of the existence of the cooperative at the registers where the cooperative is registered.
- 7. The books, documents and other data carriers of the dissolved cooperative must be saved after the end of the liquidation during the term prescribed by law. The custodian is the person who the liquidators have designated as such.

Within eight days after the commencing of his custodial duty the custodian must notify the registers in which the cooperative was registered of his name and address.

Regulations.

Article 36.

1. Subject to the regulations which pursuant to these articles of association can be established by another body of the cooperative, the cooperative board can establish and alter one or more regulations, in which subjects are regulated for which these articles of association make no provision or do not make sufficient provision, or for which regulation is deemed useful.
2. Regulations may not contain provisions which are contrary to the law or these articles of association.
3. The cooperative board can delegate the right to establish one or more regulations to the management.

Disputes.

Article 37.

1. Dutch law applies to the legal relationships between the cooperative, its members and the other parties which are involved with the cooperative pursuant to the law or these articles of association.
2. Without prejudice to the provisions elsewhere in these articles of association and without prejudice to what has been or shall be agreed in the event of a dispute in respect of a legal relationship as referred to in the preceding paragraph, such disputes shall be adjudicated by the competent court in Amsterdam.
3. The right to bring action regarding a dispute shall in any event lapse one year after the end of the day when either the decision has been sufficiently publicised or the interested party has taken note of the decision or has been informed thereof.

Transition provisions.

Article 38.

1. Definitions.

In these transition provisions, the former cooperative Coöperatieve Bloemenveiling FloraHolland U.A. is called "FloraHolland" and the former cooperative Coöperatie Bloemenveiling Aalsmeer U.A. is called "Bloemenveiling Aalsmeer", and both shall also individually be called "the disappearing cooperative" and both shall jointly be called "the disappearing cooperatives". These names also include legal predecessors under universal title of these cooperatives.

2. Commission. Member's loan. Participation account. Legal entities reserve.

1. Where the articles of association refer to the commission owed by a member in a preceding year, this must also be understood to mean the commission which is owed to a disappearing cooperative.

2.
 - a. The member's loans administered at the disappearing cooperatives on Thirty-One December Two Thousand and Seven are member's loans of the cooperative as of One January Two Thousand and Eight.
 - b. If a member of a disappearing cooperative has participated as guest supplier or otherwise in a supplier's loan with the other disappearing cooperative, the balance of that supplier's loan as of One January Two Thousand and Eight shall be added to the balance of the member's loan of that member with the cooperative and the supplier's loan shall be deemed a member's loan for the application of the articles of association.
 - c. For those persons who on Thirty-One December Two Thousand and Seven were a member of a disappearing cooperative, and for former members of a disappearing cooperative, the term of repayment of the annual addition owing on that date is the term as it applied to FloraHolland according to the articles of association (after seven years) and as it applied pursuant normal conduct to Bloemenveiling Aalsmeer (after nine years). With regard to the special cases in which early repayment is possible, Article 17 has immediate effect, on the understanding that for former members of a disappearing cooperative the provisions regarding early repayment remain in effect in special cases, if and insofar as those provisions are more favourable for them than the provisions as these apply as of One January Two Thousand and Eight.
3.
 - a. As of One January Two Thousand and Eight, the participation accounts administered with the disappearing cooperatives on Thirty-One December Two Thousand and Seven are participation accounts of the cooperative.
 - b. The annual additions system set out in Article 31 of the articles of association, which explicitly includes the time when the annual addition is made payable, applies to all participation accounts of the members already built up which have not yet been made payable.
4. Rights on the basis of transition provisions obtained in the framework of earlier mergers of the disappearing cooperatives shall be respected as much as possible.
5. The capital reserve administered at FloraHolland on Thirty-One December Two Thousand and Seven pursuant to Article 30 of its articles of association and the reserve fund administered at Bloemenveiling Aalsmeer on that date pursuant to Article 28a of its articles of association form on One January Two Thousand and Eight the legal entities reserve as referred to in Article 32 of the articles of association.

3. Voting rights.

As of One January Two Thousand and Eight, the voting right shall be determined in accordance with Article 27 of the articles of association.

If it turns out not to be possible in time prior to the date when a (first) general meeting is to be held to determine the voting right of the members (because of the administrative joining and harmonisation of the necessary details of the members at the disappearing cooperatives), every member has a number of votes which are established in accordance with the articles of association of the disappearing cooperative of which he was a member.

4. Rates.

In deviation from the provisions of Article 16 Paragraph 1, as of the start of the financial year Two Thousand and Eight, the contribution, commission, levies and liquidity contribution referred to in that paragraph apply as these were established, on a proposal of the joint boards of directors of FloraHolland and Bloemenveiling Aalsmeer, by the general meetings of the disappearing cooperatives in the extraordinary general meeting held by each disappearing cooperative in December Two Thousand and Seven. The same applies in respect of the members loan percentage referred to in Article 17 Paragraph 1.

5. Regulations.

Regulations established by the disappearing cooperatives, such as the auction regulations, remain in effect until they have been replaced by regulations established by the cooperative. If as a result of the preceding sentence conflicts were to arise, the cooperative board shall decide which provisions shall apply.

6. Implementation measures.

With regard to the provisions of the preceding paragraphs of this article, the cooperative board can take implementation measures whereby it is possible to deviate from the provisions of those members if in the opinion of the cooperative board this is desirable for reasons of effectiveness.

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