

BUI.MAD249.0015B.1



BUI.MAD249.0015B.2





WILLIAMS PROPERTY HOLDINGS LTD

WELLINGTON **TELEPHONE 738-607**
NEW ZEALAND **P.O. BOX 2013**
TELEX-WILHOLD NZ 31446 **CABLES—WILPROP**
LEGAL DIVISION WARREN S SMITH LLB DIRECTOR

9 April 1987

Mr T Scott
c/o Williams Construction (Cant) Ltd
P O Box 538
CHRISTCHURCH

Dear Sir,

At a meeting some two or three weeks ago you tendered your resignation from your position as Senior Quantity Surveyor with Williams Construction (Cant.) Ltd.

You will be aware that we have today terminated the employment of Mr Michael Brooks.

I do not wish to accept your resignation and would ask you to continue as Chief Quantity Surveyor at an annual salary of \$45,000 per annum. This appointment, should you accept it, will be for a minimum period of twelve months and thereafter terminable by three months notice by either party.

We have appointed Mr Charles Wright with whom you will be familiar, as Director to take charge of Williams Construction (Cant) Ltd. I feel sure you will be able to work alongside him.

If you are prepared to accept this proposal I would ask you to sign the duplicate copy of this letter.

Yours faithfully,

I A L Patterson
Managing Director



2



4



3



5



6



1. Durham Towers Hotel, cnr Durham and Gilmore Streets, Christchurch.

2. Riccarton Road, Christchurch. A prestige three-level retail office development due for completion in June 1987, this property will be retained by the Group as a long-term investment.

3. Wigram Air Base, Christchurch. Our construction company was successful in tendering for the extensions to the air base. The main building will support a Tiger Moth aircraft from the ceiling. The standard achieved in concrete work on this contract was outstanding.

4. Viewing the new Durham Towers Hotel, from left to right: Michael Brooks, Managing Director, John Shirtcliff, Construction Manager and Tony Scott, Quantity Surveyor.

5. Graham Eggington, Building Foreman, 15 years with the company, assisting with concrete pour.

DURHAM TOWERS HOTEL

This ten-storeyed, 161-bedroomed hotel in Christchurch is due for completion in July 1987. It will then be leased to Quality Inns.

Located on the corner of Durham and Gilmer Streets, overlooking the river, it is adjacent to the central business district, just opposite the Town Hall.

On completion, it will provide, in addition to the 161 guest rooms, a licensed restaurant, four conference rooms, gymnasium, spa and sauna. Construction is by our Christchurch-based company, Smart Group (Cant.) Limited.



2



3



4



5



1 and 2. Plimmer City Centre, cnr Boulcott Street and Gilmer Terrace, Wellington. An office tower and carpark, this 31-storey building is fully leased. It is a prime property, currently being refurbished in the most up-to-date building technology. The Group's Wellington offices are located on Level 31. Adjoining the office tower is a 6-level carpark station, which can accommodate up to 900 vehicles.



15.

Excludes Morgan + GST.
No adras St

As at Jan 31st 1987

To ground floor level	285025-00
Structural Frame Shear, Core walls	} 90025-00
Precast Beams	
Drainage	3000-00
Electrical	903-00
Design Fees	46000-00
Material On site level + tie bond	15273-00
Preliminaries	60102-00
	<hr/>
	GROSS 550328-00

Ledger Material	37512-00
Ledger Labour	131072-00
Ledger Subs	143268-00
	311852-00
Design Fees	40000-00
	<hr/>
	407852-00

23/3/87

		LAB.		MAT
		Has	\$	
To grid floor slabs	1908		20988.00	70274.00
Upper floor slabs Cure. + formwork Precast	6754		14629.00	149084.00
Walls	5803		41835.00	25191.00 2897.00
Columns	1164		12909.00	10652.00
Build in	33		361.00	112.00
Ext Wall framing	646		7106.00	18643.00
Spandrel	1443		15873.00	28434.00
Gutters	46		506.00	1058.00
Greening Service Cone	537		5907.00	6543.00
Canopy	137		1507.00	2758.00
Shrapping	105		1155.00	1085.00
Five Walls Roof space, etc	910		10010.00	9467.00
soffits + Panels	286		3146	7111.00
	<u>17772.00</u>		<u>195492.00</u>	<u>333800.00</u>
				195492.00
				<u>529292.00</u>

External wall framing etc	646.37	23492 88
Spandrel walls etc	1443.21	28433.70
Entry	136.86	2758 -11
Internal Walls	627.02	7134 -10
Shrapping	104.70	1084.62
Firewalls	910.04	9967 40
Gutters	285.62	7110 -97
	45696.02	79581 -78
		45696.02
		125278 20

Plant, Lift Machine rooms

Skirting Greenberg

?

Precast Beams

		ACTUAL	ALLOWED LAB	ACTUAL	ALLOWED MAT.
Formwork	COOR. 300	495	1388.00		5824.00
Concrete	380	299	302.00		9181.00
Crane	060	-	-		4475.00
Site works	380				876.00
			1690.00		20356.00

<u>380 L</u>	To 30-9-86	152	<u>300 L</u>
	To 28-10-86	272	
		424	
	To 4-11-86	71	299
		495	299

060 To 21-10-86 1163.75

380 M.		300 M.
\$7102.06	To 16-10-86	4146.26 TOTAL
876.00		
71.50		

CONCRETE.

78.00 - 79.90 INC \$1.90

ISAC	13/10/86	3	380
	14/10/86	1.2	380
	15/10/86	2.4	380
	16/10/86	2.6	380

13/2/87

Madras It

Proppery to beams & slabs

Schedule allowance

Beams	3 @ 88 hrs	264	\$176	528-00
	2 @ 100 hrs	<u>200</u>	\$200	<u>400-00</u>
		464 hrs		928-00
		<u>5 levels</u>		<u>5</u>
		2320		\$4640-00
		<u>12</u>		
		27840		\$27840-00
				\$32480-00

Slabs	5 @ 347 hrs	1735	\$187	3935-00
		<u>12</u>		
		\$20820-00		<u>20820-00</u>
				\$24755-00

24755-00
32480-00
\$57235-00

Refinery. \$3000 per floor = 15000-00

Purchase of 150 x 50 Speg 160/3.600 2000-00

Wilson's Work 2 men 3 days x 4 hrs x 5 = 3240-00
 \$ 20240-00

Allow for possible purchase of extra timber

1000-00
\$ 21240-00

Formwork to Circular Columns

	L	M	Steel Forms	2500-00
* Steel Form	3.20	25.51	Level 1 18	98
2 Curved Props	2.20	4.50	" 2-6 80	= 25.51
2 Hub Fixings	20	5.00	98	per cul
Standees	25	1.00		
	<u>3.85</u>	<u>36.00</u>		
Strip Clean	1.47			
Hand for forms	1.20			
WT	<u>58</u>			
	7.62			

+ Handle forms	50
Bolt 4x10	2.20
Erect & plumb	<u>50</u>
	<u>3.20</u>

Pumping to columns & walls (41.18 m³ (0.25))

T.T 5x25	125.00
Setup 5x35	175.00
Cement	<u>50.00</u>
	<u>350.00</u>
	41.8

Pumps	= 8.50
Pumping	<u>4.50</u>
	13.00 + Concrete

Leibser	1.75
LOP	37
WT	<u>17</u>
	2.29

FORMPLY 59.00 2.4 x 1.2 = 20.50 m².

8 sheets required

400 x 400 COLUMN 3.150

400 x 300 x 3.150

100 x 50	32 / 3.150	100.80
	16 / 3.150	50.40
	16 / 4.20	6.72
	8 / 4.00	3.20
	8 / 3.00	2.40
		<u>163.52</u>



BRACE 100 x 50	16 / 3.500	164.00 } 1.80	56.00.	396.00
BOLTS etc	16 No 10		11.20	
	WASTE		11.20	
COLLAR TIES	24 No	5.00	120.00	
FORMPLY	8 No	59.00	472.00	
			<u>1010.40</u>	
			99	
			= 10.20	
			<u>2.86</u>	
			13.06	

Expendable

100 x 50 FLOOR PLATE				
8 / 500	= 4 m.	180	7.20	
Jindings	16 No		<u>40.00</u>	
			47.20	
			x 6	
			283.20	
			99	
			= 2.86	

Labour.

FORMPLY	80.50	2.00
MARKING		6.00
WARRS etc		16.00
		5.00
		<u>29.00</u>
ERECT BRACE + PLUMB	2 x 4 x 6	48.00
FLOOR PLATE	2 x 2 x 4 x 6	24.00
COLLAR TIES	144 x 5	12.00
		<u>84.00</u>
STRIP + CRAN		<u>42.00</u>
		126.00
		126.00
		<u>158.00</u>
	L.O.P.	32
	H.T	<u>15</u>
		202.00
		99
		<u>2.04</u>

HILBOND

QUOTED \$20.67 m² + FREIGHT \$1.00 - \$1.50 m⁻² END CAPS .37

PAY 21-00

FR. 1-25

22-50

END CAPS

22-25

14' PER LENGTH

1% 22

= 160 x 4 x .37

22.47

FITTINGS 3

22.50

= 236.80

22.50

40

645

3.425 TONNAGE

22.90 m²

= .37

HANDLER 160 UNITS 1/2 hr 80.00

3

CRIMP 287 No 3m 14.35

46

END CAPS 640 No 6m 64.00

FOLD LOGS 1920 No 7.4m 32.00

WROGGE 620 No 1 1/2 hr 15.50

L.O.P 205.85

L.O.P 43.23

WT 2206.58

269.66 ÷ 645 = .42

PROPPING

150 x 25 SOLAR PLATE 30 x 3 x 3

= 276 @ 1.35

372.60

6 x 1

2 / 150 x 50 BRARRERS

= 276 @ 5.42

1495.92

PROP 214348

1868.52

571 2 FLOORS - REQU.

1868.52

645 m² x 5 3225 + 26 = 3251

3737.04

3251

= 1.15

SOLAR PLATE 276m .08 22.08

SAY 1-20 m²

BRARRERS 276m .15 41.40

PROPS 194 No 25 48.50

STRIP 118.98

STRIP 37.33

BACK PROP 70 .25 17.50

STRIP 166.00

172.81

L.O.P 36.29

WT 17.24

22638.2

3 MEN 3 WEEKS

= .35 + 150% .53

SAY 15

15 July 1986

Mr N Blair
c/o Waitaki N.Z.R.
58 Kilmore Street
CHRISTCHURCH

Dear Mr Blair

re: Madras Street Contract & Proposed Shangri-la Development

Please find enclosed copies of our correspondance to Alun Wilkie concerning design progress to date on the above projects, along with brief notes on our Preliminary design meeting for Shangri-la on 9.7.86.

Alun Reay Consultants have advised that they can meet our design programme on Shangri-la, and would be pleased to be involved as Structural Consultants.

Mr Brian Wood of Holmes Wood Poole & Johnstone has been approached as requested and has indicated that their Christchurch Office will be fully committed on Park Royal and other Christchurch Projects.

We recommend that a Mechanical Services consultant be engaged to evaluate the various alternative designs and systems for Air-Conditioning, Plumbing and Energh management, applicable to a Hotel situation.

The Structural Drawings for Madras Street Contract will be forwarded to your as soon as available along with an estimate of the credit for deletion of Bulb-Piles.

Please contact myself or Mike Brooks for any further clarification.

Yours faithfully

A J Scott
Project Development Manager

AJS:gl

Madras Development
 Cost Plan Summary Alternative (3)

m ² Area		Hrs	
	Bulb - Piling - Prod		\$ 100,000
769	(01) Sub-Floor + Founds		133,076
4282	(02) Structural Frame: cols+Walls		205,076
3768	(03) Upper floors		345,487
717	(04) Struct steel + mwk		56,950
	Roofing		31,218
	Metal Windows		110,100
	Precast concrete		110,000
	Joinery		9,500
	Toilet Partitions		10,500
	Plumbing		42,610
	Drainage		6,000
	Electrical:		80,000
	Flooring		9,500
	Painting		34,000
	Glazing		4,600
	Dry - Riser		12,500
	Susp. ceiling		71,390
	Entry Marble flooring		9,000
	Solid-Plastering		9,500
	Carpentry		90,000
	Sitework		20,000
	Elevator		240,000
	Pt Gr		150,000
	Fees		100,000
	Uncom. Contingency		50,000
	Profit		368,993
	Total:		\$ 2,450,000
46160	6 levels \$53-07/100		

ISAAC CONCRETE LTD.

McARTHURS ROAD HAREWOOD
P.O. BOX 20-001 BISHOPDALE

CHRISTCHURCH
TELEPHONE 599-145

MANUFACTURERS OF READY MIXED CONCRETE

22 August 1986

Williams Construction Limited,
190 Hereford Street,
CHRISTCHURCH.

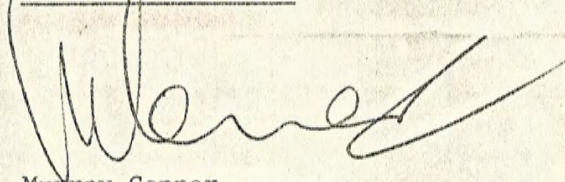
ATTENTION: Mr. Geoff Taylor

Dear Sir,

We advise that Cement Prices for the various Contracts are as follows:

<u>Madras. Resistant</u>		<u>Durham Towers</u>			
20 Mpa	\$72	76	85	17.5 Mpa	\$ 67.55
25 "	74	78	87	20 "	70.00
30 ..	78	82	91	25 "	73.00
35 -	84	89	98	30 "	79.90
40	90	95	104		Pump Rates \$40 per hour Set up & Pump
					\$5 per m ³
17.5 bleedill	92.				\$10 Bag Cement
Pump Travel	25			<u>Manchester Street</u>	
Pump	35			17.5 Mpa	\$ 68.30
m ³	4.50			25.0 "	73.40
cement	10				

Yours faithfully,
ISAAC CONCRETE LTD



Murray Connor
DIRECTOR.

Plus \$4.50 Feb '87

REF 21

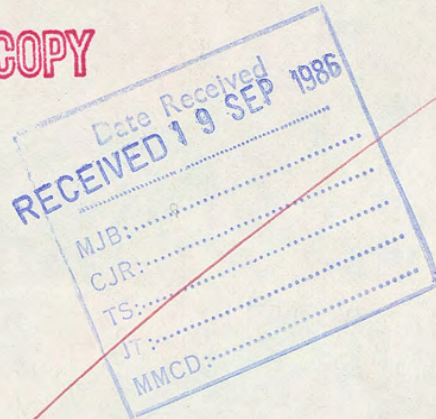


BURNS & FERRALL (S.I.) LIMITED.

106 CARMEN ROAD, CHRISTCHURCH, NEW ZEALAND
P.O. BOX 16105, HORNBY 4. TELEGRAPHIC ADDRESS 'BURFER'. TELEPHONE 495-394

STAINLESS STEEL FABRICATORS

OFFICE COPY



18 September 1986

Williams Construction Limited,
P.O. Box 538,
CHRISTCHURCH.

Dear Sir,

Re: Development Job

Further to our recent conversation, please find enclosed the drawing and price for the stainless steel columns.

If the price meets with your approval we would require an order number and exact measurements before commencing the job, G.S.T. is not included in this price.

Yours faithfully,
BURNS & FERRALL (S.I.) Limited

Andy Innes



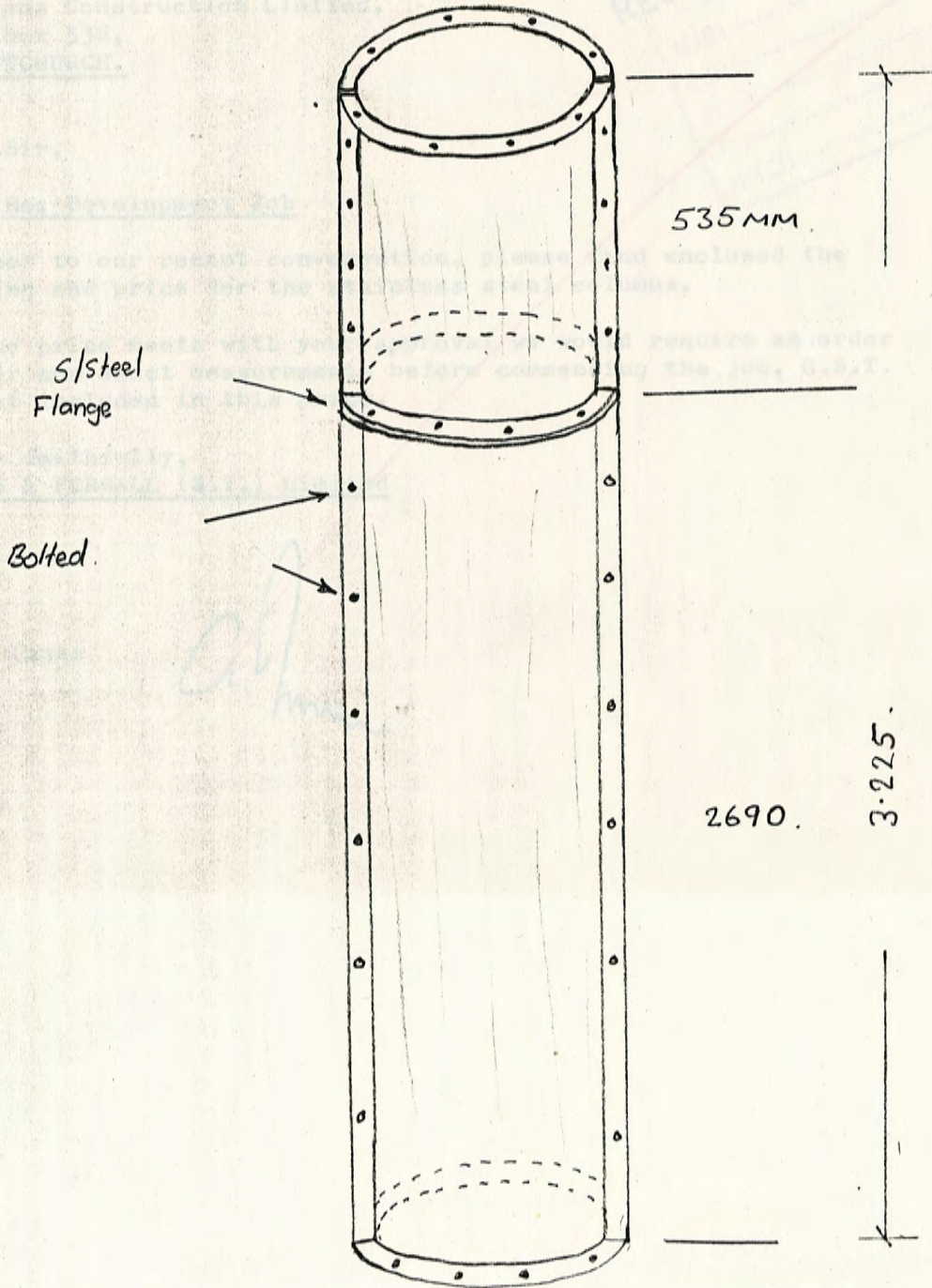
BURNS & FERRALL (S.I.) LIMITED.

106 CARMEN ROAD, CHRISTCHURCH, NEW ZEALAND
P.O. BOX 16105, HORNBY 4. TELEGRAPHIC ADDRESS 'BURFER'. TELEPHONE 495-394

STAINLESS STEEL FABRICATORS

OFFICE COPY

4 SETS OF COLUMNS.



QUOTED \$597 EACH SET.

YOURS FAITHFULLY
ANDY INNES

18th March 1987

The Chairman
Williams Construction (Canterbury) Ltd
CHRISTCHURCH

Dear Sir,

As from 1st May 1987 a new Construction Company will commence trading in Christchurch. The undersigned will be shareholders and intend to take an active part in the management thereof.

On 1st May Mr. Scott will function as Manager of the new company to be joined by Mr. Shirtcliff on or about the 1st August and Mr. M.J. Brooks on or about 30 September.

Resignations are attached in accordance with our terms of employment being respectively 1, 3 and 6 months.

It is our intention to ensure that all current contracts in progress by Williams are to be completed satisfactorily and on time and to this end make the following undertakings:

1. No enticement of staff where productively employed on Williams Contracts.
2. No 'diversion' of potential contracts away from Williams.
3. Full co-operation with any new management staff to ensure satisfactory transition.
4. Mr. Scott initially to work on consultancy basis regarding Durham Towers cost control.

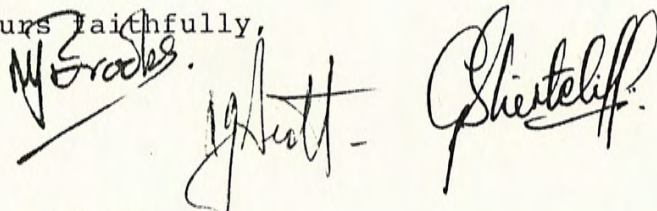
Regarding Company finance, the sum of \$200,000 has been transferred to Williams Property Holdings. Coopers/Lybrand have been requested to undertake a cash balance and transfer any surplus also.

No further cheques will be signed by any staff in this office after to-day.

In the interim all payments will be made by Williams Property Holdings after processing and authorisation by local management.

If there are any questions to be asked regarding any payments made to date they will be in writing and answered in writing with proper explanation.

Yours faithfully,



M.J. Brooks
A.J. Scott
G. Shirtcliff

HOME IMPROVEMENTS PRODUCTS LTD.

PRODUCTS LIMITEDCOMMERCIAL DIVISION260 DYERS ROAD
P.O. Box 27039,
CHRISTCHURCH.

TELEPHONE: 844-079

6 April 1987

Williams Construction Limited
P.O. Box 538
CHRISTCHURCH

Attention Sandy Robertson

Dear Sir

Re Madras Street Development

We have pleasure in confirming our verbal quotation of approximately the 25th March 1987 of \$64,861.00 (Sixty four Thousand Eight hundred and sixty one dollars), for the supply, installation and glazing of all aluminium windows, shopfronts and commercial doors to the above contract all as per plans.

WINDOW CONSTRUCTION

Windows will be fabricated from our 39mm full commercial suite of extrusions, not fitted with timber reveals. Awning sashes are hung on heavy duty interlock stays and fitted with wedge fasteners. Generally sections are extruded from commercial grade aluminium (6263T5) with a nominal wall thickness of 2.0mm or greater. Windows have been allowed to be lug fixed all round with aluminium angle lugs. The head fixing details 16 and 17 on sheet A 9 to an ex25mm Rimu reveal would not be strong enough to resist normal loadings.

SHOPFRONTS

Shopfronts will be fabricated from our 100mm range of sections, complete with neoprene dry glazing gaskets, removable cill heads and extruded cill flashing. All joints are mechanically screw fixed. The entry doors will be fabricated from our standard commercial doors extrusions, again with dry glazing gaskets and weather stripping. Hardware includes Gibbons floor springs, Lockwood 590/1 deadlock, special 38mm diameter stainless steel handles, and two flush bolts fitted to the non locking door leaf and doorstops.

FINISH

All aluminium will be finished in 20 micron Dark Bronze anodised.

SEALANT

All aluminium frames are sealed to the structure with Uraflex one sealant. Our price is based upon opening being correctly prepared to give a normal clearance around each window frame without the need of extra sealant or special flashings.

HOME IMPROVEMENTS PRODUCTS LTD.

260 BYERS ROAD

P.O. Box 27039,

CHRISTCHURCH,

TELEPHONE: 844-079

2.
LIMITEDGLASS

Windows will be glazed as per plans/specifications. Generally glass will be 6mm clear float to windows and entry doors and 6mm clear bondlite to glazing bars.

PROTECTION AND CLEANING

Protection will be our responsibility until frames are stored on site or installed at which point any damage would be the main contractors responsibility. Aluminium and glass will be given a trade clean at installation. No final clean has been allowed for.

PAYMENT

We would require payment for all materials and hardware purchased when received into our factory for manufacture, ie. off site payment based on our suppliers invoices, and our administration costs. We would also require full payment on our invoices within 30 (thirty) days of submission of our invoice on a progress claim basis up to completion of the total contract.

We have NOT Allowed For

1. Scaffolding.
2. Protection and Final Clean (as noted previously)
3. Epoxy paints or similar sealing of concrete openings prior to installation of window frames.
4. Preparing openings, making good same or any other builders work.
5. G.S.T.
6. No steel windows or doors allowed for.
7. Cranage: With reasonable notice given we would expect to be able to use on site craneage to lift material to each level.

We thank you for this opportunity to quote and look forward to working with you on this contract in the near future.

Yours faithfully

HOME IMPROVEMENT PRODUCTS LIMITED

John Hinchey
COMMERCIAL MANAGER

SEALANT

All aluminium frames are sealed to the structure with Ureflex one sealant. Our price is based upon opening being correctly prepared to give a correct clearance around each window frame without the need of extra sealant or special flashings.

**WILLIAMS PROPERTY HOLDINGS LTD****WELLINGTON** **TELEPHONE 738-607**
NEW ZEALAND **P.O. BOX 2013**
TELEX-WILHOLD NZ 31446 **CABLES—WILPROP**
LEGAL DIVISION WARREN S SMITH LLB DIRECTOR

9 April 1987

Mr T Scott
c/o Williams Construction (Cant) Ltd
P O Box 538
CHRISTCHURCH

Dear Sir,

At a meeting some two or three weeks ago you tendered your resignation from your position as Senior Quantity Surveyor with Williams Construction (Cant.) Ltd.

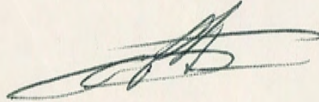
You will be aware that we have today terminated the employment of Mr Michael Brooks.

I do not wish to accept your resignation and would ask you to continue as Chief Quantity Surveyor at an annual salary of \$45,000 per annum. This appointment, should you accept it, will be for a minimum period of twelve months and thereafter terminable by three months notice by either party.

We have appointed Mr Charles Wright with whom you will be familiar, as Director to take charge of Williams Construction (Cant) Ltd. I feel sure you will be able to work alongside him.

If you are prepared to accept this proposal I would ask you to sign the duplicate copy of this letter.

Yours faithfully,



I A L Patterson
Managing Director

**SMART GROUP LIMITED**

Smart Group House, 295 Karangahape Road, Auckland 1, New Zealand.
P.O. Box 68-509, Newton, Auckland 1. Telephone (09) 391-026. Fax: 33060.

13 July 1987

Mr M Brooks
Union Construction Ltd
By Fax 03 54 872
CHRISTCHURCH

Dear Michael

I felt our brief meeting in Christchurch gave me a more balanced understanding of the problems which have developed since your departure. When you departed from our group my impression was that a sensible business approach was to be taken by the parties. I am very concerned at several matters that have been brought to my attention.

1. **Cathedral Properties Contract**

Under our employment you tendered and advised our Board we had successfully secured this project. I have been informed that your new company (Union Construction Ltd) has in fact taken over this contract which you confirmed at our meeting.

2. **Company Credit Card**

Amounts totalling \$3,899.50 have been charged by you to the company credit card and not cleared.

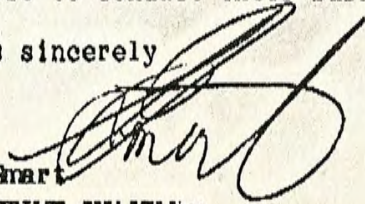
3. **Cordia Turbo Car Lease**

Just prior to leaving the company you entered into an onerous lease with very bad terms for our company without the consent of the company. We had to pay \$2,329.80 to settle the lease.

You agreed to enter into a termination agreement setting out the rules of termination and further agreed to execute this document but have failed to complete. I expect you to honour your business commitments. By return I require an executed agreement dated 10 April with a cheque covering items (2) and (3) above. The above points are extremely serious and viewed very dimly by our Board. I must state failure to tidy up these matters will result in immediate proceedings being issued against Union Construction Ltd and its directors with Scott Construction as a third party.

I hope common sense will prevail in this matter and the parties will be able to conduct their business without further problems.

Yours sincerely


S J Smart
EXECUTIVE CHAIRMAN

PHILLIPS SHAYLE-GEORGE
BARRISTERS SOLICITORS AND NOTARY PUBLIC

Government Life Insurance Building, Customhouse Quay, Wellington, New Zealand
(Offices at Auckland and Lower Hutt)
PO Box 3791 Wellington FAX (04) 727 429 Telex NZ 30924 Telephone (04) 726 299

FACSIMILE COVER SHEET

Matter No: UNI08546-001

Date: 11 September 1987

Fax No: (03) 54-873

Please deliver the following pages to

Name: M. J. Brooks
Firm: Union Construction Limited
Address: Unit 1 Bealey Park, Cnr Bealey Ave and Churchill St
Christchurch
Telephone No:

Name of Sender: M. P. Shelton-Agar

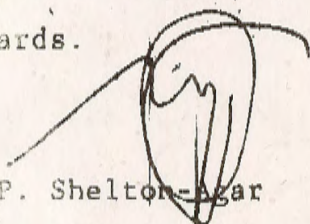
Message:

Please peruse attached Affidavits and advise of any changes/alterations required. I need to know of any changes before 4.00pm today.

Confirm will subsequently courier to your home address the completed Affidavits for swearing.

Regards.

M. P. Shelton-Agar



ATS page 4 clause 20 - delete "significant"
Page 6 clause 37 - delete Mr Brooks

Transmitted by:

28 pages transmitting (including cover sheet) - Group 3 Canon

PARTNERS

Denis Grenville Thom
Bruce Charles Davidson
Alasdair Donald McBeth
Gerard James Coles
Paul Vincent May
Malcolm Paul Shelton-Agar

William Ross Mulholland
Richard Norman Martin
Richard James Buxton Fowler
Mark Francis Ford
Sean Martin O'Sullivan
Melvina James Easton

Michael Robert Camp
Gray Stratton Thompson
Craig Andrew Lashman
John Calvin Craig
Anne Elvera Gaskell

John Russell Strahl
Paul Harry Westbury
Craig Martin Stevens
Christopher Patrick Hunt
Lloyd John Collins

IN THE HIGH COURT OF NEW ZEALAND
CHRISTCHURCH REGISTRY

No. 321/87

BETWEEN WILLIAMS CONSTRUCTION
(CANTERBURY) LIMITED

Plaintiff

AND M.J. BROOKS

First Defendant

AND UNION CONSTRUCTION LIMITED

Second Defendant

AND CATHEDRAL PROPERTIES
LIMITED

Third Defendant

I, ANTHONY JOSEPH SCOTT of Christchurch, Quantity Surveyor, swear:

1. I have read the Affidavits of Ian Adrian Lloyd Patterson, Denis Matthew Sheard and Stephen James Smart in support of the Application for the Interim Injunction and in answer say as follows.

+ M.J. Brooks

2. I have been a Quantity Surveyor since 1970 and became registered in 1977.

3. I started with the Plaintiff company on the 5th of August 1985.

General Background

4. AS a Quantity Surveyor and by way of general background I have three different approaches I take when a job is presented to me for pricing, depending on the nature of the way the job is presented.

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5. THE one relevant to these proceedings is what I call a negotiated tender on partial documents.

6. WHEN I am asked to price a job on the basis of a negotiated tender on partial documents I would usually be presented with preliminary architectural and structural design drawings along with an outline specification.

7. I would then measure preliminary quantities on an elemental analysis basis i.e. that means it follows a pattern; in a multi-storey building you would measure the foundations, upper floors, structural frame, exterior walls, plumbing, electrical, etc.

8. USUALLY subcontractors would be negotiated for with the specialist trades i.e. curtain walling, surfaces and interior finishes.

9. THE most important point to remember on this particular type of negotiated contract is to qualify your tender submission with a brief specification delineating the documents, the methods of construction and the subcontractors used.

10. THE Cathedral Properties job was a negotiated tender on partial documents.

11. ON or about the 23rd of December 1986 I was presented with a schedule of reinforcing contents from the Structural Engineer along with drawings P3 and P4 (which are structural drawings), along with architectural drawings numbers 1-4 including a preliminary outline specification. By normal standards this was very brief information.

12. I started work on pricing the job on the 11th of January 1987. I knew that two other

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contractors were doing the same exercise. I believed them to be Downer Construction and Armitage Construction.

13. MANY subcontractors had been approached by these two companies over the holiday period and I made contact with many of my contacts around Christchurch who had already put a subcontract price in place.

14. THESE prices were subsequently forwarded to me at the Plaintiff company and I completed my elemental analysis based on the drawings provided.

15. THE first preliminary estimate was submitted on the 20th of January 1987 and the figure was \$2.46 million.

16. SUBSEQUENTLY an updated fixed price tender was submitted. Fixed price tender means that you put in the tender an allowance to account for fluctuations for price.

17. THE fixed price tender excluded the elevators and amounted to \$2.185 million and was submitted on the 11th of February 1987. At the same time a cash draw down was submitted to Cathedral Properties. A cash draw down is a monthly estimation of progress claims throughout the duration of the contract.

18. THIS price was still based on the preliminary drawings and I was aware that if drawings were changed by the consultants the price would have to be updated.

19. IN or about early March 1987 revised drawings were received by me from Cathedral Properties' consultants but were not acted on by me.

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20. THE biggest difference between the revised drawings and the preliminary drawings provided to me were that the reinforcing steel element in the revised drawing was now drawn up which superceded the schedule of reinforcing contents previously drawn up, which had ^{an} significant effect in increasing the cost of the job. X

21. I took no steps on these revised drawings at this stage because I felt there was so much new detail coming through that the job would have to be repriced and I would commence to do that once all the information was in.

22. SUBSEQUENTLY I was advised that the Plaintiff company had not been successful in its tender to Cathedral Properties. *changed*

Post-Resignation Cathedral Properties

23. I left the Plaintiff company on the 30th of April 1987 and started with the Second Defendant on the 1st of May 1987.

24. MY first job with the Second Defendant was the Cathedral Properties job.

25. I took no documents with me relating to any jobs whatsoever when I left the Plaintiff company.

26. AS with the Plaintiff company the pricing of the Cathedral Properties job by myself for the Second Defendant was on the basis of a negotiated tender.

27. HOWEVER on this occasion I was provided with structural drawings S1-21 inclusive as well as architectural drawings 1A to 31A inclusive being

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in total almost 50 drawings compared to the six I was given when I looked at the job for the Plaintiff company.

28. BY the time I had joined the Second Defendant Mr Brooks had approached most of the subcontractors to explain the new company and inviting them to submit quotations for the Cathedral Properties contract. On the new plans quotations were necessary because of the change in the plans and specifications.

29. THE Structural Engineer's plans were very much delayed and in fact the final details were not received until the end of May 1987.

30. THE Second Defendant's fixed price was submitted on the 18th of May 1987 at a substantially increased figure from that submitted by the Plaintiff company, the new figure being \$2.632 million.

31. WHEN I worked on this job for the Second Defendant I relied on no previous documentation whatsoever and got completely new information from the consultants for Cathedral Properties.

32. I relied on my expertise as a Quantity Surveyor to price the job.

33. I priced the job for the Second Defendant on a detailed schedule of quantities prepared by myself as opposed to the elemental analysis method I used when with the Plaintiff company. In the elemental analysis method you use bulk rates to verify pricing quantities as opposed to the detailed quantity method, where far more detailed rates are involved and naturally a more precise cost can be obtained.

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34. THE only "inside" knowledge I could say that I had was the knowledge of the previous subcontractors who had priced the job for the Plaintiff company, Downer Construction and Armitage^AConstruction.

35. IT was certainly the case that when the subcontractors priced the job for the Second Defendant they already had a detailed knowledge of the particular contract from their involvement with the three companies mentioned in the preceding paragraph and I have no doubt that the information available to the subcontractors was in the public domain in the sense that there was certainly nothing confidential about it.

Resignation Issue

X 36. ON the morning of 18th March 1987 I had a meeting with Mr Brooks and Mr Shirtcliff and we all agreed on the principle that we would resign from the Plaintiff company.

37. LATER in the day I had a meeting with Mr Patterson in which Mr Shirtcliff and Mr Brooks were present in which I indicated that I was dissatisfied with the way I had been treated by the Plaintiff company, in particular the salary review was overdue by about eight months, and share options had not been considered by the Plaintiff company.

38. I stated as firmly as I could that I did intend to leave on the 29th of April being the period of notice that I had given.

39. ALTHOUGH I was subsequently offered various inducements to remain with the Plaintiff company

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which I declined, I continued with my intention to leave the company on the 29th of April and did so on that date.

SWORN at Christchurch)
this day of)
1987)
before me:-)

A Solicitor of the High Court of New Zealand