

## Appendix 4: Penalty system in the event of delayed delivery

### Object

Having uniform contractual relationships in respect of penalties in the event of delayed delivery of products to Danish sales companies. The agreement may be used directly or as mutually agreed amended forms thereof.

### Penalties in connection with delivery of 'before noon deliveries' from postcodes 5000 to 5700

Products are referred to as 'before noon deliveries' if they have been ordered from a supplier located on the island of Funen for delivery by 13:00 one business day before dispatch or earlier.

It is recommended that small package lots (2, 4, 6, 8 ...) be delivered already on the business day before dispatch to optimise the overall logistics and minimise costs for both seller and buyer. In case of temperature-sensitive products, the buyer must be informed thereof so that the buyer can ensure that these are stored at the correct temperature.

'Before noon deliveries' can be delivered throughout the morning. If these products are delivered later than 12:00 noon, this will be deemed to be a delay in delivery. In case of late delivery of products, the seller will be charged a fee according to the following rates:

	Seller located on Funen
DKK 100 per CC container	After 12:00 noon
DKK 200 per CC container	After 13:00

The seller must be informed about products for which a fee will be charged on the next business day at the latest. The buyer is responsible for being able to document the delay.

### Penalties in connection with delivery of 'afternoon deliveries' from all postcodes

'Afternoon deliveries' must be received by 16:00 at the latest on the date of delivery. If products are delivered too late, the seller will be charged a fee according to the following rates:

Seller is located on Funen	Period 1	Period 2
	16 June - 14 March	15 March - 15 June
Fee 1 – DKK 200 per CC container	After 16:00	From 16:30
Fee 2 – DKK 400 per CC container	From 16:30	From 17:00

Seller is located in Jutland/on Funen	Period 1	Period 2
	16 June - 14 March	15 March - 15 June
Fee 3 – DKK 0	Until 15:59	Until 16:59
Fee 4 – DKK 200	16:00 to 16:59	
Fee 5 – DKK 400	17:00 or later	17:00 or later

The primary documentation for 'afternoon deliveries' consists of the stamping of the delivering carrier's consignment notes as well as a receipt from the carrier's driver. Only drivers on vehicles delivering products too late will be asked to give receipts for the time of delivery.

### **Involvement of carriers**

The party paying for the transport between the seller and the buyer is responsible for involving the carrier and duly placing the responsibility with same. In its simplest form, the contractual relationship is expected to include wordings of the following nature:

1. Carrier X guarantees that all registered products which are ready for pick-up by YY:YY at the latest will be delivered no later than at ZZ:ZZ to the last visited sales company on Funen.
2. Carrier X guarantees to indemnify the nursery against any costs incurred in connection with failure to deliver on time provided that the nursery has complied with item 1 above.