



teleflora®

**Service Level Agreement  
Last Updated 1<sup>st</sup> April, 2014**

**INTRODUCTION**

**This is a guide to the responsibilities of the Petals Network (Petals Worldwide Florist Exchange) (HQ/The Network), Teleflora New Zealand (HQ/The Network), and the selling and supplying florists (Member).**

Please contact us if you have problems following this service level agreement (SLA). As we produce new editions, we will clarify any difficulties you raise with us. Each edition of the SLA replaces all previous editions and you should destroy old editions to avoid confusion.

INTRODUCTION.....	1
DEFINITIONS AND INTERPRETATION .....	3
1. The Network’s Goals .....	5
2. The Network’s Obligations:.....	5
3. Member’s Obligations.....	5
4. Order Transmission.....	7
5. Allocation Process.....	7
6. Pre-allocated Orders .....	7
7. Complaints .....	9
8. Supplying Members Obligations .....	9
9. Delivery .....	11
10. Daily Reconciliation.....	12
11. Operating Hours.....	12
12. Temporary Shop Closures .....	12
13. Pricing and Selection Guides.....	12
14. Delivery Areas .....	13
15. International Delivery .....	13
16. Resignations .....	13
17. Transfer of Membership .....	14
18. Gift Baskets .....	14
19. Alcohol .....	14
20. Open Orders/Florist Choice .....	14
21. How is the value of an order apportioned? .....	15
22. Complaints .....	15
23. Substitutions .....	18
24. Promotional Materials .....	19
25. Directory Profile & Florist Directory .....	19

26.	eFlorist program benefits.....	19
27.	Exclusive Keepsake range .....	20
28.	Fees and charges.....	19
29.	Accounting cycle .....	20
30.	Monthly accounts .....	20

## DEFINITIONS AND INTERPRETATION

In this Agreement, unless the context otherwise requires, words in the bold font shall have the following meaning:

Term	Definition
<b>HQ</b>	Head Office of Petals Network Pty Ltd, Teleflora New Zealand and Grumleys Gifts. Any references to HQ in this document refer to the Call Centre Operation for both the Petals Network and the Teleflora New Zealand Network.
<b>Member</b>	The <b>member</b> is a retailer of fresh flowers who seeks membership to The Network Relay Service for procurement of non-local outbound relay orders and return orders for fulfillment in their designated areas.
<b>Customer</b>	all consumers who place <b>orders</b>
<b>The Network</b>	Refers to Petals Network Pty Ltd (Petals Worldwide Florist Network) and Petals in its capacity as owner of the clearing house operations of Teleflora New Zealand
<b>Handling fee</b>	Fee paid to HQ for management and distribution of an order to member. (See Quick Reference Card)
<b>Cut off</b>	Orders for same day deliveries are not accepted after <b>2pm weekdays</b> and <b>10am Saturdays</b> in the local time in the time zone of the recipient in Australia and New Zealand. Orders for the United Kingdom for same day deliveries are not accepted after <b>12pm weekdays</b> and <b>10am Saturdays</b> Rural and Remote areas are variable. For Special Days like Valentine’s and Mother’s Day normal cut-offs may not apply.
<b>Delivery fee</b>	An amount paid by the customer, and is passed onto the supplying member for each <b>product</b>

	<b>delivery</b> as specified in the Quick Reference Card, is in local currency and inclusive of GST/TAX/VAT.
<b>Delivery times</b>	<p>Normal delivery hours are made between 9am-5pm Monday to Friday. Deliveries to business address (where stated on the order form) should be delivered no later than 5pm.</p> <p>Deliveries to residential address should be delivered no later than 7pm.</p> <p>Funerals require a specific delivery time.</p> <p>On Special Days and festivals, normal delivery times may not apply.</p> <p><b><u>AM/PM deliveries</u></b></p> <p>AM deliveries are only guaranteed if received at least during business hours the business day before delivery date. AM deliveries must be delivered between 9am-12 noon (florist can deliver before 9am if unable to do between 9am-12 noon). PM deliveries must be delivered after 12 noon but before 5pm (florist can deliver after 5pm (if a residential address) if unable to do between 12 noon-5pm). If you are unable to deliver AM or PM or your courier needs higher delivery fees for AM/PM specific orders you must let Petals know.</p>
<b>Products</b>	flowers, plants, gourmet baskets, gift packs, alcohol and floral bouquets
<b>Complaint/Messages</b>	A verbal or written communication to the member or a communication of dissatisfaction from the customer
<b>Policies</b>	The policies and procedures defined by HQ.
<b>Web site administration area</b>	<p><a href="http://www.petals-exchange.com">www.petals-exchange.com</a></p> <p>unique username and password for each member</p>
<b>Special Floral Occasions/festivals</b>	Valentine's Day, Easter, Mother's Day, Father's Day, Christmas.

## 1. The Network's Goals

Our goals for the Network are;

**Service:** We are a service industry and as such we clearly understand that our success depends on how well we provide a service to our participating members. We are completely committed to fast, friendly and professional service.

**Consultation:** On matters of policy and of service, we survey our participating members monthly to ensure that **all** members have the opportunity to guide the development of The Network and thereby better tailor it to meet the needs of our members.

**Support:** We provide our participating members with information and services which can help them to increase their profits. Examples include our **Worldwide Floral Gift Guide, a Mini Gift Guide** and pricing guidelines.

**Innovation:** We are continuously testing new ideas with our participating members with a view to expanding your customer-base and reducing your costs.

**Flexibility:** We have built our Exchange to incorporate flexible alternatives for our members. You have a choice of trading plans, order transmission systems, payment plans and banking systems. We let you pick and choose to suit your business.

**If at anytime you feel we could improve our operation, please call us to discuss your suggestions. If we don't know of problems or improvements, we can't do anything about them. We appreciate constructive criticism.**

The Network is a floral relay service. Our core business is the transmission of orders between members in the countries which we trade in.

We reserve the right to cancel the membership of any user of The Network without notice and for any reason. Terminated members nevertheless remain liable for any unpaid or undelivered orders and for any credit card transaction on their own or a customer's credit card.

## 2. The Network's Obligations

The Network is responsible for

- receiving and retransmitting customer orders
- maintaining accurate and clear accounts of all transactions
- arbitrating on disputes over orders
- prompt payment each month for transactions in the course of the month
- quality control of both Selling and particularly Supplying members
- providing necessary stationery and promotional material

## 3. Member's Obligations

**Selling members** are responsible for courteous service to a customer who wishes to send flowers or other gifts to a distant location.

### **Taking an Order**

Selling Members must ensure that a qualified florist is available to handle any technical enquiries when customers place an order. The order can be taken on the standard Customer Order Form supplied by HQ to members in AU/NZ/GB or on your own stationery.

### **Seller/Member Number**

This is the three or four digit number given to you by The Network. Please write this number on the top of all your order forms. Please also circle your country on the order form.

### **Order Number**

You can use our order numbering system or your own. If it is your own, all orders must have your Registration/Member number then the order number in the format xxxx.yyyyyy where xxxx is your Network Registration/Member number and yyyyyy (up to 6 numbers) is your order number. Only numbers are allowed. **Please do not use the same number twice as our computer system may reject the order as a duplicate.**

### **Order description**

Because of the pressure of demand, specific arrangements cannot be guaranteed for orders taken within 24 hours of Christmas, Easter, Mother's Day and Valentine's Day. You should advise that only appropriate flowers to the nominated value will be delivered. We ask you to provide a 2<sup>nd</sup> choice where possible and especially if a customer has requested tropical, native and/or specific coloured flowers.

**In general, selling members should explain to the customer that it may not be possible to exactly satisfy the order and that The Network and its members reserve the right to make substitutions as near as possible to the original order if necessary.**

Where an order comprises flowers and other items, it will be assumed that flowers constitute about one half of the value of the order unless stated otherwise on the Customer Order Form.

**The Receipt section** of the Order Form shows the following costs;

**-Total** is the total value shown on our Price list. Total price includes flower/gift value, delivery fee, extra delivery fee, handling fee and is the amount that the customer pays the selling member. The total price is inclusive of GST/VAT/TAX. There are certain minimum values that apply here and these are given on the current price list. The standard handling fee and delivery fee is specified on the current Quick Reference Card.

**You must charge these fees.** You may charge additional fees if you wish to cover your own costs providing you explain that this is a house charge and will not appear in the flower value delivered.

**Orders below the minimum will be automatically increased to the minimum at your expense**

HQ will allocate orders to Suppliers on the basis of "fair trading". Our computer system is designed to nominate which member is due for the next order. Members can nominate another member to supply their order if they wish. If you are pre-allocating an order you must include the supplying member's number clearly on the order form. You can also pre-allocate your orders using the petals-exchange.

Once the Customer Order Form is completed and the delivery area checked, the order should be **transmitted to HQ AS SOON AS POSSIBLE**. Avoid disappointed customers AND recipients through prompt transmission of orders. The order description must explain what the customer requires along with any special conditions (eg no carnations, particular colours etc). If they are selecting from our Gift Guide please include item code number eg B3 Simplicity – not price code BC1

## 4. Order Transmission

- **Orders from AU/NZ/GB members** can be transmitted by the Petals Exchange, PetalsPOS, fax or by phone to our free call phone and fax numbers. Internet and Fax machines are by far the most convenient method of transfer. If you are using a fax, **ALL INFORMATION MUST BE CLEARLY PRINTED IN BLACK INK** to ensure that it transmits by fax and can be read clearly. **Orders from USA/CANADA members** must be placed over the Internet.
- Fax machines must be set so they receive a **confirmation slip** for each order transmission to HQ. This will prevent unsuccessful fax transmissions going unnoticed, and the order not being received at HQ.
- Always check the log on your fax for proof of successful transmission. **You should jot down the time of transmission** on the Order Form for your own records so that orders do not inadvertently get sent twice.
- Any florist who **places an order with us over the phone** will need to quote their password. This ensures the person calling is a Member of your staff and also ensures they have quoted the correct Member number. If a staff member leaves, it is your responsibility to change your password with us. Please ensure all staff are familiar with your password. We will be unable to accept phone orders, unless this password is quoted by you and your staff. Alternatively you can fax or send orders to Petals via the Exchange.
- In all cases, you must retain a copy of the order for a **minimum of six months** in case there is a dispute with the customer over the order. If, in this time, you can not produce a completed Order Form for an order in dispute, you may have to bear the cost of a completed order.
- HQ will send members (optional) a daily reconciliation each day by fax or email, it is the selling member's responsibility to check this reconciliation and ensure that all orders transmitted to HQ appear on that list.

## 5. Allocation Process

HQ will allocate orders to Suppliers on the basis of "fair trading". Our computer system is designed to nominate which member is due for the next order. In some areas members tend to send more orders than they receive, this is often due to the size or location of their delivery area.

As we use your list of delivery postcodes for this purpose, it is important that you list all areas that you will deliver to for the standard delivery fee in order to maximize the orders you can take. We also rely upon the latest time you can deliver to an area when allocating orders so these should be kept up-to-date.

If there is an issue of extra delivery costs this has to be specified if needed. The allocation process usually gives the order to Supplying Member that can deliver for the standard delivery fee. The extra delivery costs will not be paid to other relay/wire services.

## 6. Pre-allocated Orders

HQ will allocate orders to Suppliers on the basis of "fair trading". Our computer system is designed to nominate which member is due for the next order. Members can nominate another member to supply their order if they wish. If you are pre-allocating an order you must include the supplying

member's number clearly on the order form. You can also pre-allocate your orders using the petals-exchange.

Petals offer's its members and partners the opportunity to pre-allocate their orders to a particular florist.

Members and partners have the following options:

### **Option 1: Petals Managed**

If Petals manages the pre-allocation, we will apply pre-allocation tests to the order before the order is sent to the florist.

Some examples of pre-allocation rules:

- \*Is the supplier marked closed on the requested delivery date?
- \*Is the delivery address in the suppliers nominated delivery areas?
- \*Is it past their cut off times?

If the nominated florist fails any of these pre-allocated tests the order will automatically be allocated to another florist who can fulfill the order. If an order expires before the nominated florist picks it up it will be reallocated.

### **Option2: Self Managed**

A Seller can choose to manage their pre-allocations themselves.

If a seller chooses to manage their pre-allocations, this will apply to all pre-allocated orders. If this option is chosen HQ will not apply the pre-allocation tests before allocating the order to the requested florist. (See rules above)

It is the seller's responsibility to ensure that the florist is able to fulfill the order. HQ is responsible for the initial transmission of the order, ie fax to the fax number in the system, or sending the order to appear on the petals-exchange, but once the initial transmission has been successful the order will be finalised at HQ. These orders will NOT expire from the web of the nominated florist.

If the supplier can't deliver the order (ie don't have flowers etc) they should contact the seller and ensure HQ is notified so we can manually reallocate.

All messaging related to an order should still be sent via HQ in case of a change in supplier.

### **Buddies and Baddies**

Petals also offer their members our Buddies and Baddies system. This system allows a member to nominate a "buddy" florist or a "baddy" florist. Then if an order is going into a postcode area service by the buddy or baddy, without pre-allocation the system would try to allocate the order to the buddy, or try not to allocate to a baddy.

#### The selling member:

- Is able to nominate a florist they prefer orders to be sent to (**a buddy**) or a florist they would prefer didn't to receive their orders (**a baddie**).



- Must supply Petals with the Member number of the buddies and/or baddies otherwise fair trading will prevail.
- If a buddy can service the relevant postcode for the order, the order will be allocated to them. If the order expires, the shop is closed or the order is rejected Petals will reallocate the order.
- If a baddie services the relevant postcode for the order, Petals will attempt to not send the order to that florist, unless all other alternatives have been exhausted.

The supplying member:

- Are able to nominate members they don't want to receive orders from.
- Petals require the member number of the member.

## 7. Complaints

Should a seller choose to manage their pre-allocations, they are also choosing to resolve any complaints directly between themselves and the designated supplier. For these orders Petals acts as a conduit for transmission and payment, and does not perform the role of arbitrator.

In all other instances (including orders that are sent through the network, not pre-allocated by a seller who self manages their pre-allocation) HQ acts as an arbitrator for complaints, as well as a conduit for transmission and payment. If there is a complaint lodged on an order, it will be dealt with in accordance with our complaints policy, outlined in section 21 below.

## 8. Supplying Members Obligations

Supplying Members are responsible for fulfilling and delivering orders sent to them for the full flower value as stated on the order form.

### Value

In keeping with the practice of all reputable florists' relay services, the Supplier is required to provide flowers or other goods to the FULL RRP flower value (as it appears on the Order Form). For this, you will receive a delivery fee and a proportion of the value of the order that is specified on the current Quick Reference Card.

### Allocation Process

HQ will allocate orders to Suppliers on the basis of "fair trading". Our computer system is designed to nominate which member is due for the next order. In some areas members tend to send more orders than they receive, this is often due to the size or location of their delivery area.

As we use your list of delivery postcodes for this purpose, it is important that you list all areas that you will deliver to for the standard delivery fee in order to maximise the orders you can take. We also rely upon the latest time you can deliver to an area when allocating orders so these should be kept up-to-date.

## You choose how to send and receive orders

when you register with the Network Exchange you can **choose the transmission method that suits you**; whether **phone**, **fax** or **Internet**.

- The Internet is the most popular way of receiving and sending orders. Members with Internet access can use the Member web site for order transmission. Please contact HQ to

nominate an access password and for technical assistance. For more information on Internet trading, or to send a test order please contact HQ

- Faxing allows orders to come in and out of a members' shop without the need to answer phones at busy times and greatly reduces the risk of errors.
- Participating members can use a combination of phone, fax and Internet transmission where convenient.

**If you receive orders by fax**, it is your responsibility to ensure that you get all orders as indicated on your (optional) twice daily email or once daily fax reconciliation. If in doubt, phone HQ.

**If you receive orders by Internet**, it is your responsibility to ensure you check for orders at least every business hour. If you can do the order click the *accept order button*. If you can't do the order click the *reject order button*. You have ½ an hour on normal orders, to collect the order once the notification of order has been sent to you. If you do not collect the order within the 1/2 hour the order will expire and come back to HQ and be reallocated to another supplier. Different expiry times apply to orders generated from the eFlorist websites.

If you can not do an order you must advise HQ within ½ an hour of receiving the order. Failure to notify HQ within this time frame may result in a late reallocation fee (see Quick Reference Card) being charged.

### **Web Expiry Fee**

Allowing orders to expire from the Petals/Teleflora Exchange before accepting or rejecting the order creates unnecessary delays and often results in problems with delivery, particularly for same day delivery orders. Petals/Teleflora provides several options to alert our members to a new order on the Petals Exchange, including a free SMS alert notification, Email Notification and Petals Connect. The Petals Exchange is a web based service you can accept orders from any web enabled device including computers, smart phones, and tablets allowing you to accept orders even when you aren't in the shop.

Petals have introduced a web expiry fee.

### **Late Rejection Fee**

Once a supplier has accepted an order from Petals, the selling member is counting on that supplier to deliver their order. Members using the Petals Exchange must accept orders using the exchange within ½ an hour. Members receiving orders by fax have ½ an hour to reject the order before it is deemed that the order has been accepted. Rejecting orders after having accepted it give the next florist less time to properly fill the order.

**Members who reject an order after “accepting” the order, will be charged a Late Rejection Fee.**

For orders that are received for next day or later delivery, Petals/Teleflora will apply a grace period of two hours to this policy. So, orders that are rejected within two hours of accepting the order will not be charged this fee. Because every minute counts on same-day orders, there is no grace period on same-day orders.

## PR Numbers

when you reallocate an order in person over the phone with HQ you should request a PR number. This number is your proof that you requested the reallocation. Without the PR number you might be liable for compensating the customer in the event of a non delivery. Orders rejected through the Petals-exchange and by the IVR will not be given a PR number.

## 9. Delivery

Supplying members must deliver orders to areas that they have nominated on the Registration Form. You can change this list at any time by advising HQ.

**You are required to deliver orders on the same day where same day delivery is requested if the order is received before the cutoff times given on the Quick Reference Card.**

You will be responsible for the consequences of any non-delivery of an order unless exceptional circumstances apply. Examples of such circumstances include;

- recipient refuses to accept
- address provided is incorrect or occupants have left or do not respond to a "Not at Home" card
- strikes, pickets or such "acts of God" as fire, flood and accident
- A lack of flowers will not normally be an acceptable reason for non-delivery. It is your responsibility to maintain an adequate supply and variety or to refuse to accept an order. Once accepted, you must deliver.

In the event of a non-delivery for whatever reason, you must immediately advise HQ.

If the recipient of the order is not at the address when you deliver and you can not reasonably leave the order at the address, you must leave a "Not at Home" card for the recipient with details on how they can collect the order from you. In the event that an order can not be delivered, this will be sufficient evidence that an attempt was made.

### Non-Delivery Fee

Hundreds of orders are fulfilled each day with no issues thanks to the diligent efforts of Petals/Teleflora member florists. However, when a member florist doesn't deliver an order it creates a negative experience for the consumer, which damages our entire industry. To improve Petals/Teleflora network quality and customer satisfaction, Petals/Teleflora is amending the non-delivery complaint policy. **If a shop fails to deliver an order and the customer cancels the order, the receiving florist will be charged a Non-Delivery Fee of 50% of the flower value of the order plus the Petals handling fee.** When the Non-Delivery Fee is charged to the supplier, Petals/Teleflora will pay the selling member the selling commission on the order.

If an order is not delivered on the original delivery date and the customer agrees to re delivery at a later date, the supplying florist will cover the cost of an upgrade.

## **10. Daily Reconciliation**

Members on fax or email will automatically receive either a faxed or emailed Daily Reconciliation Report from HQ. This is an optional, though highly recommended service and you can withdraw from this service at any time.

This Report will display all the orders we have received from you (for the previous 24 hours), and all the orders that you have sent through to us (for the previous 24 hours). You can receive this report daily via fax. There is a small charge per month for this service which is added to your monthly statement (see Quick Reference Card for amount), or you can receive the report via e-mail free of charge! You can opt out of this service (not preferred – see below) but any order transmitted successfully from HQ will be deemed as received by the member.

The daily reconciliation also shows any temporary shop closures for your business, for example if you are closing for annual holidays etc and you have advised HQ the dates of closure and reopening will appear on your daily reconciliation. If you believe you have advised HQ of any closure dates and they do not appear on the reconciliation please contact HQ immediately.

### **What if you don't opt for the Daily Reconciliation Report?**

HQ does not accept any responsibility for non-receipt of faxes (either non-receipt at HQ or non-receipt at your end when fax was sent without error from HQ). If you have not received an order that HQ has sent you, you will be responsible for recompensing your customer as per their wishes. This may mean sending the order out to the recipient, as well as reimbursing your customer.

## **11. Operating Hours**

It is assumed that you operate normal business hours of 9am to 5pm Monday to Friday and 9am to 12 noon Saturday. You are expected to be available to take and supply orders and to answer any queries from HQ or our members during these hours. If not, you must advise HQ so that we can change your profile to reflect your trading hours accurately.

## **12. Temporary Shop Closures**

If your business is to be temporarily closed through (eg) illness, damage or holiday, you are required to advise HQ as soon as possible. In the event of orders not being satisfied because you are not available and you haven't advised us, you may be liable for the cost of a replacement order if necessary.

## **13. Pricing and Gift Guides**

All Network price lists are inclusive of delivery and handling. When you receive an order from HQ it will separate the flower value and the delivery fee for you.

## 14. Delivery Areas

### Australia, New Zealand and United Kingdom

Our Network is able to deliver to most places in Australia, United Kingdom and New Zealand. If the location is remote, please call HQ for confirmation.

There is a standard Delivery Fee (included in order value) to reimburse the Supplying Member for the cost of delivery. All members have agreed to deliver to their nominated areas for this fee, which is listed on the Quick Reference Card.

As a practicing member yourself, you should ensure that the customer does not make unreasonable demands on delivery time. As a rule of thumb, you should encourage customers to give as much advanced notice of an order as possible.

Orders transmitted to HQ after specific times can not be guaranteed for delivery on the same day (Refer to your Quick Reference Card). An appropriately longer time is needed to allow for a weekend or public holiday or a remote area. All orders are time and date stamped by HQ to monitor delivery times. Orders direct to another member may be delivered later by arrangement with that member.

**Always endeavor to get a telephone number for the recipient.** This is especially important for rural addresses with Lot numbers, RMBs or RSDs, and International deliveries.

## 15. International Delivery

The Network offers an international delivery service to about 70 countries. International orders must be received by HQ before 4pm (AU time). Refer to your Quick Reference Card for specific closing times for orders and other relevant information. The Network does not guarantee delivery in less than 24 working hours & 48 hours is highly recommended to avoid customer disappointment. Phone numbers are required for all orders. Orders without phone numbers or surnames are not guaranteed. Some remote/rural areas are restricted or may not have delivery service. These areas are not always known in advance. AM & WEEKEND deliveries are not guaranteed.

Our price list represents the minimum prices for items in the respective countries. All prices are GST/VAT/TAX inclusive and include the handling fee, flower component and the delivery in the overseas country. Products other than those listed on this guide are often not available and will require a quote from HQ. To obtain a quote for special orders HQ requires the full delivery address including postcode. Please allow 24 hours for us to obtain this quote.

Images in the World Wide Floral Gift Guide are styles only. All orders must be written in English. Specific flowers/products cannot be guaranteed due to seasonal variances; see Petals Network Substitution Policy.

## 16. Resignations

You can choose to withdraw from The Network by written notice. You will nevertheless remain liable for the costs of all outstanding orders you have sent into the system. In this event, we will

pay out your balance as soon as all your orders are cleared - which will normally be less than 6 months.

## 17. Non transfer of Membership

Transfer of Membership is not permitted. Each new member must apply and establish a credit rating with HQ. Members temporarily without a business may suspend their Membership without penalty.

## 18. Gift Baskets

The Network has an Australian gift basket relay service, Grumleys Gifts to encourage extra income through the relay of gift baskets which may have more appeal to men and children than flowers.

Most basket specialists will accept some measure of special requests that will allow you to sell a personalised gift to your customer, but please note that specific items cannot be guaranteed.

**See the additional comments on alcohol below.**

For more information on the Grumleys Gift Network please contact HQ.

## 19. Alcohol

Orders that include alcohol present particular problems. In some areas, it is illegal for florists to incorporate alcohol in an order. In all areas, it is illegal to make a commission on the resale of alcohol.

On the basis of member's feedback, we have the following rules in relation to alcohol.

- Where the law forbids alcohol in orders, the supplying member may substitute flowers, foods etc to the same value **and** note on a card that alcohol was requested but could not be provided legally.
- To avoid allegations of reselling alcohol (illegal without a licence) and to leave a profit margin for the supplier, the **value of the alcohol component of an order should not exceed 1/2 of the total value of the order**. The supplying member is **authorised** to reduce the value of the alcohol component of the order to comply with this guideline if they wish.
- International orders may not contain alcohol.

For orders containing alcohol please deduct 100% of the purchase price of the alcohol from the original flower value. Then fill the order (ie the flowers) for the remainder of the flower value. We feel this is a fairer system for all members, as you are aware of the purchase price of the alcohol.

Example: Flower value \$100 + delivery and handling. You spent \$25 on the alcohol so you would do flowers up to a retail value of \$75 plus delivery.

**The onus is on the selling member to ensure that these conditions are explained to the customer and that sufficient payment is made to cover the alcohol.**

## 20. Open Orders/Designer's Choice

Members have adopted the concept of an Open Order/Designer's Choice to any specified value - providing it is more than the minimum price on our current price list.

## 21. How is the value of an order apportioned?

Component	Distribution
Total price	<u>Inclusive</u> of flower value, delivery & handling & tax
Flower value	<p><u>Included</u> in total price – When an order is faxed to a member it will always give a breakdown of the flower value and delivery fee. On handwritten orders it can be found at the top of the order – eg VALUES (currency) FLOWERS = 0.00 DEL = 0.00 (TAX INCL)</p> <p>% goes to the selling member – refer Quick Reference Card            % goes to the supplying member to supply flowers to the full value – refer Quick Reference Card</p> <p>% is contributed by <i>both</i> seller and supplier as a Promotions Levy. – refer Quick Reference Card</p>
Delivery fee	<p><u>Included</u> in total price</p> <p>Delivery is paid by the customer in full to the supplying member to defray the cost of delivery – refer Quick Reference Card</p>
Handling Fee	<p><u>Included</u> in total price</p> <p>A flat fee paid by the customer to HQ to cover the handling costs – refer Quick Reference Card</p>
Customer pays	<p>The total amount paid by the customer.</p> <p>Customer pays flower value plus delivery fee plus handling fee</p>

## 22. Complaints

As a professional florist, you will understand that quality should be the by-word of our industry. We have a quality control program that applies to all Suppliers as our contribution to quality in the floral industry.

**19.1 It is the personal responsibility of the owner nominated on the Registration Form to ensure a properly qualified florist supervises the preparation and delivery of all orders.**

19.2 Our quality control program permits "dummy" orders to be sent by you to an independent reviewer. A report will be sent to HQ on the condition, style and value of the arrangement. Normally this will only happen if there has been a dispute about the quality of your work. We will advise you after such a review and pass on any advice from the reviewer. The value of the order will not exceed the current average value of orders. You will not receive any commission for these orders in your monthly Statement from The Network.

19.3 Your shop may be inspected at any time and a report sent to HQ and to you listing the opinion of the reviewer.

19.4 The Network records all complaints listed against our members. If a member substantially exceeds the average number of complaints, they can be suspended from supplying orders at the absolute discretion of HQ.

19.5 I am sure you will agree that the reputation of your business is very important - and it is **you, the flower supplier** that the disappointed customer will blame.

## 19.6 Responding to a complaint

19.6.1 **You** MUST acknowledge or reply to any complaint against you on an order within 24 hours of receiving the complaint. If you fail to reply within this time HQ will take the action deemed necessary to resolve the complaint to the customer's satisfaction.

19.6.2 We understand that some enquiries may take longer than 24 hours but you **MUST** acknowledge the complaint and advise us that you are looking into the details. However, all complaints should be completely resolved within 3 days – even if further information needs to be obtained.

## 19.7 Time Limits for Complaints

Non-delivery complaints must be received within 1 month from delivery and all quality complaints must be received within 2 weeks from delivery, to enable action to be taken. A photo is highly recommended to resolve quality complaints.

## 19.8 Complaint Resolution Policy

19.8.1 **The Network** customer service levels are high and complaint handling is defined by the below table. If a customer complaint is received, the **member** must contact **HQ** immediately so that **HQ** can investigate and if the complaint is valid, the below action is offered to the customer and required to be actioned by the “offending party”.

19.8.2 **All florists have the right to reply to a complaint before action is taken** – ie reallocation/cancellation/apology flowers etc. However the customer has a right to a speedy resolution. If we are unable to contact the “offending” member in an appropriate time frame, HQ will take what action is deemed necessary to finalise the complaint.



**Action 1 is the first action to be offered to the customer. If Action 1 is not appropriate or deemed by HQ to be insufficient then Action 2 will be offered in Lieu of Action 1.**

<b>Complaint</b>	<b>Action 1</b>	<b>Action 2</b>
Non-delivery – not customer fault	Offer earliest next delivery + upgrade of flower value or apology chocolates added	Offer full refund
Non- Delivery – customer’s fault ie wrong address provided	Customer to pay wastage for original flowers if required and delivery fee and flowers to be resent earliest next delivery	Customer can be refunded less the wastage and delivery fee.
Non- Delivery recipient not at location ie Discharged	Customer to pay wastage for original flowers if required and delivery fee and flowers to be resent earliest next delivery	Customer can be refunded less the wastage.
Flowers left but “stolen” or not received ie left at nurses station etc	Due to the various factors involved in many of these cases each complaint will be handled on an individual basis	Due to the various factors involved in many of these cases each complaint will be handled on an individual basis
Late delivery -time of day	Specific delivery times are not guaranteed, however AM/PM is guaranteed. If order is delivered late, offer apology flowers or chocolates	Partial refund offered to the customer.
Late delivery – delivery date	Offer apology flowers or chocolates (whatever the customer prefers)	Offer full refund
Early delivery – not customers fault	Offer re-delivery to full value on the correct date	Offer full refund
Early delivery – customers fault	Customer to pay wastage for original flowers and flowers to be resent earliest next delivery	Customer can be refunded less the wastage and delivery fee.
Delivered on-time but no one home or office shut, security building	No-one home - Flowers can be left if it is a safe place or with a neighbor, and a not at home card must be left. If it is not a safe place (ie apartments) flowers will be returned to the shop and a redelivery will be arranged  Office Shut- if there is no indication on the order that the address is a business address or what time it shuts, or if the courier delivers within the required times and the business is closed or unattended then the flowers will be returned to the shop and a redelivery will have to be arranged.  If the information is on the order and the delivery does not make it within the specified time frame then the member will be asked to redeliver.	NA
Items “left off”	Missing item sent with apology note	Refund of the missing “item” amount
Quality issue (minor)	Offer apology bouquet or chocolates (whatever the customer prefers) Photos are requested to assist in resolving quality complaints	Offer partial refund
Quality issue (major)	Offer replacement to full value Photos are requested to assist in resolving quality complaints	Offer full refund
Apparent under value	Offer apology flowers or chocolates (whatever the customer prefers) Photos are requested to assist in	Offer partial refund

	resolving quality complaints	
Message incorrect – members fault	Offer delivery of correct message card	Offer Apology Bouquet/chocolates
Unsuitable substitution	Offer collection & replacement with suitable item Photos are requested to assist in resolving quality complaints	Offer partial refund to value of substituted item.

19.8.3 It is The Network’s Policy that if flowers have been delivered on the incorrect delivery date the original flowers are to be left with the recipient (unless the customer requests the flowers be picked up) and it will be the customer’s discretion as to whether the whole order is resent or just an apology is resent on the correct date. If the incorrect delivery is not the member’s fault- ie the seller has given the incorrect delivery date then the party responsible for the incorrect information will be liable to compensate the supplying member for the original delivery or the apology.

19.8.4 If you can not do an order received, you are required to immediately advise HQ or the selling member if it is a direct order. Failure to do so mean you will be responsible for any financial penalties incurred.

19.8.5 When a member fails to deliver an order and the value of the order is refunded to the customer with The Networks’ permission, HQ can charge the supplying member with the value of the commission that would otherwise have been paid to the seller. The decision on when to apply this rule is up to HQ to decide. The fee will normally only apply to delivery related problems. Disputes over quality will normally be resolved by resending the order or a complimentary rather than a refund.

## 23. Substitutions

The Network and its members reserve the right to make fair and reasonable substitutions according to the practical availability of specific flower types and containers worldwide. This document outlines the Network Policy for Order Substitutions as a guideline for our members.

When a participating member receives a flower order from HQ, every effort must be made to create an arrangement of the shape, size and colour and using any flower varieties specified, according to the order description. Specific flower types may be indicated on the order, either by actual description or in the content of an item from the Worldwide Floral Gift Guide.

Where the item is a common, specific item like 12 red roses, no substitution is permitted.

If the customer has requested a specific flower variety (ie 12 gerberas) the flower variety takes precedence over colour.

Where the customer has requested a specific item from the selection guide/ or has described the item on the order form, the overall shape/colour scheme and feel of the item takes precedence over specific flower varieties depicted in the item.

Where a customer has ticked no substitute then the item should be delivered as pictured/described. If you are unable to fulfill as requested you should contact HQ for further instructions.

The Network recommends that members encourage their customers to indicate a second choice in their order description to allow for any difficulty in supplying the order to exact specification.

Orders must always be done to the full retail value of the order.

## **24. Promotional Materials**

In order for potential customers to know that you are a Network member, we invite you to place a Network sticker (which we provide) in your shop window or elsewhere in a position where it is clearly visible to the public.

Other promotional material that we may have available from time to time will be sent to you automatically unless you advise us that it is not required. Participating members have agreed to a Promotions Levy on the flower value of every order, paid by both seller and supplier, to ensure the production of high quality promotional material, including the Worldwide Floral Gift Guide. HQ will be pleased to provide you with artwork for our logo. Just call for a free copy. If you leave or are suspended from HQ, you must immediately cease to use materials with the Network trademarks.

## **25. Directory Profile & Florist Directory**

For several years HQ has been listing our Members in 5 countries in the **Network Florist Directory**, [www.petals-florist-directory.com](http://www.petals-florist-directory.com), so that we can send orders to you **directly from the customer as well as what we send you from relay order**.

As part of your membership you receive a listing on the popular Directory services. You can **opt out or make changes** to your profile at any time. You can view and change your current profile on the directory at [www.petals-exchange.com](http://www.petals-exchange.com) Log on with your Member number and password. Click on “tools/help” tab and “edit your profile” and any other information you might want to update OR alternatively contact HQ.

## **26. eFlorist program benefits**

Please refer to the ‘How Petals can help grow your business online – eFlorist program benefits’

## **27. Exclusive Keepsake range available to AU/NZ members**

Please refer to the ‘Exclusive Keepsake range’ information sheet.

## **28. Fees & Charges**

Please refer to your Quick Reference Card for the fees and charges relevant to your country.

## 29. Accounting Cycle

All orders that have been sent through HQ by the close of the month will be processed for payment in that month.

A **Monthly Statement** listing all transactions in which you were involved together with other fees will normally be prepared and mailed on the first working day of the new month. This Statement will give the amount that is to be paid by or to you on **Settlement Day** specified on the Quick Reference Card.

All accounts with HQ must be settled in full each month.

## 30. Monthly Accounts

- If **HQ owes you money**, payment will be made on Settlement Day in the manner requested on your Registration Form until it is changed in writing.
- If **you owe HQ money**, the full balance must be paid on or before settlement day. Failure to pay the full amount within the period of grace offered by HQ after the due date may result in one or more of the following;
  - suspension of direct trading rights
  - suspension of membership
  - the imposition of a bond to cover financial exposure
  - legal action for the recovery of monies owed
- Outstanding accounts after the settlement day of that month will attract a late payment service fee which is compounded monthly.

In the event of a dispute over our accounting, you should contact us in writing as soon as possible and within 14 days of the dispatch of the monthly account in question. Queries received after 14 days cannot be guaranteed correction. Any adjustments made will be made on the following months account.