Dear

Re Engagement Letter

The purpose of this letter is to confirm and update our understanding of the terms of engagement and nature of our continuing appointment to perform accounting and administration services for the following entities:

   Entity Name:

1) PREPARATION OF FINANCIAL STATEMENTS
You hereby instruct me to prepare my Financial Statements. These Financial Statements are to comply with the Income Tax Act, and are in accordance with standards issued by the NZ Institute of Chartered Accountants and are compiled for your purposes.

I will prepare Financial Statements and taxation returns for the financial year from information provided by you, in accordance with Service Engagement Standard number 2 (SES-2) issued by the New Zealand Institute of Chartered Accountants. My "Accountants Statement of Disclaimer" will also be included in the Financial Statements as follows:

"You have compiled these Financial Statements for our client from the information and explanations supplied to us.

This compilation is limited primarily to the collection, classification and summarisation of financial information supplied by the client. This compilation does not involve the verification of that information. I have not carried out an Audit or a Review Assignment on the Financial Statements and therefore neither I, nor any of my employees, accept any responsibility for the accuracy of the material supplied from which the statements have been prepared.

Further, the Financial Statements have been prepared at the request of and for the purposes of my client only and neither I nor any of my employees accept any responsibility on any ground whatever including liability in negligence to any other person."

The compilation report and disclaimer do not diminish my personal obligation and duties, it advises third parties of the duties I have performed. On occasion I may employ the services of a contractor to process the information provided by you.

It is understood and agreed that you will provide me with accurate, complete and timely information necessary to compile your Financial Statements and that the responsibility for the accuracy and completeness of the assertions in the Financial Statements remains with you.
Sole Trader, Partnership and Trust Financial Statements will be prepared according to the requirements of the Income Tax Act and may not be appropriate for other purposes.

Company Financial Statements will be prepared according to appropriate Financial Reporting Standards and Principles to enable you to meet your obligations under the Financial Reporting Act and your obligations under the Privacy Act.

You acknowledge and accept responsibility for all records and information supplied. You also acknowledge and accept responsibility for any failure to supply all relevant records and information.

It is agreed that ownership of all documents supplied by you to assist in the performance of my professional services shall remain your property. All documents produced by me in the performance of my services, such as work papers, shall remain my property. It is agreed that the above has no effect on my rights to claim a particular lien over books, records and other documents.

No audit or new engagement is to be performed and accordingly no assurance expressed.

2) OTHER SERVICES
In addition to compiling Financial Statements and reports I may also be required to perform services in addition to this.

3) BENEFIT OF ADVICE
Unless stated in the Engagement Letter, any advice or opinion relating to the services is provided solely for your benefit and may not be disclosed in any way, including publication on any electronic media, to any other party and is not to be relied upon by any other party.

4) TAX ASSESSMENTS
My address may be used by the Inland Revenue Department for service of tax assessments and notices and in this instance it will be my responsibility to check these tax assessments. I will endeavour to advise the amounts and due dates for tax payments. However, the responsibility for paying the correct tax and paying on time rests with you. Any penalties arising from lateness, errors, wrong estimation or any other reason are payable by you.

5) GOODS AND SERVICES TAX
You are responsible for the preparation and filing of GST returns by due dates unless you have specifically requested Ross G Millar Ltd (in writing) to complete GST returns on your behalf. If I am requested to complete GST returns, I will prepare GST returns in accordance with legislation applicable at the time, from information supplied by you. It is understood that you will provide all the necessary information and records at least seven working days prior to the due date for filing of returns to enable returns to be prepared that are both true and correct. I will sign the GST return as your agent.

I will endeavour to reconcile your GST returns to the Financial Statements and advise you of any apparent discrepancy.

6) FRINGE BENEFIT TAX
You are responsible for the preparation and filing of all Fringe Benefit Tax returns unless you have specifically requested me (in writing) to complete FBT returns on your behalf. If you have requested me to complete FBT returns, I will prepare FBT returns in accordance with legislation applicable at the time based on information supplied by you. It is understood that you will provide all the necessary information and records at least seven days prior to the due date for filing of returns to enable returns to be prepared that are both true and correct. I will sign the FBT Return as your agent.
7) ACCIDENT COMPENSATION CORPORATION LEVIES
You are responsible for the payment of all Workplace Accident Insurance and ACC Levies by the
due date. You may nominate me as your authorised Agent thereby giving authority for me to review
invoices received and liaise with ACC on your behalf.

8) ACCOUNTANCY FEES
You accept that my fees are based on a number of considerations which can include but are not
limited to, time spent on each assignment, complexity and importance to you, degree of skill
required, knowledge and responsibility involved and the result I achieve for you. Therefore the
hourly rate is only a guide to the final fee, and is not the only factor taken into account when fixing
the amount charged.

You will be sent an account on completion of the job, or if the work is likely to take some time or is
ongoing, then an interim account may be sent.

Any account enquiries will be brought to the attention of Ross G Millar Limited in writing within
ten days of receipt of a statement.

If you are likely to have difficulties in the payment of any accounting fees, you will discuss this with
me. You acknowledge that I will endeavour to make arrangements to suit individual circumstances
and that Ross G Millar Limited reserves the right to charge interest of 1.5% monthly on accounts
unpaid after due date.

9) AUTHORITY TO ACT AS TAX AGENT
Under this agreement you authorise Ross G Millar Limited to act as your agent to Inland Revenue
Department on all matters and have access to all tax types and all tax information pertinent to enable
the completion of your Financial Statements and tax returns.

10) AUTHORITY TO OBTAIN INFORMATION
By signing this letter you hereby authorise Ross G Millar Limited to communicate with your
bankers, solicitors, finance companies and all Government agencies to obtain such information as
required in order to carry out the preparation of your Financial Statements and tax returns.

11) PRACTICE REVIEW
The New Zealand Institute of Chartered Accountants requires Practitioners to be subject to review
from time to time in order to ensure that professional standards are being maintained. Reviews are
based on a sample of files and specific client files may be selected by the reviewer for examination.
The reviewer is officially appointed by the Institute, and is bound by declarations of secrecy,
meaning utmost confidentiality is maintained. The reviewer is the only person from the Institute
who has access to records, and no copies are made. The review could however, include anonymous
reference to your information.

12) ELECTRONIC COMMUNICATION
I may communicate with you by email or other electronic means including facsimile transmissions
from time to time. You acknowledge that I may rely only on electronically transmitted advice or
documents when that advice is confirmed by letter signed by a Director. You also acknowledge that
I cannot ensure delivery by email and that unauthorised access and faults in computer networks can
occur which may result in the corruption, alteration or non-delivery of electronically transmitted
materials. I do not represent or warrant that any document or letter sent by e-mail is free from
computer viruses or other defects.

In light of the acknowledgements and issues referred to above you waive any claim against me
arising out of these electronic communications.
13) CONFIRMATION
It is appreciated that from time to time you may desire a change in the scope of work to be undertaken by us, in which case your timely advice would be appreciated.

You acknowledge that the failure to sign and return this agreement and the associated paperwork may cause a delay to the start of compiling your Financial Statements and taxation work.

The arrangements outlined in this letter will continue in effect from year to year unless we agree to change them. Any alteration to these terms will be confirmed in writing.

If the services outlined are in accordance with your requirements and the terms are acceptable to you, please sign and return this engagement letter. The client copy is for your records.

Please contact me with any queries.

Acknowledged on behalf of: .................................................................
(Refer to front page for Entity names)

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Your Name  Signature    Date

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Your Name  Signature    Date

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Your Name  Signature    Date

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Ross G Millar        Date