BUY/SELL FUNDING AGREEMENT

CONTENTS

1	Definitions		3
2	Insurance		4
	2.1	Life Insurance	4
	2.2	Additional cover	4
3	Payment of Policy Proceeds		4
	3.1	Payment on exercise of option	4
4	Payment Amount		4
	4.1	Reduction of purchase price	4
5	General Provisions		5
	5.1	Insurance premiums	5
	5.2	Termination	5
	5.3	Costs	5
	5.4	Notices	5
	5.5	Counterparts	5
6	Interpretation		5
	6.1	Jurisdiction	5
	6.2	In the interpretation of this agreement:	6

BUY/SELL FUNDING AGREEMENT

THIS DEED dated day of 20 Between of and of and of and of

RECITALS

- A. The parties are partners / shareholders / unit holders under Partnership Deed/Shareholder agreement / unit trust.
- B. The parties have entered into a Buy Sell Agreement governing the transfer of each proprietors interest in the business should specified events occur.
- C. The parties have agreed to maintain insurance policies on life and on total permanent disability under the terms of this agreement for so long as this agreement is in force.

OPERATIVE PART

1 Definitions

In this agreement:

- (a) **Market value** means the value at which a party may be required to dispose of their interest under the partnership agreement / shareholder agreement / unit trust;
- (b) **Buy-Sell Agreement** means the Buy Sell Agreement dated ;
- (c) **Policy** means each policy of insurance on the life and on total permanent disablement of each party which:
 - (i) Has been unanimously approved by all parties;
 - (ii) Is recorded in the policy register and has not been cancelled; and
 - (iii) Is owned by the party legally entitled to receive the policy proceeds.
- (d) Policy register means the register maintained by the parties with up-to-date details of the policies of insurance held by the parties.