CHALMERS



CHALMERS VITICULTURE PTY LTD NURSERY TERMS & PRICING

Version 20230704 with effect from 4th July 2023

ORDERING PROCEDURE

- Orders are taken via our online system VitiManager. Customers need to request a login via the website, once issued, the Customer can go ahead and create an account profile then place their order using the Nursery Orders section of the VitiManager Customer portal.
- By placing an Order, Customers accept the Terms and Conditions set out herein and will need to acknowledge that they have read, understood and agreed to these terms being included in the contract between Chalmers Viticulture Pty Ltd and the Customer.
- Order cut-off for the coming propagation season closes on 30th April each year. Propagation year is the same year of proposed planting for container grown vines or top working for cuttings. Propagation year should be the year prior to proposed planting for dormant field grown vines.
- Chalmers Viticulture Pty Ltd may decline to accept any Order(s). Until an order is confirmed
 by Chalmers Viticulture Pty Ltd we can't guarantee we will be able to propagate your order.
 This could be due to many factors, including but not limited to our need to identify source
 material availability before we can proceed.
- At the time you place your order the status will be Incomplete. If we believe we will be able to propagate your order you will be issued a deposit invoice which needs to be paid before we will go ahead and order source material.
- When your deposit request and (if required) non-propagation agreement(s) are issued your order status will advance to 'Accepted'
- Once we have received your deposit payment we will proceed with ordering required propagation material. Once all propagation material has been sourced, and (if required) nonpropagation agreement signed and returned, your order status will then advance to 'Confirmed'
- As vines are propagated to order, deposit payments are non-refundable should the order be cancelled or reduced by more than 5% of the original order. Should an alternate buyer purchase the propagated vines, deposits may be refunded at Chalmers Viticulture Pty. Ltd. discretion.
- Should any of the required propagation material become unavailable and we are therefore unable to propagate your order, you will be contacted. If an alternative option cannot be arranged your deposit will be refunded.
- Each order on VitiManager is tied to the end location where the vines are to be planted. Only orders pertaining to a single planting location can be accepted per order. If you are ordering vines for multiple planting locations you need to enter them as individual orders per planting location.

- Orders are fixed to the product type Cuttings, Container Grown Vines, Dormant Field Grown Vines etc. If you wish to order more than one product type in the same propagation year you need to complete two separate orders.
- Details collected in this order form are used to process, invoice and despatch your order as well as draft the Non-Propagation Agreement in the case of proprietary clones.

ACKNOWLEDGEMENT

The Customer acknowledges and agrees that Vines are living, growing plants. All care will be taken to fulfil your order. Sometimes due to factors outside our control, your total order may not be able to be fulfilled. It is a term of this agreement that in such circumstances Chalmers Viticulture Pty Ltd shall not be held liable for any loss, economic or otherwise suffered by you as a result of non-supply of your order. The purchase price will however be adjusted pro-rata, or replacement vines provided, at Chalmers Viticulture Pty Ltd's option.

Chalmers Viticulture Pty Ltd will use its best endeavours to ensure that vines are true to type and that vine health is appropriate, but we cannot totally guarantee same. The Customer acknowledges that the Customer agrees that Chalmers Viticulture Pty Ltd (in so far as the law allows) shall bear no responsibility for any financial loss, costs or loss of profit suffered by the Customer. The only remedy available to the Customer is the pro-rata refund of the purchase price of the vines or the provision of replacement vines (at Chalmers Viticulture Pty Ltd's option).

SOURCE MATERIAL

Varieties

- Chalmers Viticulture Pty Ltd specialises in producing vines from our own imported collection of Vitis Vinifera, primarily Italian varieties, however we can produce other varieties upon request should we be able to access a high-quality source of propagation material.
- Depending on availability of scion material some varieties are only available as grafted vines.
- For more information on the varieties and clones in the Chalmers Viticulture Pty Ltd collection visit the <u>Variety Data Sheets</u> page on our website.
- Most rootstock choices can be accommodated however restrictions may apply according to availability of high-quality source material.

Vine Health & Biosecurity

- Chalmers Viticulture Pty Ltd are very aware of the importance of maintaining vine health in all Australian vineyards and part of our protocol is to regularly virus test all sources used for our propagation material.
- There are many viruses in grapevines in Australia however we test only for the viruses known to affect the vine health or production. A virus status report listing the presence or not of the viruses we have tested for in the material used in the production of your order can be supplied upon request.
- Chalmers Viticulture Pty Ltd and the purchaser agree that vine material may have naturally occurring latent defects that Chalmers Viticulture Pty Ltd cannot prevent or detect that may affect the product performance. Therefore Chalmers Viticulture cannot guarantee the soundness, quality or performance of the vine material.

- Collecting material from a source which cannot provide a virus status of their grapevine material poses a great risk to the biosecurity and asset value of vineyards and the wider biosecurity of regions and the industry in general. Being prudent about where vine materials are sourced is an important part of the stewardship role of nurseries and grape growers.
- By prior arrangement only, clients supplying their own vinifera cuttings for grafting at Chalmers Viticulture Pty Ltd, are advised that they must provide us with a current Virus Status Report with a full suite of virus tests before we are able to receive their cuttings onto our property.

Testing Regime & Virus Records

- Chalmers Viticulture Pty Ltd's Internal Source Blocks are health-checked on a regular cycle with every clone and variety being tested at an external professional lab for the main suite of viticultural viruses. For each testing cycle the cuttings selected for sampling are taken from a different sample group of vines to cover a greater extent of the block over time.
- When establishing new source blocks, or importing new materials into Australia, all material is virus tested prior to being established on our property.
- For any propagation material brought into our nursery from an external source a sample is sent for testing prior to propagation.
- Chalmers Viticulture Pty Ltd have a code system for traceability through our propagation process. Each source of propagation material, internal or external, is given a unique code number and all virus records for that source and code are held on our database, with each new test being added to previous results for a comprehensive lifetime record of virus results.

PROPRIETARY CLONES

- Varieties and clones from the Chalmers Viticulture Pty Ltd collection (VCR, MAT and other private imports) are proprietary clones which are distributed by Chalmers Viticulture Pty Ltd under exclusive licence from the owners/developers of the proprietary material.
- For proprietary clones, the end Customer who owns the vineyard where the vines are to be planted will be required to sign a non-propagation agreement. This legally binding contract **prohibits the collection of propagation material** from these plantings at any time in the future. Should this contract be broken, the owners of the proprietary clones retain the right to impose compulsory removal of any illegal plantings.
- Non-propagation contracts will be issued with the deposit invoice when your order is confirmed. No vines will be propagated until a signed non-propagation agreement is in place for the new plantings.
- Owners of vineyards with any plantings of Chalmers Viticulture Pty Ltd proprietary clones have a responsibility to notify Chalmers Viticulture Pty Ltd of change of ownership should their vineyard change hands at any time in the future. This is because updated non-propagation agreements need to be maintained with the new owners. New owners of any such vineyard must fully understand the proprietary nature of these clones and that they are also prohibited from taking propagation material from these vines.
- Clones which are in the public domain are not proprietary and will not require the above conditions.

PRODUCTS

Vine Material

• Chalmers Viticulture Pty Ltd always recommends planting grafted vines for improved biosecurity as well as other beneficial viticultural reasons.

- Chalmers Viticulture Pty Ltd supplies the following grapevine products to the wine industry:
 - o Dormant Field Grown Vines, either grafted or ungrafted
 - o Container Grown Vines, grafted (ungrafted by special arrangement)
 - Cuttings (for limited purposes)

Dormant Field Grown Vines

- Dormant field grown vines are propagated in spring of the propagation year, planted out into a field nursery where they are grown on for up to 10 months. When the vines fall dormant the following year they are lifted, graded, trimmed and despatched to the Customer.
- Dormant field grown vines need to be ordered by the 30th April in the year prior to anticipated planting.
- Dormant Field Grown Vines can be sent from Chalmers Viticulture Pty Ltd to Vic, Qld, NSW, SA & TAS.
- Biosecurity regulations for sending grapevine material to all states outside Victoria require Hot Water Treatment and Plant Health Certificates to be issued. Chalmers Viticulture Pty Ltd has one of the very few Hot Water Treatment plants in Victoria and are fully accredited under ICA-37 with over 30 years' experience in treatment and despatch of vines under the strict vine movement protocol for Phylloxera Management.
- Vines being despatched to South Australia also require PIRSA import permits to travel across the border. Applying for this permit is the responsibility of the Customer. A copy of the permit must be supplied to Chalmers Viticulture Pty Ltd to travel with the shipment.

Container Grown Vines

- Container Grown vines are a beneficial way to save yourself a year if you're not able to order a year in advance. They are propagated in winter and grown in a climate-controlled greenhouse in a biodegradable paper container. The green, growing vines are despatched to the Customer in November/December in the year of propagation to be planted, still in the container, as soon as received.
- Container grown vines need to be ordered by the 30th April in the year of anticipated planting.
- Container grown vines can be sent to Vic, NSW and Qld. Container grown vines cannot be supplied to SA or Tas.
- Biosecurity regulations for sending container grown vines to Qld or NSW require Hot Water Treatment of cuttings prior to propagation and Plant Health Certificates to be issued. Chalmers Viticulture Pty Ltd has one of the only Hot Water Treatment plants in Victoria and are fully accredited under ICA-33 with over 30 years' experience in treatment and despatch of vines under the strict vine movement protocol for Phylloxera Management.

Cuttings

Cuttings should be ordered by 30th April in the year of requirement, however orders cannot be confirmed by Chalmers Viticulture Pty Ltd until our own requirements for grafted vine orders are established.

Cuttings of Proprietary Clones

• Chalmers Viticulture Pty Ltd are the only licensed propagating nursery for the proprietary clones in our collection. Cuttings of these varieties and clones will not be supplied to other nurseries for propagation.

- Cuttings may be sold directly to vineyard owners wishing to top-work their vineyards to change over a variety, although this option is not recommended by Chalmers Viticulture Pty Ltd.
- When purchasing cuttings of proprietary clones for top-working Customers must pay a royalty for each vine they intend to produce which is charged on top of the cutting cost at a rate of \$1.00 + GST per vine to be propagated.

Cuttings of Other Public Varieties/Rootstocks

- Chalmers Viticulture Pty Ltd has significant source blocks of rootstocks as well as some vinifera varieties outside our proprietary collection and in the public domain.
- Any cuttings of publicly available material excess to our own requirements may be made available for sale to nurseries or growers and do not incur a royalty.

Viticultural Products

Chalmers Viticulture Pty Ltd also supplies associated vineyard establishment products which can be ordered at the time of your vine order and delivered with your vines.

- Vine Guards Laminated Cardboard vine guards, 65mm x 65mm x 480mm tall. They come in cartons of 300.
- Bamboo Stakes 1.5m tall, 10-12mm diameter, they come in bundles of 250.
- Planting Water Jet Crafted in house at the Chalmers Viticulture Pty Ltd workshop, ideal for creating a slurry to plant your vines. See planting instructional videos to view the water jet in action and for more information on our planting advice.

PRICING

Product	Product	Number of Vines Ordered	Proprietary	Proprietary Clone - Ungrafted	Public Clone - Grafted	Public Clone - Ungrafted
Group			Clone - Grafted			
Vine Material	Dormant Field Grown Vines	1-500	\$15.00 + GST	\$8.00 + GST	\$14.50 + GST	\$7.50 + GST
		501-3000	\$9.50 + GST	\$6.50 + GST	\$9.00 + GST	\$6.00 + GST
		3001-6000	\$8.50 + GST	\$6.00+ GST	\$8.00 + GST	\$5.50 + GST
		6001 +	\$8.00 + GST	\$5.50+ GST	\$7.50 + GST	\$5.00 + GST
Vine Material	Container Grown Vines	1-500	\$15.00 + GST	\$8.00 + GST	\$14.50 + GST	\$7.50 + GST
		501-3000	\$9.50 + GST	\$6.50 + GST	\$9.00 + GST	\$6.00 + GST
		3001-6000	\$8.50 + GST	\$6.00+ GST	\$8.00 + GST	\$5.50 + GST
		6001+	\$8.00 + GST	\$5.50+ GST	\$7.50 + GST	\$5.00 + GST
Vine Material		Number of Cuttings Ordered	Proprietary Clone – Cutting Price	Proprietary Clone - Royalty	Public Clone - Scion Cutting	Public Clone - Rootstock Cutting
	Cuttings (limited purposes)	Any Number	\$1.50 + GST per cutting	\$1.00 + GST per vine to be propagated	\$1.00 + GST	\$0.75 + GST
Viticultural Products	Vine Guards (carton of 300)	\$90.00 + GST				
	Bamboo Stakes (bundle of 250)	\$75.00 + GST				
	Planting Water Jet	\$390.00 + GST				
		Price Per Unit	Interstate Transfer Fee per bin			
Packaging*	CHEP Bins (Container Grown Vines)	\$45.00 + GST	\$25.00 + GST			
	New Non-returnable Wooden Bin (Container Grown Vines)	\$85.00 + GST				
	New Non-returnable Pallet (Dormant Vines)	\$50.00 + GST				
	* Please note packaging charges are subject to change.					
Additional Services	Hot Water Treatment	\$150.00 + GST per Batch				
	Plant Health Certificate	\$100 + GST per Certificate				
	Cool Storage	\$20 + GST per part or full pallet space per week				

STORAGE AND DESPATCH

Dormant Vines

- Dormant Vines should be despatched to the Customer by the end of October the year following propagation.
- It is our policy not to Hot Water Treat after the end of October so any orders requiring hot water treatment should be despatched by then.
- Storage charges for any vines held past the end of October may be applied at the rate of \$20.00 plus GST per pallet space or part thereof per week. This applies to short term storage until mid-December, long term storage of vines is not a service offered by Chalmers Viticulture Pty Ltd.
- Vines which have been hot water treated should be planted within one week of treatment. Chalmers strongly advises against cool storage after hot water treatment.

Logistics

- The customer is responsible for cost of freight of their vines.
- The customer may choose to arrange their own freight, otherwise Chalmers Viticulture can organise freight on our own account via Pickering Transport Group to the nearest depot.
- For some locations, alternative freight companies may be engaged and costs forwarded onto the customer.
- Arranging freight from the depot to the customer address is the responsibility of the customer.
- Freight organised by Chalmers Viticulture using Pickering Transport Group is charged at a flat rate per below;

Freight* if shipped on Chalmers account	Despatch from	Destination Depot	Price per Pallet space
*Please note freight charges are subject to change.	Merbein	Melbourne	\$225 + GST
	Merbein	Regional Victoria	\$300 + GST
	Merbein	New South Wales	\$400 + GST
	Merbein	Renmark	\$100 + GST
	Merbein	South Australia	\$200 + GST
	Merbein	Queensland	\$500 + GST
	Delivery fee (other than depot)	All locations	\$75 + GST

Container Grown Vines

We have found the best way to deliver your container grown vines safely is to pack and ship them in bins.

Wooden Bins

- We can supply Chalmers Viticulture Pty Ltd purpose built, new, non-returnable wooden bins which hold 378 vines per bin.
- The convenience of this method means you do not have to arrange return and de-hiring of CHEP Bins (as per instructions below)
- The price for these bins is \$85.00 + GST (subject to change).
- As these bins do not have to be returned, they remain the property of the Customer.

CHEP Bins

CHEP Bins can only be used if you have your own CHEP account so we can transfer the hired bins to your account upon despatch.

There are standard protocols and fixed CHEP pricing as follows:

- Please ensure the CHEP account details on your VitiManager account profile are up to date so we can transfer bins.
- Chalmers Viticulture Pty Ltd will initially hire all CHEP bins required for the season on their own account and have them on hand ready to go.
- At the time of despatch, the Customer is charged an issue fee of \$45 + GST per bin used to despatch their vines. This fee covers the CHEP issue fee, administration fees, the freight to get the empty bins to the nursery and hire days in advance of despatch.
- An additional relocation fee of \$25 + GST per bin will be charged for any bins transferred to another CHEP account in any state outside Victoria.

PAYMENT TERMS

- A deposit of 50% of the value of the vines ordered will be invoiced to you once we have accepted your order. Your order is not confirmed as secure until the following items are complete:
 - o The deposit invoice is paid
 - Chalmers Viticulture Pty Ltd has ordered required propagation material.
 - Chalmers Viticulture Pty Ltd has received the signed non-propagation agreement in the case of proprietary clones.
- Should you choose to cancel or reduce your order by more than 5% at any time after it's been accepted any deposits paid for the cancelled vines will not be refunded.
- In the case that Chalmers Viticulture Pty Ltd cannot find a source of high quality propagation material for your order, or an alternative option cannot be agreed upon, any deposits paid will be refundable.
- The balance of the vine order value plus any packing, viticultural products and additional services will be invoiced upon delivery of the vines as a COD invoice.
- Failure to pay invoices on time may result in finance charges of 15% per annum accrued daily on any outstanding amounts.
- In the case of freight on-charging this will usually be invoiced with your vine or cutting invoice upon delivery, however occasionally freight may be invoiced separately, once we know the freight costs, as a COD invoice.
- Save for Vines provided under licence, Title to the Vines, and Risk shall pass to the Customer upon despatch of the vines from the nursery once they leave the premises of Chalmers Viticulture Pty Ltd at 118 Third Street Merbein.

DIRECTOR'S GUARANTEE

In consideration for Chalmers Viticulture Pty Ltd agreeing to enter into this agreement with the Customer, the Director(s) of the Customer hereby offer and agree(s) to be joint and severally personally responsible and liable for all payments due, and obligations owed by the Customer.

In the event a that the Customer defaults in any of its obligations to Chalmers Viticulture Pty Ltd, Chalmers Viticulture may exercise its rights against the Director(s) and will not be first required to first take any action or exhaust its remedies against the Customer before so doing.

GOVERNING LAW AND JURISDICTION

The parties agree that this contract and terms shall be governed by the Laws of the State of Victoria, Australia and that the parties accept the exclusive jurisdiction of the Courts exercising jurisdiction in that State.