

Date: 21 February 2012
Name: Nick Purvis
Position: Sale Director, Cameron Balloons

Dear Mr Purvis,

LETTER OF AGREEMENT

This letter is to confirm the terms and conditions for the Design and Manufacturing Feasibility Study for a Hot Air Balloon Envelope for the Centenary of Canberra.

PARTIES: CAMERON BALLOONS LTD, St John Street, Bedminster, Bristol, BS3 4NH, UK. (Consultant)

AUSTRALIAN CAPITAL TERRITORY, the body politic established by section 7 of the *Australian Capital Territory (Self-Government) Act 1988* (Cwth) (Territory) represented by Chief Minister's Department, Centenary of Canberra (Territory)

BACKGROUND

- A. The Territory has undertaken a procurement process and has selected the Consultant to provide the Services.
- B. The Project will be undertaken in accordance with mutually cooperative arrangements, agreed by both parties, and the artist, as specified within this Letter.

1. ABOUT THE CENTENARY OF CANBERRA

The 12th of March 2013 will celebrate 100 years since Lady Denman, wife of then Governor-General Lord Denman, stood upon the newly laid Foundation Stones and officially named the new Australian capital, 'Canberra'. Our vision is all Australians proudly celebrate the Centenary of Canberra, our nation's capital - a city that symbolises our freedom, spirit, achievements and aspirations.

Goals

- Increase the pride and ownership of Australians in their capital.
- Fully engage the community of Canberra, the Capital region, and the broader Australian community in the celebrations.

- Establish enduring international recognition of Canberra, and its role as the capital.
- Build the positive image and reputation of Canberra as a city and community.
- Build lasting legacies of community value through memorable celebrations and high quality projects.
- Create impetus for future development of the National Capital.

2. ABOUT THE PROJECT

The Centenary Hot Air Balloon Commission (the 'Project') has been conceived by Creative Director Robyn Archer AO for the Centenary of Canberra in 2013.

It will be an opportunity to create a work of art of international significance and create an opportunity to draw attention to Canberra's long and proud history of innovation. The presence of a commissioned balloon, designed by a famous Australian artist will build excitement for the 2013 Canberra Balloon Spectacular.

Project Objectives

- a) To commission an Australian artist (educated in Canberra and graduate of the ANU School of Art) of national and international stature to produce a new work for the Centenary.
- b) To provide a special feature for Canberra's annual balloon festival.
- c) To create a work of art that is a unique fusion of high art and popular pursuits.
- d) To provide a high quality and creative project that will enrich an existing Canberra event and encourage future developments of the event.
- e) To introduce the wider community to the work of a famous Canberra trained, Australian artist.
- f) To promote Canberra on the world map for design and innovation and build the international recognition of Canberra.
- g) To enhance Canberra's reputation for artistic excellence and build the positive image and reputation of Canberra as a city and community.

3. DEFINITIONS

Consultant Material	means all material owned by the Consultant and used for the purpose of providing the Services, including documents information and data stored by any means, without limiting the rights of the artist.
Contract Material	means all material created, written or otherwise brought into existence as part of, or for the purpose of performing the Services including all reports (whether in draft or final form), documents, information and data stored by any means without limiting the rights of the artist.
Project	means the development, manufacture and operation of a commissioned special shape hot air balloon designed by an artist for the Territory.

Promotional Material	means the full biographies, colour and black and white digital images (scanned at 300dpi or more), broadcast quality video and audio material produced by the Consultant in relation to the Project. This material is Contract Material.
Services	means the services described in the Statement of Requirements
Term	From the date of this Letter until 31 March 2012. The Territory reserves the option to extend the term of this Agreement for one (1) one (1) month period.
Territory	when used in a geographical sense, the Australian Capital Territory; and when used in any other sense, the body politic established by section 7 of the <i>Australian Capital Territory (Self-Government) Act 1988</i> (Cth).
Territory Material	means any material provided by the Territory to the Consultant for the purposes of this Agreement including documents, equipment, information and data stored by any means.
Work	means the design and manufacturing feasibility study for the Project, described in detail in Item 4 – Statement of Requirements.

4. STATEMENT OF REQUIREMENTS

The Consultant will:

4.1. PROJECT DESIGN AND DEVELOPMENT

- a) Consult regularly with the envelope artist as designated by the Territory;
- b) Propose a feasible hot air balloon envelope based on the aesthetic design of the designated artist;
- c) Propose a special shape hot air balloon envelope capable of aviation flight and certified for use in Australia;
- d) Propose a hot air balloon envelope within budget resources determined and allocated by the Territory defined in Section 7;
- e) Provide creative direction to the artist regarding manufacturing and fabrication possibilities of a hot air balloon envelope;
- f) Adhere to the scheduled milestones for the Project agreed to by the Territory and provided in Schedule of Services below;
- g) Broker and maintain highly productive and successful working relationships with all organizations and individuals involved in the Project; and
- h) Report regularly to the Centenary of Canberra.

4.2. MARKETING

- a) Provide information for the Territory purposes to support marketing and sponsorship as required; and
- b) The Consultant will provide at no cost to the Territory a copy of the Promotional Material for the Project and other material including where requested by the Territory:
 - marketing copy describing the Consultant;
 - marketing copy describing the process;
 - previous reviews, articles, media clippings for the Consultant;
 - digital versions of biographies of the Consultant (maximum 300 words); and
 - details of the Consultant's website.

4.3. ADMINISTRATION AND CONTRACTURAL

- a) Provide adequate insurances for the Project, to be sighted and approved by the Territory prior to the execution of this Letter of Agreement;
- b) Arrange for the transport and delivery of the hot air balloon envelope to the Territory assigned commissioning agent. Funds for freight costs are to be taken from the budget as outlined in Section 7.
- c) Arrange for the original documents of any certification required by law in the Territory for the operation of the hot air balloon envelope, to be forwarded to the Territory assigned commissioning agent, and copies to be forwarded to the Centenary of Canberra Unit. Funds for obtaining certification of the hot air balloon envelope for use in the Territory, are to be taken from the budget as outlined in Section 7.

4.4. REPORTING

- a) Provide to the Territory a Feasibility Study regarding the feasibility of the Project including:
 - the description of the proposed envelope design;
 - design sketches and a 3D model or maquette of the design;
 - the techniques to be utilised during the fabrication;
 - operational requirements and any restrictions, for example the size of the basket that may be attached to the hot air balloon envelope and the number of passengers that may fly in the hot air balloon at any one time;
 - the fabrication schedule and fabrication costs;
 - the freight schedule and freight costs to Canberra, Australia;
 - any on-costs not included in the quote (such as certification); and
 - any issues or risks regarding the hot air balloon envelope design.

5. SCHEDULE OF SERVICES

The creative development and production of this Project should involve the following stages:

Requirement	Reporting requirements	Timeframe
Stage 1 – Concept design & Feasibility Study		
1. Undertake a concept design and development in consultation with an artist designated by the Territory	Provide the Territory a Feasibility Study addressing the Statement of Requirements	By 31/3/2012
Stage 2 – Detailed design & construction		
2. Following evaluation by the Centenary of Canberra, an acceptable design proposed within budget may be commissioned for fabrication by the Territory or a Territory assigned commissioning agent.		

6. INTELLECTUAL PROPERTY

- a) The Territory grants to the Consultant a royalty free, limited licence to use the Territory Material for the Term for the purpose of undertaking the Services or as otherwise agreed by the Territory.
- b) All Intellectual Property of the Contract Material vests with the Consultant.
- c) The Consultant grants to the Territory a royalty-free, perpetual, limited licence to use the Contract Material to the extent necessary for the Territory to obtain the full benefit of the Services, including use of the Contract Material.

- d) Where the Territory proposes use of the Contract Material by the Territory for purposes other than for the Centenary of Canberra celebrations, then the Territory will seek approval for such use from the Consultant, which will not unreasonably be withheld. Such use may require a separate licensing agreement between the Territory and the Consultant.
- e) The licences under **clause 6c** do not include a right to reproduce the Project, any Contract Material for the purpose of offering copies by way of commercial sale.
- f) The Consultant agrees that they will not, during the Term:
 - i) use the Project or any Contract Material other than in accordance with this Agreement, without the Territory's prior approval; or
 - ii) announce or launch the Project, including acknowledging the Project or the Territory on websites, prior to Territory announcement on 6 September 2012 (exact date tbc)



7. FINANCIAL / PRICING

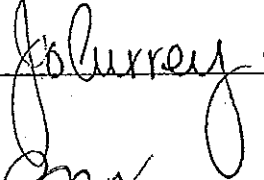

- a) The Consultant agrees that the Territory will not be charged for the services detailed in Item 4 – Statement of Requirements.
- b) The Territory resources for the Project are in the vicinity of AUD \$100,000 which is to include manufacturing, certification and freight to Canberra, Australian Capital Territory, Australia.
- c) If the Consultant is required to travel to undertake any aspect of this agreement, the Consultant must seek approval from the Territory prior to travel. The Territory will reimburse the Consultant for approved travel expenses, including:
 - Agreed transport costs including flights, bus fares, taxi fares or other ground transport; and
 - Accommodation consistent with Media, Entertainment and Arts Alliance rates.

Yours sincerely

Joanne Currey
Centenary of Canberra
Chief Minister's Department
21/02/2012

8. Agreement Execution

<p>Date: 28.1.2012</p> <p>Name: A. R Noble Manager, Director For Cameron Balloons</p>	<p>Signature: </p> <p>Witness: </p> <p>Name of Witness: J.N.H. Parvis</p>
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<p>Date:/...../2012</p> <p>Name: Joanne Currey Program Coordinator, Centenary of Canberra, Chief Minister and Cabinet Directorate</p>	<p>Signature: </p> <p>Witness: </p> <p>Name of Witness: Grant Jay</p>
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