HILL AND KNOWLTON

Hill and Knowlton
Public Affairs Worldwide
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Washington, D.C. 20007
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February 5, 1987

Mr. Dirk Schuitemaker
Marketing
Bloemen Marketingorganisatie Holland
Flower Council of Holland
Verbeekstraat 11
2332 CA LEIDEN
The Netherlands

Dear Mr. Schuitemaker:

This is to summarize the arrangement under which Hill and Knowlton, Inc. ("H&K") will serve the Commodity Board for Ornamental Horticulture ("the Board") as public relations counsel.

As counsel, H&K will:

(a) Advise the management of the Board on public and government relations aspects of its policies and problems.

(b) Develop for approval and implementation, a program designed to achieve the Board's communications objectives.

(c) Provide professional staff services as may be required to help the Board carry out its program.

(d) + (e) see reverse . . . . . -->

The financial arrangements will be as follows:

Charges for the services of H&K will be made at standard hourly rates for participating officers and staff assistants as they are required to carry out the programs and activities approved. On a monthly basis, the Board will pay H&K a minimum of US $5,000.00, in advance, for services rendered under this agreement. Any staff time charges incurred in any month for the Board's account will be applied against this minimum, and any staff time charges incurred above the minimum will be billed at the regular rates.

The Board will reimburse H&K for all out-of-pocket disbursements made in the performance of its duties under this arrangement and will pay H&K a fifteen percent (15%) handling and administration fee on all such disbursements except for "routine" disbursements. Routine disbursements will be limited to travel, local messengers, in-house photocopying, and ordinary communications (telephone, telex and postage). All disbursements for materials, services and rights will be made by H&K as agent for the Board.

V see reverse . . . . . -->

Invoices for the monthly minimum, actual staff time, out-of-pocket expenses and handling fees will be submitted with specified due dates, and the Board will pay each invoice on or before its due date. In the event payment is not made in a timely manner, H&K will charge the Board a late payment penalty of 1-1/2% per month on any overdue and unpaid balance from the previous month(s). In addition, H&K will have the right to suspend all work on the Board's account in the event that any invoice remains outstanding for a period of more than thirty (30) days. Further, H&K will be prepared to supply any supporting detail required by the Board's independent auditors. Authorization for projects and operating activities

will be obtained in advance before commitments are made. The Board agrees to reimburse H&K for all expenses (including reasonable attorneys' fees) incurred in the collection of any overdue and unpaid balance.

H&K will maintain accurate records of all staff time work and all out-of-pocket expenditures incurred on behalf of the firm and, during the term of this agreement and for one year thereafter, the Board may examine such records upon reasonable notice and during normal business hours. It is understood that the foregoing does not include H&K salary data, overhead and other internal H&K costs or non-billable expenses.

H&K acknowledges its responsibility, both during and after the term of its appointment, to use all reasonable efforts to preserve the confidentiality of any proprietary information or data developed by H&K on behalf of the Board or disclosed by the Board to H&K.

It is understood that H&K cannot undertake to verify facts supplied to it by you or factual matters included in material prepared by us and approved by you. You agree to indemnify and hold harmless H&K from and against any and all losses, claims, damages, expenses (including reasonable legal expenses) or liabilities which H&K may incur (a) based upon information, representations, reports, data or releases furnished or approved by you or your representatives for use or release by H&K and/or (b) resulting from disputes between H&K and third parties related to and/or within the scope of this agreement except where attributable to H&K's failure to use due care. You also agree to reimburse H&K for time of staff and expenses (including legal expenses) reasonably incurred by us in connection with any litigation commenced or threatened against you (for example, in responding to a document subpoena).

Any failure by either party to exercise any rights contained in this agreement upon the occurence of any event or contingency set forth herein will not constitute a waiver of such rights upon the reoccurence of such event or contingency.

H&K's appointment under this arrangement is to extend from January 1, 1987 to December 31, 1987 with an automatic renewal after which it will continue indefinitely unless either party gives 60 days' advance written notice of its desire to terminate or modify the agreement.

This agreement represents the entire agreement of the parties and may be amended only by a writing signed by all parties. It shall be governed by and construed in accordance with the laws of the District of Columbia.

Sincerely yours,

HILL AND KNOWLTON, INC.

Gerald Blizin
Senior Vice President

AGREED AND ACCEPTED:
COMMODITY BOARD FOR ORNAMENTAL HORTICULTURE

By: _____
Jo Spithoven
Chairman

Date:

(d) All maters concerning cutflowers and potplants will be reported directly to the Flower Marketing Council of Holland. Concerning paragraphs (a), (b) and (c) H & K will be directed directly by the Flower Marketing Council of Holland as far as cutflowers and potplants are concerned.

(e) All matters concerning flowerbulbs will be reported directly to the Dutch bulb exporters association. Concerning paragraphs (a), (b) and (c) H & K will be directed directly by the Dutch bulb exporters association as far as flowerbulbs are concerned.

V Invoices will be sent to the Commodity Board of Ornamental Horticulture with specification of time and costs incurred by the cutflowers and plants industry and the Flower bulb industry. Also copies of the made reports will be sent to the Commodity Board of Ornamental Horticulture.

