

Contracts and the Code of Good Trading Practice

Nina Winter
NFU Chief Legal Adviser

What we'll cover today

- Why do contracts matter?
- Why has the NFU developed the CGTP?
- Myth busting
- Key contract terms
- Key points of the CGTP
- Top tips
- Where we can help

Why do contracts matter?

British ornamentals sector = £1 billion at farm-gate



Why has the NFU developed the CGTP?



Fair contracts matter

- Agreed standards of fair and acceptable behaviour
- Promote sustainable trading relationships
- Greater transparency
- Fewer misunderstandings

Slaying the myths



Must be in writing



Must be signed



New contract each time



The first in wins



The law will save you



The small print



Key terms to look at

- Who?
- What?
- Where?
- When?
- How much?
- Triggers for key events



What to watch out for

- Risk & ownership
- Exclusivity
- Trigger for payment
- Termination
- Delivery dates and consequences
- 'Time is of the essence'
- Liability and indemnities
- Remedies for default



Key terms of the CGTP

- Contract vs. trading practice
- Writing
- Price & variation
- Termination
- Ordering
- Promotions



Top tips

- Read it
- Read it again
- Use the CGTP
- Ask questions
- Negotiate it
- Check it
- Keep it safe
- Use it



Help is at hand

- NFU Call First
- NFU Panel Firms
- Business Guides

