

DATED this 1st day of June 2009

PARTIES

1. STEPHEN MICHAEL SUDBURY of Whangarei Chartered Accountant.
2. LEAH VERONICA PEACOCK of Whangarei Chartered Accountant.
3. The said STEPHEN MICHAEL SUDBURY, ANN MARIE SUDBURY his wife and GRANT LINDSAY CURRIE of Whangarei (as trustees of the S.M. and A.M Sudbury Family Trust No 2.)
4. The said LEAH VERONICA PEACOCK, MICHAEL KENROY PEACOCK her husband and TW TRUSTEES 2007 LIMITED of Whangarei (as Trustees of the Michael and Leah Peacock Family Trust).
5. The said MICHAEL KENROY PEACOCK.
6. The said ANN MARIE SUDBURY.
7. SUDBURYS LIMITED a duly incorporated company having its registered office at Whangarei.
8. TW TRUSTEES 2008 LIMITED

DEED OF SALE AND PURCHASE OF SHARES IN SUDBURYS LIMITED AND A & M INVESTMENTS LIMITED.

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MIR
(Handwritten initials)

THIS DEED made this

day of

2009

PARTIES

1. STEPHEN MICHAEL SUDBURY of Whangarei Chartered Accountant.
2. LEAH VERONICA PEACOCK of Whangarei Chartered Accountant.
3. The said STEPHEN MICHAEL SUDBURY, ANN MARIE SUDBURY his wife and GRANT LINDSAY CURRIE of Whangarei (as Trustees of the S.M. and A.M Sudbury Family Trust No 2)
4. The said LEAH VERONICA PEACOCK, MICHAEL KENROY PEACOCK her husband and TW TRUSTEES 2007 LIMITED of Whangarei (as Trustees of the Michael and Leah Peacock Family Trust).
5. The said MICHAEL KENROY PEACOCK.
6. The said ANN MARIE SUDBURY.
7. SUDBURYS LIMITED a duly incorporated company having its registered office at Whangarei.
8. TW TRUSTEES 2008 LIMITED.

BACKGROUND

- A. The first and second parties each own 60 A shares in Sudburys Limited a company carrying on business as Chartered Accountants and Business Development Specialists.
- B. The third and fourth parties each own 6000 B shares in Sudburys Limited.
- C. The fifth and sixth parties equally own the total shareholding in A. & M. Investments Limited carrying on the business of plant ownership and rental.
- D. The first to sixth parties inclusive wish to make provision for what is to happen to their respective shareholdings in the two companies in the event of the first or second party dying, suffering a critical illness or becoming totally and permanently disabled whilst the business arrangement between such first and second parties subsists.
- E. The first to the sixth parties inclusive have therefore insured the principal shareholders with Sovereign Assurance Company Limited



("the Insurer") under the policies set out in the schedule to this deed so as to provide funds to enable them to purchase the interests of an outgoing shareholder and his or her spouse and family trust in the two companies.

- F. The principal shareholders desire to insure themselves for the benefit of the remaining shareholders' family trust and to this end have insured themselves for \$200,000 in the event of their death, suffering a critical illness or becoming totally or permanently disabled, such amount being part of the sum assured under the policies described in the schedule.
- G. All parties hereto wish to record the terms and conditions agreed upon between them to support the arrangements made, the manner in which the policies shall be owned and funded and the proceeds dealt with.

INTERPRETATION

"AMI"

A & M Investments Limited

"Critical Illness"

One of the traumas defined in the policies resulting in a payout by the Insurer of the cover under such policies.

"Family trust"

The SM and AM Sudbury Family Trust No. 2 or the Michael and Leah Peacock Family Trust as the case may be.

"Outgoing shareholder"

The first of the principal shareholders to die, suffer a critical illness or to become totally and permanently disabled, resulting in the sale of his or her shareholding in Sudburys.

"Outgoing shareholder's family trust"

- (i) When the outgoing shareholder is Stephen Michael Sudbury, means the SM and AM Sudbury Family Trust No. 2;
- (ii) When the outgoing shareholder is Leah Veronica Peacock, means the Michael and Leah Peacock Family Trust.

“Personal representatives”

The executors or administrators of the first principal shareholder to die.

“Policy or policies”

The policies described in the schedule to this deed.

“Principal shareholders”

Stephen Michael Sudbury and Leah Veronica Peacock

“Remaining shareholder”

The principal shareholder who is not the outgoing shareholder.

Remaining shareholder’s family trust”

- (i) When the remaining shareholder is Stephen Michael Sudbury, means the SM and AM Sudbury Family Trust No. 2;
- (ii) When the remaining shareholder is Leah Veronica Peacock, means the Michael and Leah Peacock Family Trust.

“ Settlement date”

The appropriate date referred to in paragraph 6 of this deed.

“Spouse”

Michael Kenroy Peacock or Ann Marie Sudbury as the case may be.

“Sudburys”

Sudburys Limited.

“The stakeholder”

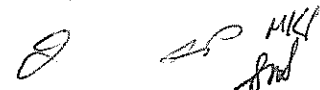
TW Trustees 2008 Limited.

“TPD”

Total and permanent disablement as defined in the policies.

AGREEMENT

1. The premiums payable on the policies shall be pooled and paid by the parties of the first six parts in such reasonable proportions as may be determined by the principal shareholders as and when they shall fall due for payment. Should any of such parties fail to pay his or her its or their contribution to the premiums as and when they fall due for payment Sudburys shall be entitled to pay such contribution as agent of the party in default and such defaulting party shall forthwith re-imburse Sudburys for the same.
2. The policies shall be vested in the ownership of the stakeholder. The stakeholder acknowledges and declares that it has no beneficial ownership in the policies and will hold them and their proceeds strictly in accordance with the terms of this deed.
3. Upon a principal shareholder becoming an outgoing shareholder the following provisions shall apply:
 - (i) The outgoing shareholder or his or her personal representatives shall sell and the remaining shareholder shall purchase the outgoing shareholder's A shareholding in Sudburys.
 - (ii) The outgoing shareholder's family trust shall sell and the remaining shareholder's family trust as the case may be shall purchase the outgoing shareholder's family trust's B shareholding in Sudburys.
 - (iii) The outgoing shareholder's spouse shall sell and the remaining shareholder's spouse shall purchase the outgoing shareholder's spouse's shareholding in AMI.
4. In respect of the shares in Sudburys Limited, the purchase price payable under paragraph 3 shall be calculated on the following basis:
 - (i) All assets and liabilities other than goodwill shall be valued at the figure appearing as their book value in the set of financial statements prepared for Sudburys at the end of the calendar month immediately preceding the occurrence of the event giving rise to the sale of the shares referred to in clause 3.
 - (ii) Goodwill shall be included as an asset and shall be valued at 50% of the GST exclusive fees rendered by Sudburys to its clients in the full twelve month period ending on the last day of the calendar month immediately preceding the occurrence of the event giving rise to the sale of the shares referred to in clause 3.

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- (iii) The value of each share shall be equal to the net value of the assets and liabilities of Sudburys Limited, divided by the total number of shares issued by Sudburys Limited.
- 5. In respect of the shares in AMI, the purchase price payable under paragraph 3 shall be calculated on the following basis:
 - (i) No goodwill figure shall be included in the valuation.
 - (ii) All assets and liabilities shall be valued at the figure appearing as their book value in the set of financial statements prepared for AMI at the end of the calendar month immediately preceding the occurrence of the event giving rise to the sale of the shares in Sudburys referred to in clause 3.
 - (iii) The value of each share shall be equal to the net value of the assets and liabilities of AMI, divided by the total number of shares issued by AMI.
- 6. Where a principal shareholder becomes an outgoing shareholder, settlement of the sales and purchases referred to in paragraph 3 shall take place as follows:
 - (i) In the case of death, one calendar month after the receipt by the stakeholder of the proceeds of the death claim.
 - (ii) In the case of TPD, one calendar month after the receipt by the stakeholder of the proceeds of the TPD claim.
 - (iii) In the case of critical illness, one calendar month after whichever of the following events first occurs namely:
 - (a) the outgoing shareholder giving the remaining shareholder the notice provided for in paragraphs 9(ii) or 9(iv).
 - (b) the remaining shareholder giving the outgoing shareholder the notice provided for in paragraph 9(iii).
- 7. In the event of the stakeholder receiving funds from the Insurer under one of the policies the stakeholder shall immediately lodge them to the stakeholder's credit in a trust account with a firm of Solicitors practising in Whangarei. All income from such investment shall be held by the stakeholder for the third and fourth parties to this deed in equal shares. The stakeholder shall determine what constitutes income and what capital in relation to any investment.
- 8. On the settlement date, the stakeholder shall apply the proceeds of the policy received by him as follows:



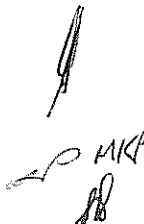
- (i) First, to pay to the remaining shareholder's family trust the sum of \$200,000.
- (ii) Secondly, to advance sufficient thereof to Sudburys on behalf of the remaining shareholder's family trust to enable Sudburys to repay in full any moneys owing to the outgoing shareholder and his or her family trust on current or loan account. Sudburys undertakes to make such repayment to the outgoing shareholder (or his or her personal representatives) and to his or her family trust immediately on receipt of the same.
- (iii) Thirdly, to pay to the outgoing shareholder and his or her spouse on behalf of the remaining shareholder and his or her spouse sufficient funds to enable them to complete the purchase of shares referred to in paragraphs 3(i) and 3(iii) respectively.
- (iv) Fourthly, to pay to the outgoing shareholder's family trust on behalf of the remaining shareholder's family trust sufficient funds to enable the remaining shareholder's trust to complete the purchase of shares referred to in paragraph 3(ii) hereof.
- (v) Fifthly, to hold all surplus funds then remaining (if any) upon trust for the third and fourth parties as tenants in common in equal shares.

9. Subject to the provisions in this agreement relating to the death or TPD of a principal shareholder, in the event of a principal shareholder suffering a critical illness, the following provisions shall apply:

- (i) The principal shareholder suffering the critical illness shall have a period of three calendar months to determine whether he or she can recover sufficiently to be able to return to full time effective employment with Sudburys. During that period, Sudburys shall pay to that shareholder as drawings the net value of the then existing salary and benefits he or she is entitled to receive at the time.
- (ii) At the end of that three calendar month waiting period the principal shareholder suffering the critical illness shall be entitled to give the remaining shareholder written notice that he or she wishes to retire from employment with Sudburys. Upon doing so such shareholder shall become an outgoing shareholder and the provisions of paragraphs 3 and 8 shall apply.
- (iii) Notwithstanding the continued employment of the principal shareholder suffering the critical illness beyond the three calendar month period, the other shareholder shall, on the expiry of nine calendar months from the principal shareholder suffering the critical illness, have the right to require the shareholder in writing to become an outgoing shareholder. Such right shall

continue for a period of one year and shall only apply if the performance (as measured by the key performance indicators of Sudburys Limited) of the shareholder suffering the critical illness has not returned to the average performance achieved by such shareholder during the period of 12 months preceding the commencement of the critical illness. In such event, the provisions of paragraphs 3 and 8 shall apply.

- (iv) If the principal shareholder suffering critical illness continues his or her employment with Sudburys beyond the nine calendar month period referred to in sub-paragraph (iii) above he or she shall be entitled at any time thereafter to retire from employment with Sudburys and on giving 3 months written notice to the other principal shareholder of his or her intention so to do the provisions of paragraphs 3 and 8 shall apply.
 - (v) Subject to clause 17.3, until such notice under sub clauses (ii), (iii) or (iv) is given, the stakeholder shall continue the investment of all funds in his hands on the basis provided for in paragraph 7.
10. Where a principal shareholder has been diagnosed as having a "terminal illness" within the meaning ascribed to those words in either of the policies described in the schedule, the other principal shareholder shall be advised of that fact by the terminally ill shareholder, whereupon the provisions relating to the death of a shareholder shall apply. In such event, the terminally ill shareholder and the stakeholder shall each do such things as shall be required, and as expeditiously as possible, to facilitate the payment by the Insurer of the terminal illness benefit under the appropriate policy. Settlement of the sales and purchases of shares provided for in this deed and the repayment of the terminally ill shareholder's current or loan account with Sudburys including any such account of his or her trust family trust shall be made within one calendar month after the receipt of the benefit by the stakeholder notwithstanding anything herein before contained.
11. (i) If the stakeholder shall receive insufficient funds under the policies to enable all obligations under paragraph 8 of this deed to be met, any shortfall shall be attributed to the transaction referred to in paragraph 8 and create a debt in the form of unpaid purchase money owing by one or other of the family trusts to the other.
- (ii) Any amount so owing shall be paid by 60 equal monthly instalments calculated from the settlement date of the sale and purchase transactions provided for in this deed. In addition, interest at the overdraft rate which would from time to time be charged to Sudburys by its bankers shall be payable on the outstanding balance. The commencing interest rate shall be that applicable on the settlement date and thereafter it shall be



adjusted quarterly on the 1st days of January, April, July and October to reflect the rate applicable on those dates. Such interest and principal shall be payable on a monthly basis with the first payment falling due one month after the settlement date.

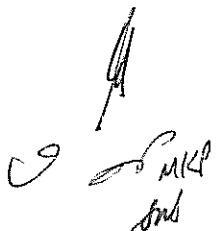
12. Upon the settlement date the vendors of the shareholdings being sold under paragraph 3 shall hand to the purchasers thereof registrable transfers of the same and the outgoing shareholder and his or her spouse shall retire as directors of Sudburys and AMI.
13. Upon the settlement date the stakeholder shall transfer and assign ownership of the policy on the remaining shareholder's life to that shareholder or, at his or her request, to his or her nominee.
14. The outgoing shareholder agrees and covenants with the remaining shareholder that the outgoing shareholder will not for a period of 2 years either directly or indirectly carry on or be interested either alone or in partnership with or as manager, agent, director, shareholder or employee of any other person in any business similar to that being carried on by Sudburys within the Northland Province.
15. The shareholders in Sudburys and AMI shall not mortgage charge assign or otherwise deal with their respective shareholdings in any way which could prejudice or frustrate the carrying into effect of the terms of this deed.
16. Where the terms of this deed conflict with those of the constitutions of Sudburys and AMI, the former shall prevail.
- 17.1 The preceding provisions of this deed shall terminate and become null and void upon the happening of any of the following events.
 - (i) The written agreement of the principal shareholders to such termination.
 - (ii) Sudburys by resolution initiating steps to effect its voluntary winding up.
 - (iii) Sudburys entering into an unconditional agreement for the sale of its business and undertaking.
 - (iv) A receiver being appointed for Sudburys.
 - (v) The liquidation of Sudburys for any reason.
 - (vi) Either principal shareholder with the consent of the other entering into an unconditional agreement for the sale or other disposition of his or her A shareholding in Sudburys.

- (vii) Completion of the sale by an outgoing shareholder, his or her spouse and his or her family trust of their interests in Sudburys and AMI.
 - (viii) The death of the second principal shareholder following the death or TPD of the first before the settlement date of the sale of the first principal shareholder's and his or her associated interests in Sudburys and AMI.
- 17.2 In the event of the termination other than pursuant to subclause 17.1(viii), the stakeholder shall transfer and assign the ownership of the policies or their respective proceeds (if any) as follows:
- (i) The policy relative to Stephen Michael Sudbury to the trustees of the S.M. & A.M. Sudbury Family Trust No. 2 or nominee.
 - (ii) The policy relative to Leah Veronica Peacock to the trustees of the Michael and Leah Peacock Family Trust or nominee.
- 17.3 In the event of termination under the provisions of paragraph 17.1(viii), the following provisions shall apply notwithstanding anything to the contrary appearing elsewhere in this deed:
- (i) The stakeholder shall advance to Sudburys the sum of \$50,000 from the proceeds of each of the two policies.
 - (ii) The stakeholder shall advance to Sudburys and AMI from the proceeds of each of the two policies one half of the sum necessary to enable those companies to clear all bank loans and overdraft facilities and such other external indebtedness of the companies (if any) as the alternative shall determine. Such advances shall be made on behalf of the principal shareholder's trust as the case may be and shall be interest free. The alternate director shall determine what (if any) security shall be taken to secure such debts.
 - (iii) If the principal shareholders cannot agree on the division of the balance of any funds held by the stakeholder, then either principal shareholder may give notice to the other principal shareholder and the stakeholder, requiring the funds held by the stakeholder to be divided equally between the S.M. & A.M. Sudbury Family Trust No. 2 or nominee and the Michael and Leah Peacock Family Trust or nominee. This provision shall only apply if the principal shareholders remain alive and have not suffered TPD.
18. This deed shall be reviewed and re-examined for its adequacy at periods of not greater than two years from the date hereof so that the cover afforded by the insurance programme can be increased if necessary and the deed's terms and conditions may be varied added to

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or altered in line with circumstances prevailing at the time of such review. If no review takes place for whatever reason, the provisions of this deed shall apply and no party shall have any claim against any party for the failure to carry out such a review.

19. (a) If any party to this deed or the personal representatives believe that a dispute has arisen regarding the terms of this deed or anything arising out of it, that party may give to such of the others or the personal representatives as are involved written notice of the existence of such a dispute and the particulars of it.
- (b) The parties involved and the personal representatives shall then meet in good faith and seek to resolve the dispute and if it is not resolved within fourteen (14) days of the notice referred to in the previous paragraph, the parties and the personal representatives shall seek to agree on a process for resolving the dispute through means other than litigation or arbitration such as conciliation or independent determination. If they cannot reach agreement on such a process for resolving the dispute they shall refer the dispute to mediation and for that purpose they shall use the assistance of a dispute resolution person or organisation nominated by the President of the Chartered Accountants Institute of New Zealand.
- (c) No party to the dispute may use any information or documents obtained through the dispute resolution process for any purpose other than in an attempt to settle the dispute.
- (d) No party to the dispute may refer the dispute to arbitration or commence proceedings in any Court unless the dispute has been referred to a dispute resolution person or organisation in accordance with this paragraph and the person or organisation certifies that the dispute has been so referred and there appears to be no likelihood of a resolution of the dispute by that process.
- (e) If following the procedures to resolve any dispute between parties contained in the previous paragraphs the dispute has not been resolved the dispute shall be referred to arbitration in accordance with the Arbitration Act 1996 or any enactment in substitution of that Act.
- 20 It is agreed and declared by and between the parties hereto that the liability of the third and fourth parties under this deed shall be limited to the assets under their management and control in the respective family trust which they are the trustees.
- 21 (i) As the directors of Sudburys, the parties of the first two parts HEREBY APPOINT GLEN BEAL of Auckland Chartered Accountant to be and become their alternate director of

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Sudburys in the event that neither of them is able, for any reason, to continue to act in the capacity of director of Sudburys.

- 21 (ii) It is agreed and declared that Glen Beal may charge his usual reasonable fees for his time spent acting on behalf of the company and as its director.
- 22 The liability of the Stakeholder under this Deed is limited to the value of the policies which are in the Stakeholder's hand or under the Stakeholder's management and control as Stakeholder or that would have come into the Stakeholder's hands or which but for the Stakeholder's negligence or breach of trust should have come into the Stakeholder's hands or been under the Stakeholder's management and control. The Principal Shareholders indemnify the Stakeholder for any personal liability that the Stakeholder may incur in any way arising out of or in connection with it acting as the Stakeholder.
- 23 The Stakeholder, is entitled to be paid reasonable fees for the work done by it as Stakeholder and be reimbursed by the parties for all expenses reasonably incurred by the Stakeholder in carrying out its duties under this Deed.
- 24 The liability of Grant Lindsay Currie is limited to the assets of the S.M. & A.M. Sudbury Family Trust No. 2, and is not a personal liability.
- 25 The liability of TW Trustees 2007 Limited is limited to the assets of the Michael and Leah Peacock Family Trust, and is not a personal liability."

SCHEDULE

- (i) Policy No 373829-01 insuring the life of Stephen Michael Sudbury for \$800,000 in the event of death, suffering a defined critical illness or becoming totally and permanently disabled or any policy in replacement thereof.
- (ii) Policy No 373830-01 insuring the life of Leah Veronica Peacock for \$800,000 in the event of death, suffering a defined critical illness or becoming totally and permanently disabled or any policy in replacement thereof.

IN WITNESS WHEREOF these presents have been executed the day and year first hereinbefore written.

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SIGNED by the said
STEPHEN MICHAEL SUDBURY
in the presence of:

M. Hodgson
Witness: Megan Hodgson ..
Occupation: Personal Assistant
Address: Whangarei

)
)
) *Sm Sudbury*

SIGNED by the said
LEAH VERONICA PEACOCK
in the presence of:

M. Hodgson
Witness: Megan Hodgson ..
Occupation: Personal Assistant
Address: Whangarei

)
)
) *Leah Peacock*

SIGNED by the said
STEPHEN MICHAEL SUDBURY
and ANN MARIE SUDBURY
in the presence of:

M. Hodgson
Witness: Megan Hodgson ..
Occupation: Personal Assistant
Address: Whangarei

)
)
) *Sm Sudbury*
) *Am Sudbury*

SIGNED by the said
GRANT LINDSAY CURRIE
in the presence of:

P. Basher
Witness:
Occupation: Pamela Caril Basher
Address: Legal Secretary ..
Whangarei

)
)
) *[Signature]*

SIGNED by the said
LEAH VERONICA PEACOCK and
MICHAEL KENROY PEACOCK
in the presence of:

M. Hodgson
Witness: Megan Hodgson ..
Occupation: Personal Assistant
Address: Whangarei

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)
) *Leah Peacock*
) *M.K Peacock*

SIGNED by the said)
TW TRUSTEES 2007 LIMITED)
in the presence of:)

 Director

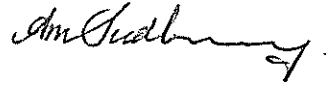
Witness: *P. Basher*.....
Occupation: **Pamela Caril Basher**...
Address: **Legal Secretary**.....
Whangarei

SIGNED by the said)
MICHAEL KENROY PEACOCK)
in the presence of:)



Witness: *M. Hodgson*.....
Occupation: **Personal Assistant**.....
Address: **Whangarei**.....

SIGNED by the said)
ANN MARIE SUDBURY)
in the presence of:)



Witness: *M. Hodgson*.....
Occupation: **Personal Assistant**.....
Address: **Whangarei**.....

SIGNED by SUDBURYS LIMITED)

 Director
 Director

SIGNED by the said)
TW TRUSTEES 2008 LIMITED)
in the presence of:)

 Director

Witness: *P. Basher*.....
Occupation: **Pamela Caril Basher**...
Address: **Legal Secretary**.....
Whangarei

