

This letter is to confirm our understanding of the terms of our engagement and the nature and limitations of the services we will provide.-

Purpose, Scope and Output of the Engagement

For Income Tax Returns

We will act as your tax agent and place your return on our lodgment list. This allows us to access information from the ATO via the Tax Agents Portal. We will prepare your income tax returns from information that you provide to us. We will send the prepared returns to you for checking and signature together with a copy for your records and an estimate of tax payable or refund due.

These returns are usually lodged electronically. Our address is noted as your postal address for services of notices. We check your notice of assessment and then post it to you for payment.

For Financial statements

We will prepare financial statements in line with the following compilation report.

COMPILATION REPORT

Scope

On the basis of information provided by the client, we have complied in accordance with APS 9: Statement on Compilation of Financial Reports”, the special purpose financial reports of clients for the period ended June 30 2007, as set out in the attached financial reports.

The specific purpose for which the special purpose report has been prepared is set out in Note 1. The extent to which Accounting Standards and other mandatory professional reporting have or have not been adopted in the preparation of the special purpose report set out in Note 1.

The Client is solely responsible for the information contained in the special purpose financial report and has determined that the accounting policies used are consistent with financial reporting requirement of the Client’s constitution and are appropriate to meet the needs of the Clients for the purpose stated in Note 1.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Client provided, into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Client, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the Client for the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

Peter Vickers & Associates Pty Ltd
ACN 003 466 813
Lindfield

Fees for this work are invoiced in three installments. On receipt of work, six weeks later, and after completion of work and acceptance by the client.

We will act as the registered office of your company and thus maintain the company's minute book and corporate register on our computer system. We will act as your company's Registered Agent with ASIC and will receive your annual statement electronically from ASIC which we will then check, prepare the required minutes and send to you for signature and payment of the fees.

For Bookkeeping Services

Our bookkeepers are not accountants and their skills and knowledge are limited. They are not permitted to give advice. Their function is to solely enter transactions into your accounting system. They are under the client's supervision, and thus we cannot be responsible for any errors that they may make.

General

Peter Vickers & Associates Pty Ltd is an authorized representative of Peter Vickers Investment Services, a division of Peter Vickers Insurance Brokers Pty Ltd. AFSL No. 229302. However, only authorised employees or contractors are permitted to give specific advice on financial products.

Our work will be prepared for distribution to the client for the purposes noted above. We disclaim any assumption of responsibility for any reliance on our work to any person

other than the client, and for any purpose other than for which it was prepared. Our work will contain a disclaimer to this effect.

Relative Responsibilities

The conduct of this engagement in accordance with the standards and ethical requirements of The Institute of Chartered Accountants in Australia and CPA Australia means that information acquired by us in the course of the engagement is subject to strict confidentiality requirements. That information will not be disclosed by us to other parties except as required or allowed for by law or professional standards, or with your express consent.

Our files may, however, be subject to review as part of the quality control review program of The Institute of Chartered Accountants in Australia which monitors compliance with professional standards by its members. We advise you that by signing this letter you acknowledge that, if requested, our files relating to this engagement will be made available under this program. Should this occur, we will advise you.

You have agreed to arrange for reasonable access by us to the required people and documents and are responsible for both the completeness and accuracy of the information supplied to us. You have agreed to check all income tax returns, financial statements, as well as any other work prepared by us, and inform us of any errors or omissions.

Fees

Our fees, which will be billed as work progresses, are based on the time required by the individuals assigned to the engagement plus out-of-pocket expenses. Individual hourly rates vary according to the degree of responsibility involved and the experience and skill required.

Our fees are payable within 7 days of issue of the invoice and interest will be charged after one month at ANZ Visa Card rates.

Our current charge out rates (inclusive of GST) are:

Level	Hourly Rate
Bookkeeping/Payroll	\$88
Accountant	\$88 - \$138
Senior Accountant	\$138 - \$198
Partner	\$440

The fees for any audit work performed by Peter Vickers, registered company auditor, will be invoiced by Peter Vickers & Associates Pty Ltd and will be payable to that company.

Governing Law

This engagement letter and the contract arising from it and all aspects of our engagement by you and the performance of work for you are governed by the law of New South Wales and you agree to be bound by the laws of New South Wales.

Jurisdiction

Both you and we irrevocably submit to the exclusive jurisdiction of the Courts of New South Wales, notwithstanding that your activities or any part of the work we do or your acceptance of these terms of engagement may be or take place outside of New South Wales.

(a) *Professional Standards Act (NSW) 1994*

Under the *Professional Standards Act (NSW) 1994* and the Scheme approved under that Act, the liability of the firm, its partners, associates and employees or contractors is limited to a maximum sum of \$500,000, where the fee for the engagement is up to \$50,000, or ten times the fee (subject to a \$20 million ceiling) for fees in excess of \$50,000.

A copy of the Act and the Scheme are both available on the websites of The Institute of Chartered Accountants in Australia <www.icaa.org.au> and CPA Australia. <www.cpaonline.com.au>.

(b) the Scheme does not apply to limit our liability arising from any of the following:

- (i) death of or personal injury to a person;
- (ii) negligence or other fault of a legal practitioner in acting for a client in a personal injury claim;
- (iii) breach of trust;
- (iv) fraud or dishonesty; or
- (v) liability which is the subject of proceedings under Part 14 of the Real Property Act 1900.

The exceptions listed hereinabove are not exhaustive and may include other situations such as members not meeting the requirements of the Act or the Scheme, for example, non-disclosure of the limitation of their liability, etc.

(c) *Contractual Limitation*

You agree, to the extent permitted by law, that the liability to you of the firm, its partners, associates and employees or contractors, in any way arising from or connected with this engagement including, without limitation, liability for negligence, will be limited to a maximum of \$500,000, where the fee for the engagement is up to \$50,000, or ten times the fee (subject to a \$20 million ceiling), for fees in excess of \$50,000 and you release and indemnify the firm, its partners, associates and employees or contractors from all claims arising from or connected with the performance or purported performance of any services arising from or connected with this engagement letter to the extent any such claim or claims made exceed that limit.

(d) *Third Parties*

Nothing produced by this firm, its partners, its employees or contractors is to be made available by you to other than your own employees in any way whatsoever without our written permission and, in any event, we accept no responsibility to any third party. You agree and undertake that you will make the provisions as to limitation of liability known to anyone, including your own employees, to whom you may disclose anything produced by us pursuant to this engagement letter.

(e) *Your Knowledge of this Obligation*

We have discussed with you the limitation of our liability created by this clause. You acknowledge that we have advised you that you may wish to obtain legal advice on all questions arising from the terms of our engagement letter and, in particular, the limitation of liability provisions, because they may impact on your legal rights.

Indemnity

In consideration of our agreement to supply you with the services described in this engagement letter, you agree to indemnify this firm, its partners, associates, employees, contractors and any other person who may be sought to be made liable in excess of the limit of liability described above in respect of any activity arising from or connected with this engagement letter in respect of any claim of whatever kind, including negligence, that may be made by any person and any costs and expenses that may be incurred by us.

Severability

We agree that each of the promises and undertakings given in this letter of engagement are independent from one another and severable.

Confirmation of Terms

Please sign and return the attached copy of this letter to indicate that it is in accordance with your understanding of the arrangements. This letter will be effective for future years unless we advise you of any change.

Yours sincerely,

**Peter Vickers
Director**

Date: _____

Acknowledged on behalf of the client by:

Name: _____

Position: _____

Date: _____