

TERMS OF ENGAGEMENT

These Terms of Engagement shall be construed according to the laws of New South Wales and it shall be deemed that the appointment of A. D. Envirotech Australia Pty Limited - ACN 093 452 950 – ABN 52 093 452 950 (ADE) as The Consultant, has been made at its offices at Unit 4, 10-11 Millennium Ct, SILVERWATER 2128 in the state of New South Wales, Australia.

1. PROVISION OF SERVICES

1.1 ADE shall provide to the Client, the consulting services described in the accompanying quotation.

1.2 In providing the services, ADE shall exercise a reasonable degree of skill, care and diligence normally exercised by environmental and occupational health and safety consultants in similar circumstances.

2. CONSULTANCY FEES

2.1 The Client shall pay to ADE the consultancy fee which will be in respect of total consultancy services rendered for the project based on:

- Time spent on the project, whether at the Client's premises, the Consultant's office, or elsewhere.
- Internal support and secretarial staff charges.
- Reasonable day to day costs and expenses.

2.2 Unless otherwise stated in writing, the following additional expenses, if required by the Client, will be charged at cost plus 15% (except where specifically included in the fee proposal):

- Travel outside Sydney Metropolitan Area.
- Specialised aerial photography.
- Printing by commercial printers.
- Specialist courier/freight services.
- Site bore holes and sampling.
- Chemical and/or technical analysis.
- Legal and Accounting advice.
- Accredited DEC auditors.

3. QUOTATION VALIDITY

Fees quoted are valid for a period of 30 days from the date of the proposal. ADE may revise the quoted fees based on current rates where proposals are not accepted within this period.

4. PAYMENT OF FEES

The fee structure is based on prompt payment, (i.e. within 14 days) and the following arrangements hold, unless varied in writing:

4.1 Where projects are completed within a calendar month, fees will be invoiced in full at completion.

4.2 Where projects extend over more than one month, fees will be invoiced monthly on a progress basis.

4.3 Invoices shall be payable in full within 14 days of invoice date.

4.4 Any disputed invoice amounts shall be raised in writing and shall not delay payment of the balance of any invoice.

4.5 ADE shall be entitled to interest at the ruling CBA overdraft rate plus 2% on all accounts not paid when due. This is not an offer of credit.

4.6 Where projects are undertaken for overseas Clients, full payment in Australian Dollars free of any charges is required prior to release of the documents.

5. PERSONNEL AND OFFICE SUPPORT

5.1 The Consultant will provide adequate and experienced personnel for the performance of each task involved in the project.

5.2 The Consultant will also provide appropriate office support services for the duration of the project, when required.

5.3 If ADE considers it appropriate to do so, it may with the Client's approval, which shall not be unreasonably withheld, engage another consultant to assist ADE in specialist areas. The Client accepts full responsibility for all monies payable to such other Consultant.

5.4 The Consultant shall liaise with other consultants on the Client's behalf and provide all necessary information and documentation. (Coordination by others).

6. CHANGES TO THE BRIEF

Minor changes to the brief can usually be accommodated in the quoted fee. However, where changes to the scope of work are required by the Client or any statutory authority at commencement or part way through the project, the Consultant reserves the right to revise the quoted fee.

7. DOCUMENTATION

7.1 Unless otherwise stated in a proposal, one (1) copy of the report and similar documentation will be supplied and costs are included in the quoted fee.

7.2 Reports and associated documentation are normally prepared in A4 format and are in plastic sleeve or plastic combbound.

7.3 A master copy of each document will be kept by ADE on the Filing System during the currency of the contract. Additional copies will be supplied at current commercial copying and binding rates.

7.4 If draft reports are required such documents will be made available on the strict understanding that such documents are for internal consideration only and will not be released to third parties.

8. REASONABLE CONDUCT

8.1 Notwithstanding the express terms of this contract the parties agree that they will conduct their obligations in good faith and with a reasonableness of manner.

9. TERMINATION OF WORK

9.1 The Client may terminate its obligations under this Agreement:

- In the event of substantial breach by ADE of its obligations hereunder, which breach has not been remedied within 30 days of written notice from the Client requiring the breach to be remedied, or
- Upon giving ADE 60 days written notice of its intention to do so.

9.2 ADE may suspend or terminate its obligations under this Agreement in the event of:

- i) monies payable to ADE hereunder being outstanding for more than 45 days.
- ii) other substantial breach by the Client of its obligations hereunder, which breach has not been remedied within 30 days of written notice from ADE requiring the breach to be remedied, or
- iii) upon giving the Client 60 days written notice of its intention to do so.

10. GOODS AND SERVICES TAX

Goods and Services Tax is excluded and, if applicable, will be charged as an additional fee.

11. PROFESSIONAL INDEMNITY INSURANCE

ADE shall hold a current policy with an insurance provider for a minimum amount of \$1,000,000.00. This shall be the pre-agreed limit of any claim including all costs from all parties in relation to this project. Should the Client require additional cover than this shall be notified in writing and the additional cost of such cover shall be included as a variation to the fees payable by the Client.

12. CONSULTANT'S LIABILITY

12.1 All inspections, investigations, surveys, and recommendations made in reports or studies associated with the project are made in good faith on the basis of information available to the Consultant at the time; and achievement of objectives set out in such reports or studies will depend among other things on the actions of the Client, over which the Consultant has no control. Notwithstanding anything contained therein, neither the Consultant nor its agents will, except as the law may require, be liable for any loss or other consequences, whether or not due to the negligence of the Consultant or its agents, arising out of the services rendered by the Consultant.

12.2 Where ADE nominates contractors to carry out the work these nominations are made in good faith and in no way are to be interpreted as a guarantee of performance. The relevant Contractor shall be responsible for and shall arrange all necessary methods, techniques, procedures, equipment and approvals from the relevant authorities during and on the completion of installation works. The Client shall be responsible for the provision of all particulars concerning the site including any relevant regulation or conditions placed on the site or building. The Client or his agents will be responsible for the supervision and quality of workmanship of any contractor appointed to carry out the work unless specifically noted in ADE's Fee Proposal or Contract Variation.

13. PERMISSION TO PROCEED

In order to proceed with this project the Consultant requires authorisation confirmed by signing the Client Authority form.

14. CONFIDENTIALITY

ADE agrees not to divulge confidential information relating to the Client or its projects other than maybe required by Law. Client should be aware of the statutory reporting requirements to the NSW EPA of any significant risk of harm arising from contamination identified on sites.

15. ADDITIONAL INFORMATION REQUIREMENTS

At the time of forwarding the authorisation to proceed, the following information is required:

- 15.1 Confirmation of the brief and any amendments which may be required.
- 15.2 Confirmation of the number of report copies required.
- 15.3 Specific requirements/restrictions/notes issued by relevant authorities for the subject site, etc.

16. SITE DRAWINGS

Fees have been calculated on the assumption that a full set of drawings of the subject property, where required, will be made available to ADE at no charge in either hard copy or electronic copy in .PDF or JPG format.

17. COPYRIGHT

ADE reserves all intellectual property rights including copyright. All documents, digital information are subject to copyright and shall remain the property of the Consultant.

18. DISPUTES

If a dispute arises between the parties in connection with this agreement the parties shall demonstrate their good faith and reasonableness to resolve any dispute as soon as possible. If the dispute cannot be resolved within seven (7) days then refer the dispute to mediation by a mediator agreed by the parties or failing agreement, appointed by the Australian Commercial Disputes Centre (AACDC) and mediation shall be on the terms of a standard mediation agreement of the ACDC. If a dispute is not resolved within three months of the commencement of the reference under Clause 16, either party may then, but not earlier commence proceedings in any Australian court of competent jurisdiction.

19. ASSIGNMENT

ADE reserve the right to either assign, transfer or sublet in whole or part any obligation under this Agreement without further consent.

20. ADE'S ADDRESS FOR NOTICES

Unit 4, 10-11 Millennium Court,
SILVERWATER NSW 2128 Australia
Email: info@adenvirotech.com.au
Web Site: www.adenvirotech.com.au