

Agreement for Sale and Purchase of an AS355 Twin Squirrel

Heli Twin Squirrel-1 Limited

Helico Limited

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Agreement dated 28 September 2021

Parties

- 1 **Helico Limited** of 34 Bonnie Brae Road, Meadowbank, Auckland (**'Seller'**)
- 2 **Heli Twin Squirrel-1 Limited** of 34 Bonnie Brae Road, Meadowbank, Auckland (**'Buyer'**)

Background

- A The Seller has agreed to purchase the Helicopter and certain assets associated with the Helicopter from the Third-Party Seller pursuant to the Head Agreement.
- B The Seller intends to on-sell the Helicopter to the Buyer.
- C The Buyer wishes to purchase the Helicopter on the terms and conditions set out in this Agreement.

Agreement

1 Interpretation

1.1 Definitions

In this Agreement unless the context otherwise requires:

'Agreement' means this agreement including the background recitals and Schedule as may be amended pursuant to clause 7.3.

'Completion' means completion of the sale and purchase of the Helicopter pursuant to this Agreement.

'Completion Date' means the date that is five Working Days after the Helicopter is delivered by the Seller fully completed into the water at Auckland.

'Condition Date' means the date set out in the Schedule or such other date as the parties agree in writing.

'Conditions Precedent' means the condition contained in clause 3.1.

'Delivery' means delivery of the Helicopter to the Buyer in accordance with clause 4.2.

'Encumbrance' includes any present or future mortgage, charge, hire purchase or chattel lease agreement, pledge or lien, hypothecation, security interest, retention of title claim, preferential right or any other encumbrance of whatever nature.

'GST' means goods and services tax payable under the Goods and Services Tax Act 1985.

'Issue Rate' means the rate at which the Shares are offered pursuant to the Offer.

'Head Agreement' means the agreement details in the Schedule pursuant to which the seller has agreed to purchase the Helicopter from the Third-Party Seller.

'Helicopter' means the Helicopter set out in the Schedule together with certain assets associated with it, details of which are set out in the Schedule.

'Management Agreement' means the management agreement between the Buyer and Orbit Helicopters Limited.

'Offer' means the offer of the Shares to be made to prospective investors by the Buyer.

'PDS' means the product disclosure statement relating to the Offer to be prepared by the Seller.

'Purchase Price' means the purchase price set out in the Schedule.

'Shares' means 4 ordinary shares in the capital of the Buyer.

'Third-Party Seller' means the seller under the Head Agreement.

'Warranties' means the warranties set out in clause **Error! Reference source not found..**

'Working Day' means a day (other than Saturday or Sunday) on which registered banks are open for business in Auckland.

'Helicopter' means the Helicopter set out in the Schedule together with certain assets associated with it, details of which are set out in the Schedule.

1.2 General construction

In interpreting this Agreement, the following rules must be applied unless the context otherwise requires:

- a **Currency:** References to currency and a reference to '\$' or 'dollar' are, unless otherwise stated, to New Zealand currency;
- b **Parties:** References to a party are to a party to this Agreement and include that party's executors, administrators, successors in title and permitted assigns;
- c **Periods of Time:** All periods of time include the day on which the period commences and also the day on which the period ends;
- d **Non-Working Day:** Any date which is not a Working Day, upon or by which anything is due to be done by any party, will be deemed to be a reference to the next Working Day;
- e **Joint Obligations:** All warranties, representations, indemnities, covenants, agreements and obligations given or entered into by more than one person will be deemed to have been given or entered into jointly and severally;
- f **Payment:** Any reference to or any obligation in this Agreement which requires payment of money will be a reference to, or deemed to include an obligation requiring, payment in immediately available cleared funds and requiring payment be made free and clear of all deductions or withholdings unless the deduction or withholding is required by law; and
- g **Number and gender:** Words importing the plural include the singular and vice versa and words importing one gender include the other genders.

2 Sale and Purchase of Helicopter

2.1 Agreement

The Seller agrees to sell and the Buyer agrees to purchase the Helicopter free from any Encumbrances on the terms and conditions set out in this Agreement.

2.2 Purchase Price

Subject to the provisions of clause 2.3, the Purchase Price shall be paid by one payment of \$1,500,000 including GST (comprising \$1,485,000 for the Helicopter and \$15,000 for reimbursement of costs associated with the offer of Shares) on the Completion Date.

2.3 Issues of Shares

In the event that, on the Completion Date, there are Shares that have not been sold pursuant to the Offer ('**Unsold Shares**'), the Purchase Price shall be satisfied as follows:

- a an amount equal to the number of Shares that have been issued pursuant to the Offer multiplied by \$375,000 shall be paid by the Buyer to the Seller on the Completion Date; and
- b upon the issue of each of the remaining Unsold Shares, further amounts of \$375,000 shall be paid to the Seller (via the Buyer) within 5 Working Days of each issue by the eventual buyer of the Unsold Shares until such time as a total of 4 Shares have been issued and allotted and no Unsold Shares remain (at which point the Purchase Price shall have been met in full).

2.4 Buyer's Nominee

The Buyer shall have the right to nominate a third party to purchase the Helicopter provided that the Buyer shall remain liable at all times for the obligations of such nominated party under this Agreement.

3 Conditions Precedent

3.1 Conditions

This Agreement is conditional upon completion of the Head Agreement.

3.2 Benefit of Conditions

The Condition Precedent in clause 3.1 has been inserted for the sole benefit of the Seller.

3.3 Termination

If the Condition Precedent has not been fulfilled or (to the extent that it is capable of waiver) waived by the Seller by the Condition Date, any party may by notice in writing to the other party at any time after the Condition Date terminate this Agreement. Upon such termination this Agreement will be of no effect, and any monies paid to the Seller on account of the Purchase Price must be refunded to the Buyer and, except as otherwise expressed or implied in this Agreement, no party will have any claim against any other party arising under or in connection with this Agreement.

4 Completion

4.1 Day and Place

Completion must take place on the Completion Date at the offices of the Seller.

4.2 Transfer of Helicopter

On the Completion Date, against satisfaction of the Purchase Price in accordance with clauses 2.2 and 2.3, the Seller must (with effect from the close of business on the Completion Date) transfer the Helicopter into the possession and control of the Buyer. In particular, the Seller must procure the delivery of:

- a the Helicopter to the location specified in the Schedule;
- b a duly executed bill of sale or such other document or other assurance as may be required by the Buyer to transfer title in the Helicopter to the Buyer;
- c a complete inventory for the Helicopter (which will include the equipment listed in the Schedule);
- d original copies of the Helicopter's registration and/or title documents (if any);
- e copies of all suppliers' warranties, operating manuals, literature for onboard systems and equipment in the Seller's possession; and
- f the Helicopter's owner's manual.

5 Risk

5.1 Prior to Completion

The Helicopter will be the sole risk of the Seller in all respects until Completion.

5.2 Damage Prior to Completion

In the event that prior to Completion the Helicopter is lost, destroyed or damaged and such loss, destruction or damage has not been made good by repair or replacement by the Completion Date, then the Buyer may:

- a complete the purchase for the Purchase Price, less a sum equal to the diminution in value of the Helicopter; or
- b cancel this Agreement by notice in writing to the Seller whereupon the Buyer will be entitled to the return of any moneys paid by the Buyer to the Seller on account of the Purchase Price, and no party shall have any right or claim against the other parties.

5.3 Insurance

The Seller must procure that the Helicopter is fully insured until Completion and must:

- a if required by the Buyer provide to the Buyer, on request, a true copy of the insurance policy held;
- b if required by the Buyer, on satisfaction of the Condition Precedent, obtain an endorsement of the Buyer's interest under this Agreement on the insurance policy; and

- c not change any policy to reduce the insurance cover or otherwise alter the terms of cover to the possible detriment of the Buyer.

5.4 Takeover of Policies

The Buyer will not be required to take over any insurance policies held by the Seller or the Third-Party Seller on the Completion Date.

6 Clear Title

6.1 Title

The Seller must on Completion give to the Buyer clear title to the Helicopter free from all Encumbrances of whatever nature and will on Completion remove all security interests registered against the Helicopter on the Personal Property Securities Register and/or any other register under which security interests are registered against the Helicopter.

7 General Provisions

7.1 Entire Agreement

To the maximum extent permitted by law, this Agreement contains all of the terms, representations and warranties made between the parties and supersedes all prior understandings, discussions, correspondence and agreements (whether written or oral) covering the subject matter of this Agreement.

7.2 Further Assurances

Each party will, at its own expense and when requested by another party, promptly sign and deliver, execute, procure, pass and do all such further documents, acts, matters, resolutions and things as may be necessary or desirable for effecting the transactions contemplated by this Agreement.

7.3 Amendments

No amendment to this Agreement will be effective unless it is in writing and signed by all the parties.

7.4 Waiver

Failure to exercise or enforce or a delay in exercising or enforcing or the partial exercise or enforcement of any right, power or remedy provided by law or under this Agreement or under any of the documents delivered in connection with this Agreement by any party will not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement of that or any other right, power or remedy provided by law or under this Agreement or other document. Any waiver or consent given by any party under this Agreement will only be effective and binding on that party if it is given or confirmed in writing by that party. No waiver of a breach of any term of this Agreement will operate as a waiver of any subsequent breach of that term or of a breach of any other term of this Agreement.

7.5 Non-Merger

The agreements, obligations, indemnities and warranties contained in this Agreement will, notwithstanding any rule to the contrary, not merge on completion of the transactions contemplated by it but will remain in full force until satisfied.

7.6 No Assignment

No party may assign or be relieved of its rights or obligations under this Agreement without the prior written consent of all parties.

7.7 Time of Essence

Time will be of the essence in the performance by any party of its obligations under this Agreement.

7.8 Notices

Any notice given pursuant to this Agreement must be in writing and (with the exception of email) signed by a person duly authorised by the sender. Any such notice will be deemed to be validly given if personally delivered, posted, or forwarded by facsimile transmission or email to the address of the party set out in the Schedule or to such other address as the party to be notified may designate by written notice given to all other parties.

7.9 Costs

Except as may be otherwise provided in this Agreement, each party shall bear its own costs in relation to the negotiation, preparation, execution and performance of this Agreement.

7.10 Choice of Jurisdiction and Law

This Agreement will be governed by and construed in accordance with the laws of New Zealand and the Shareholders submit to the non-exclusive jurisdiction of the New Zealand Courts.

Execution

Signed for and on behalf of **Helico Limited**
by its directors



Lachlan Jones




Simon Barker



Montague Jones

Signed for and behalf of **Heli Twin Squirrel-1 Limited**
by its directors



Lachlan Jones



Simon Barker

Schedule 1

Name of Helicopter:	TBA
Description of Helicopter:	AS355 Twin Squirrel S/N5265
Equipment being sold:	As per the attached specification sheet
Purchase Price:	\$1,500,000 including GST (comprising of \$1,485,000 for the Helicopter and \$15,000 for reimbursements of costs associated with the offer of Shares)
Place of Delivery:	North Shore Airport
Condition Date:	8 September 2021
Addresses for Notices:	Seller: Email: simon@helico.nz Attention: Simon Barker Buyer: Email: simon@helico.nz Attention: Simon Barker
Head Agreement	Agreement between the Third-Party Seller and the Seller dated 8 September 2021

Specifications

Airbus Helicopters AS 355F1



Registration number: ZK-IJK

AIRFRAME
Starflex
MGB Epicyclic reduction gear
MGB Bevel reduction gear
MGB Oil pump
Combiner Gear Box
Main Rotor Blade #1/2/3
Main Servo #1/2/3
Tail Rotor Gear Box
Tail Rotor Servo
Tail Rotor Blade
Engines: Rolls-Royce Allison C205 engine (2)



Additional Equipment

Dual controls	VIP 6 place leather interior
Pilot's and co-pilot windshield wiper	5 Headsets
Left rear sliding door and improved side visibility in the corresponding front door	Garmin Bluetooth interface
High skid landing gear	ICS panel
Garmin VHF coms	ADSB OUT Transponder

