

Authority to Sell

This form authorises Forest Enterprises Limited to facilitate the sale of shares of an investor in a Forest Enterprises forestry investment by way of tender.

Seller Details

Client Name (the Seller): _____

Investment Name: _____

Number of Shares: _____

Name of Person(s) Authorised to Sell: _____

Contact Address: _____

Phone: _____

Email: _____

Nominated Bank Account Name: _____

Nominated Bank Account Number: _____ - _____ - _____ - _____

This Authority shall be returned to Forest Enterprises Limited (FEL) together with payment of the Listing Fee.

By submitting a completed and signed Authority to Sell, the Seller acknowledges and agrees to the following:

1. FEL is authorised to facilitate the sale of Limited Partnership (LP) Shares in the Investment as listed above. Consequentially, the General Partner (GP) shares will also be sold to the same Buyer.
2. The Seller acknowledges and warrants that it is the legal and beneficial owner of the Shares, and that the Shares are the sole and unencumbered assets of the Seller.
3. The Seller agrees to pay a non-refundable Listing Fee of \$375 per investment for the number of shares listed on the signing of this Authority, payable for each Term that Shares are listed for sale.
4. FEL will list the Shares for sale for a 3-month period commencing from the date of receipt by FEL of this Authority ('Term'). If the Shares are not sold by the end of the first Term, the Seller may pay a further Listing Fee and continue to have the Shares listed for sale for a further Term or Terms. The Seller may withdraw the Shares from sale at any time prior to the acceptance of an offer, by notice in writing to FEL.
5. Until a transfer of Shares is registered in the Register of Limited Partners maintained by the Manager, the Seller is entitled to receive all distributions paid on the Shares. Therefore, the Seller agrees that if any distribution is paid to the Seller following a listing of the Shares and before the registration of the transfer (unless both Seller and Buyer agree otherwise) the sale price payable by the Buyer will be reduced by the amount of that distribution.
6. Upon receipt of offers for all/some of the shares, offers will be communicated on an agreed basis to the email address above. If the Seller wishes to accept an offer, less the brokerage payable, the Seller shall advise FEL accordingly by the advised 'Expiry Date' (approximately 3 days from date and time of communication of the offer). In the event that there are multiple Sellers of shares in the same investment, offers received will be communicated to one Seller at a time in order of listing (determined by the date and time of receipt of this Authority by FEL). Each Seller will have first refusal of an offer, from when communicated until the Expiry Date (or earlier if the offer is declined before the Expiry Date).
7. Brokerage will be charged on each investment sale at a rate of \$350 for the first \$10,000 of value and 2% thereafter. The brokerage fee will be deducted from the sales proceeds.
8. The sale of Shares cannot exceed the excluded income test without a reassessment of any tax implications. The Cost of Timber (if any) associated with each share sold will pass to the Buyer and no longer be available to the Seller. The Seller acknowledges it is the Sellers responsibility to seek independent professional tax advice on any taxation matters, including the effect of section HG5 of the Income Tax Act 2007 on the Sellers individual situation.
9. Should the Seller accept the offer the consequential contract will be with the Buyer, and whilst FEL will co-ordinate and facilitate the process, FEL has no responsibility or liability to the Seller should the Buyer default in their obligations to complete the resulting transfer, other than to relist the shares for sale at no additional cost.
10. Should the Seller accept an offer, the documentation necessary to affect the transfer of the LP Shares and GP Shares will be completed and returned in full.
11. By signing the seller acknowledges they have the authority to list the shares if the shares to be sold are held in more than one name or by a trust, company or partnership. Forest Enterprises Limited accepts no liability in the event of a false declaration.

Full Name of Person(s) Authorised to Sell: _____

Signature(s): _____

Date: / /



5 Papawai Place, Masterton 5810 | PO Box 128, Masterton 5840, New Zealand
Office +64 6 370 6360 | Fax +64 6 370 6369 | www.forestenterprises.co.nz

Forest Enterprises is the business name of Forest Enterprises Growth Limited and its subsidiary Forest Enterprises Limited. Forest Enterprises Limited is licenced to manage Managed Investment Schemes (excluding managed funds) which are primarily invested in forestry assets.