

Key Terms – NFC Licence

Relocation of Melbourne Wholesale National Flower Market to Epping

This document sets out a comparison of the key terms of the June 2013 and February 2014 versions of the Licence. This document is not intended to cover all of the terms contained in the Licence.

Matter	Term – Draft of 25 June 2013	Term – Draft of February 2014
Stand	The location of the stand will be identified on a plan attached to the Licence.	No change.
Commencement Date	The commencement date will be set out in the Licence.	The commencement date will be the first day of trading at the NFC as directed by the Licensor to the Licensee in writing.
Term	The Licence will be for a fixed term of 12 months.	No Change
Licence Fee	<p>The licence fee will be set out in the Licence and will be payable quarterly in advance.</p> <p>The amount of the licence fee will be increased on and from each anniversary of the Commencement Date by the greater of:</p> <ul style="list-style-type: none"> (a) the increase in CPI and 4% on the first, second and third anniversaries of the Commencement Date; and (b) the increase in CPI and 2.5% on each subsequent anniversary of the Commencement Date. 	<p>The first quarterly payment is due on the signing of the licence.</p> <p>No change except the licence fee will now be reviewed on each 1 July as follows:</p> <p>The amount of the licence fee will be increased on 1 July each year by the greater of:</p> <ul style="list-style-type: none"> (a) the increase in CPI and 4% on the 1 July which is after the first, second and third anniversaries of the Commencement Date; and (b) the increase in CPI and 2.5% on each subsequent 1 July.
Permitted Use	The Licensee will be entitled to use the stand for the wholesale sale of flowers and such other uses as the Licensor may from time to time	No change

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	<p>permit.</p> <p>The Licensee will be entitled to access to the stand:</p> <p>(a) during the hours permitted by:</p> <p>(i) the <i>Melbourne Market Authority Act 1977 (Vic) (Act)</i>; and</p> <p>(ii) any operating rules, guidelines or policies issued by the Licensor in respect of the market land from time to time,</p> <p>or as prescribed by the Licensor from time to time; and</p> <p>If the stand is not occupied during these days and hours, the Licensor may choose another person to occupy the stand.</p>	
Other Costs	<p>If the Licensee has a cool room they will be required to pay a common service charge which may be levied by the Licensor from time to time.</p> <p>The Licensee must pay to the Licensor all expenses, costs, fees and charges associated with the Licensee's use or occupation of the stand or incurred by the Licensor due to the actions or omissions of the Licensee or its employees.</p>	No change
Dealings	<p>The Licensee may only assign the Licence where it satisfies the conditions to assignment set out in the Licence. These conditions include, amongst other things, obtaining the Licensor's written consent to the assignment (which consent may be withheld in the Licensor's absolute discretion).</p> <p>The Licensee must not sub-licence or otherwise deal with the Licence.</p> <p>A change in control of the Licensee entity is treated as a proposed assignment which requires, amongst other things, the Licensor's written consent.</p>	No change.
Licensee's Obligations	Amongst other things, the Licensee must:	In addition to the pre-existing obligations, the following obligations have been included:

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	<p>(a) keep the stand clean and tidy and in good condition;</p> <p>(b) not make any alterations or carry out any works to, or erect any structure on, the stand, the trading floor complex, the market land or the services;</p> <p>(c) comply with the Rules, the Act and any other statutes and regulations;</p> <p>(d) remove from the stand at the end of each trading day all of the Licensee's property and waste; and</p> <p>(e) take out public risk insurance with respect to the Licensee's occupation of the stand for not less than \$20m (or such other amount as required by the Licensor) which notes the interest of the Licensor.</p>	<p><u>Zero Waste:</u></p> <p>The Licensor may, at the Licensee's cost, remove any waste left by the Licensee or its employees in the stand outside trading hours or on any part of the trading floor complex. The Licensor will use a CCTV system to determine who deposited waste in the trading floor complex.</p> <p><u>Nominee:</u></p> <p>If the Licensee is a company, the Licensee must appoint a nominee who is responsible to the Licensor for performance of the obligations and covenants of the Licensee and must be present on the stand at all times during trading hour. The Nominee may be changed by obtaining the prior written consent of the Licensor.</p>
Liability for Customers	No provision.	The Licensee is responsible for any potential or actual customer on the stand and to the extent that such customer causes any damage to the stand, the Licensee will be responsible for repairing or rectifying such damage
Relocation	The Licensor may temporarily or permanently relocate the Licensee to another stand.	No change
Termination	<p>Either party may end the Licence by giving 1 month's prior written notice to the other.</p> <p>The Licensor may immediately terminate the Licence if the Licensee is in breach of its obligation not to transfer or deal with the Licence.</p> <p>The Licensor may also terminate the Licence by giving 7 days' prior written notice to the Licensee if:</p> <p>(a) the licence fee or any part of it is in arrears;</p>	No change except for an additional provision that the Licensor may immediately terminate the licence by written notice if the Licensee is in breach of the prohibition against assigning, sub-licensing, transferring, disposing or otherwise dealing with the Licence in a way that is not permitted under the Licence.

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	<ul style="list-style-type: none"> (b) the Licensee does not comply with the Licence; (c) the Licensee breaches the Act, the Rules or contravenes any direction given by the Licensor; or (d) the Licensee: <ul style="list-style-type: none"> (i) if it is a corporation, goes into liquidation, has a receiver / manager appointed, makes an assignment, or enters into an arrangement with, its creditors or execution is levied against the Licensee and is not discharged within 30 days; or (ii) if it is a natural person, goes bankrupt. 	