

PURCHASE AND SALE AGREEMENT

THIS **PURCHASE AND SALE AGREEMENT** made this _____ day of _____, 2XXX by and between _____ *and* _____.

WITNESSES:

_____ (hereinafter sometimes referred to as "_____") and _____ (hereinafter sometimes referred to as "_____"). Each is an employee, stockholder, director and officer of _____, a New Jersey Corporation (hereinafter sometimes referred to as the "Corporation"). A total of one hundred (100) shares of capital stock of the Corporation are issued and outstanding. _____ and _____ each own twenty-five (25) of such shares, representing 25% of the issued and outstanding capital stock of the Corporation (50% total). _____ and _____ are also members of _____, a limited liability company of the State of New Jersey (hereinafter sometimes referred to as the "Company"). _____ and _____ each own a 25% membership interest in such limited liability company. _____, is a commercial establishment with a principal place of business located on real property owned by _____, is the owner of the remaining 50% of issued and outstanding stock of _____, and of the remaining 50% membership interest in _____.

NOW, THEREFORE, in consideration of the mutual premises herein contained, **BE IT AGREED:**

ARTICLE I
CLASSES OF OWNERSHIP

1.1 **CLASSES OF STOCK.** The issued and outstanding capital stock of the Corporation as of the date hereof consists of the following classes of stock: Voting Common Stock. As used herein, the word "stock" shall mean the shares of any or all of the classes of capital stock of the Corporation issued and outstanding from time to time except where limited by specific reference to a particular class of stock. The term "stock" shall refer to the shares of any and all classes of such capital stock of the Corporation owned by either Eric or Jeremy at the date hereof, or hereafter acquired, and shall include all shares transferred to "Permitted Transferees" as defined in Section 3.3, below.

1.2 **CLASSES OF MEMBERSHIP.** There presently is one class of membership in the Company: Voting Members. As used herein the term "membership interest" shall refer to any and all classes of membership interests in the Company owned by Eric or Jeremy at the date hereof, or hereafter acquired, and shall include all membership interests transferred to "Permitted Transferees" as defined in Section 3.3, below.

1.3 **AGGREGATION OF INTERESTS.** In as much as there is an identity of ownership of the Corporation and the Company and the Corporation operates out of real property owned by the Company and the Company derives rent and the payment of certain of its operating expenses by the Corporation, the parties have agreed that (a) any disposition by either of them of an interest in either the Corporation or the Company shall likewise lead to a required disposition of that individual's interest in the other entity and (b) the entities be valued collectively rather than separately for purposes of a sale or other disposition of an individual's ownership interests in such entities.

ARTICLE II
PRIOR AGREEMENTS

2.1 **PRIOR AGREEMENTS SUPERCEDED.** Eric and Jeremy hereby agree that the terms and provisions hereof shall be deemed to supercede and replace in their entirety any provisions to the contrary contained in any prior agreements affecting the disposition of their stock in the Corporation and their membership interests in the Company.

ARTICLE III
RESTRICTIONS ON SALE OR TRANSFER

3.1 **SALE OR TRANSFER DEFINED.** As used in this Article, to "sell or transfer" stock of the Corporation or membership interests in the Company shall mean to dispose of or assign, with or without consideration, voluntarily or involuntarily, any legal or equitable interest in such stock or membership interest. A sale or transfer shall include, without limitation, a sale, gift exchange, pledge, hypothecation, encumbrance, transfer in trust, and contract or option to sell or transfer.

3.2 **TRANSFeree.** In the event of any transfer under this Agreement, each transferee shall receive and hold such stock and membership interest subject to all of the terms and restrictions of this Agreement including this Article.

3.3 **TRANSFERS TO THIRD PERSONS.** Eric and Jeremy each agree not to sell or transfer any of their stock in the Corporation or membership interest in the Company to any third party except as hereinafter provided. Notwithstanding the foregoing, either party may transfer all or any part of his stock and of his membership interest to his lineal descendants (sometimes called "Permitted Transferees" in this Agreement), outright or in trust. The transferee or transferees shall receive and hold the

assets so transferred subject to the terms of this Agreement and shall, as a condition of transfer, be required to execute an acknowledgment consistent with this paragraph.

3.4 **WITHDRAWAL, TERMINATION, DISABILITY, DEATH OR BANKRUPTCY OF A PARTY.** The parties have agreed that the following provisions will apply in the event of the voluntary withdrawal, involuntary termination, disability or death of either Eric or Jeremy:

A. Should either party terminate his employment with the Corporation, or otherwise decide to sell his shares and his membership interest, he shall give written notice of such intention to the other party. The selling party's stock and membership interest shall thereafter be sold and purchased as follows:

(1) The remaining party shall have the right and option either to purchase the stock and membership interest of the selling party or to determine to sell or liquidate the Corporation and the Company. The option to either purchase the selling party's shares and membership interest or to sell or liquidate the Corporation and the Company shall be exercised by the remaining party within forty-five (45) days after receipt of notice from the selling party of the intention to sell or of the termination of the selling party's employment with the Corporation. Exercise of the option by the remaining party shall be by written statement to be delivered to the selling party within the applicable option period.

If the remaining party determines to sell or liquidate the Corporation and the Company then such sale or liquidation shall be accomplished within one (1) year from date of the remaining party's exercise of his option to sell or liquidate. The selling party shall receive as payment for his stock and membership interest or as a liquidating dividend or liquidating distribution a percentage of the net sale or liquidation proceeds equivalent to the percentage of his equity ownership in the Corporation and in

the Company, such sum to be received in the same manner and upon the same terms and conditions as would be applicable to the remaining party and to the other equity owners in the Corporation and Company at such time, if any.

(2) The purchase price payable by the remaining party for the selling party's shares and membership interest if the determination made is not to sell or liquidate but rather is to acquire the selling party's equity in such entities shall be the stipulated value for the shares and membership interest as contained in the latest Certificate of Agreed Value or as otherwise hereinafter determined pursuant to Article IV, below.

(3) Payment of the purchase price to the selling party purchased pursuant to this subsection, shall, at the option of the purchaser, be in accordance with either of the following methods:

(a) By payment of the entire purchase price in cash at closing; or

(b) By payment of twenty-five (25%) percent of the purchase price in cash at closing with the balance payable by delivery of one (1) Promissory Note of the purchaser. The terms of the Note shall be computed to provide for level monthly payments to be applied first against interest at a rate equivalent to one (1%) percent below the prime rate of Chase Manhattan Bank, N.A., as announced and in effect one (1) week prior to closing, and the balance to principal and interest over a term of five (5) years, with the note due five (5) years from date of issue. The Note will contain a provision that the maker may prepay all or any part of the principal at any time and from time to time without penalty or premium, and that a thirty (30) day default in the payment of any installment shall cause the remaining unpaid balance on the Note to become due and payable immediately.

B. Upon the permanent disability or the death of a party (as hereinafter defined), such party or the personal representative of his estate shall sell, and the remaining party shall purchase, all of the deceased or disabled party's shares of stock in the Corporation and membership interest in the Company. The sale and purchase of the stock and membership interest of the selling party pursuant to this subsection shall be as follows:

(1) If the remaining party should receive any proceeds of any insurance policy on the life of the selling party, or against his permanent disability, then all of the proceeds shall be paid to the selling party or to the personal representative of his estate or forthwith upon the remaining party's receipt of same. The payment shall be deemed made on account of the purchase price. Any balance due on account of the purchase price shall be paid to the selling party or to the personal representative of his estate in accordance with subparagraph 3.4A(3), hereinabove.

(2) The purchase price for the selling party's stock and membership interest to be sold pursuant to this subparagraph shall be the greater of (a) the stipulated value for the stock and membership interest as contained in the latest Certificate of Agreed Value or as otherwise determined pursuant to Article IV, hereinafter, or (b) the proceeds of any insurance policy on the life of the selling party or against his permanent disability specifically to fund the purchase of his stock and membership interest in case of his death or permanent disability.

(3) Closing of the sale and purchase pursuant to this subparagraph shall occur at the offices of the then attorneys for the Corporation on a date designated by the purchasing party, not later than sixty (60) days following the determination of permanent disability or qualification of the personal representative of the selling party's estate.

C. In the event of the bankruptcy (hereinafter defined) of a party, all of the stock and the entire membership interest owned by such party shall be sold and purchased by the remaining party.

(1) The purchase price for such stock and membership interest of the bankrupt party shall be equivalent to the sum of (i) the net book value of the Corporation determined as of the December 31 immediately preceding the transaction, multiplied by the percentage interest of the bankrupt party in the Corporation and (ii) the net book value of the Company determined as of the December 31 immediately preceding the transaction, multiplied by the percentage interest of the bankrupt party in the Company.

(2) Payment of the purchase price to the bankrupt party for his interests in the Corporation and the Company shall be by delivery of one (1) Promissory Note of the purchaser. The terms of the Note shall be computed to provide for level monthly payments to be applied first against interest at a rate equivalent to two (2%) percent below the prime rate of Chase Manhattan Bank, N.A., as announced and in effect one (1) week prior to closing, and the balance to principal and interest over a term of ten (10) years, with the Note due ten (10) years from date of issue. The Note will contain a provision that the maker may prepay all or any part of the principal at any time and from time to time without penalty or premium, and that a thirty (30) day default in the payment of any installment shall cause the remaining unpaid balance on the Note to become due and payable immediately.

(3) Closing of the sale and purchase pursuant to this subparagraph shall occur at the principal office of the then attorneys for the Corporation on a date designated by the purchasing party, not later than sixty (60) days after (a) the appointment of a trustee for the bankrupt party, (b) an adjudication of bankruptcy, or (c) appointment of an assignee for the benefit of creditors of the "bankrupt" party.

3.5 **BANKRUPTCY DEFINED.** For purposes of this Article, the term "bankruptcy" shall include the attachment of an execution on the stock of party without sufficient assets to satisfy such execution or attachment independent of the value of the stock, a voluntary or involuntary adjudication of personal bankruptcy by a Court of competent jurisdiction, or an assignment for the benefit of creditors.

3.6 **PERMANENT DISABILITY DEFINED.** For purposes of this Article, the term "permanent disability" shall mean the inability of a party, by reason of a medically determinable physical or mental impairment lasting for a period of six (6) consecutive months or for a period of nine (9) months in any twelve (12) month period, to carry out and perform the duties and obligations ordinarily required of him as an employee and officer of the Corporation or to actively participate in the management of the business of the Corporation and the Company. The existence of a permanent disability is to be determined as follows after either party provides the other with notice of termination ("initiating notice.):

- A. By agreement of the parties in writing;
- B. By a single physician jointly agreed to in writing by the parties within three (3) days of the initiating notice; or
- C. If no single physician can be agreed upon by the parties, then by the majority vote of three physicians, one of whom shall be chosen by each party, (both appointments to be made by notice to the others within twenty (20) days of the initiating notice), and the third shall be chosen by the first two appointed physicians, upon notice to each party within ten (10) days of their appointment.

In the event of failure of timely appointment under paragraph C above of more than one physician, the sole determination of the one timely appointed physician shall be final and conclusive upon all parties.

If the three duly appointed physicians fail to make a determination by majority vote of the existence of a permanent disability within twenty-one (21) days of the appointment of the third physician, then, upon petition of either party, a single physician shall be appointed by the American Arbitration Association and his sole determination shall be final and conclusive upon all parties.

If the "Disabled" party is incapable of appointing a physician, his legally appointed guardian or conservator shall make such appointment, or, if there shall be no legally appointed fiduciary, such individual's spouse shall make such appointment, and any reference in this Section to an appointment of a physician by a "Disabled" party shall include appointment by his fiduciary or spouse, as permitted under this Section.

During the period of physical or mental impairment but prior to the determination of permanent disability in accordance with this Section the Disabled party shall continue to receive payment of his regular compensation reduced, however, by any amount, which he may receive under policies of disability insurance provided by the Corporation or the Company.

Notwithstanding anything hereinabove to the contrary, if the parties elect to fund their obligation with respect to disability sale and purchase of a party's equity through purchase of insurance policies, then the terms and conditions of this Agreement shall be modified as required, but at a minimum such modification will include the following:

(i) The definition of disability of the insured party will be amended to conform with the definitions set forth in the subject insurance policies; and

(ii) The method and term of payment in case of disability shall be adjusted to reflect the method and term of payment to which the remaining party will be receive the policy benefits.

ARTICLE IV

CALCULATION OF PURCHASE PRICE

4.1 **CERTIFICATE OF AGREED VALUE.** The parties acknowledge and agree that the value of their equity in the Corporation and the Company can best be determined by mutual agreement at a time prior to an event which compels a transfer (e.g. death, permanent disability or withdrawal of either party). Accordingly, the parties agree to stipulate the value for the shares of stock in the Corporation and membership interest in the Company, which such stipulated value will apply in the circumstances set forth in this Agreement. The parties agree to execute a Certificate of Agreed Value in a form substantially similar to that annexed hereto as Exhibit A, and further stipulate and agree as of the date hereof to the value for their interests in the respective entities as set forth in Exhibit A.

The parties contemplate an annual review and execution of a new Certificate of Agreed Value, to be revised as necessary. The value as stipulated shall apply to any transaction to which the Certificate would apply if such transaction occurs not more than twenty-four (24) months after the date of execution of the Certificate.

4.2 **EXPIRED CERTIFICATE OF VALUE.** A Certificate of Agreed Value shall be deemed to expire twenty-four (24) months after the date it is executed. Notwithstanding the foregoing, if no new Certificate of Agreed Value is executed the

expired certificate shall control adjusted, however, for increases or decreases in book value of the Corporation and of the Company from and after the date of the expired certificate to the last day of a calendar month immediately preceding the contemplated transaction.

ARTICLE V

POLICIES OF INSURANCE TO FUND AGREEMENT

5.1 **OWNERSHIP**. Each party is or may become the owner and beneficiary of various life insurance policies and disability insurance policies on the other party. The parties acknowledge that as a material inducement to each of them to enter into this Agreement, and as a protection for each of them to prevent insurance policies and the proceeds thereof from being co-mingled with the assets of the other party, the beneficiary of such insurance policies may, at the mutual determination of the parties, be a Trustee who, if designated as beneficiary may not be removed or replaced without the written consent of the insured. The Trustee shall have possession of such policies.

5.2 **POLICY DESIGNATION**. If the parties name a trustee as beneficiary of the insurance policies, then as to each such policy of insurance, the parties agree:

- A. To designate the Trustee as the sole payee of any benefits thereunder;
- B. To make the policy irrevocably non-assignable and non-transferable to anyone other than the insured, without the written consent of the insured;
- C. To not encumber in any way or borrow against any policy of insurance or change its beneficiary designation, without the written consent of the insured; and

D. As to each policy of insurance, to designate a settlement agreement so that the Trustee receives the policy proceeds in one lump sum payment.

5.3 **PREMIUMS; ADDITIONAL INSURANCE.** The party who owns any such policy of insurance agrees to pay premiums on such policies taken out pursuant to this Agreement. If a premium is not paid within fifteen (15) days after its due date, the insured shall have the right to pay such premium and be reimbursed therefor by the other party. A party shall have the right to purchase insurance or additional life or disability insurance on the other party. With the written consent all parties hereto, the owner of a policy of insurance shall have the right to substitute or withdraw insurance policies subject to this Agreement. If one party decides to purchase insurance or additional insurance on the other, then each party hereby agrees to cooperate fully by performing all the requirements of the insurer which are necessary conditions preceding the issuance of the insurance policies.

5.4 **OPTION TO PURCHASE INSURANCE POLICIES.** If any party sells or otherwise transfers all of his equity during lifetime, or if this Agreement terminates before the death of a party, then except in the case of a sale or transfer due to permanent disability, such party shall have the option to purchase any policy or policies of insurance on his life owned by the remaining party, for the price and upon the terms and conditions hereinafter set forth in this Article V.

A. The option to purchase such policy or policies shall be exercisable within a period of ninety (90) days following the termination of this Agreement or the closing pursuant to any provision of this Agreement, as the case may be.

B. If a party desires to exercise the option to purchase the insurance policy or policies on his life, he shall give written notice thereof to the remaining or other party prior to the expiration of the option period. The notice shall fix a date, not less than

fifteen (15) days and not more than forty-five (45) days from the date such notice is given, when the closing of the sale and purchase of the insurance policy or policies; shall be held. Such closing shall be at the principal place of business of the Corporation on the date specified in the notice.

C. The purchase price for the insurance policy or policies shall be the net surrender value of such policy or policies.

D. At the closing, the purchasing party shall pay the total purchase price, in cash or by certified check, and the owner of such policies shall deliver the insurance policy or policies with instruments of assignment: and other documents, duly endorsed, sufficient to transfer ownership of the policy or policies to the purchasing party.

ARTICLE VI

THE TRUSTEE

6.1 **ACCEPTANCE OF TRUST.** The provisions set forth in Section 6.2, hereinafter, shall apply if at this time or at any future time the parties designate a person or entity to act as insurance trustee.

6.2 **DUTIES OF TRUSTEE.** The Trustee shall:

- A. Unless otherwise agreed, serve without compensation;
- B. Use best efforts to collect any sums due or owing under the policies of Life Insurance;
- C. Have no responsibility as to the payment of the premiums on the Life or Disability Insurance;

D. Not be required to institute or defend any action involving any matters referred to herein or which affect it or its duties or liabilities hereunder unless or until requested to do so by any party to this Agreement and then only upon receiving full indemnity, in character satisfactory to the Trustee against any and all claims, liabilities and expenses in relation thereto;

E. Not be responsible for the proceeds of insurance policies unless and until collected, or paid to it, nor be responsible or liable whatsoever to anyone if for any reason any policy or policies shall be uncollectible in whole or in part;

F. Not be accountable for any loss, which may occur to the fund as a result of the exercise of, or the refusal to exercise, any power or discretion vested in it unless such losses shall result from bad faith or fraud on its part;

G. Be permitted to consult with counsel and be fully protected in any course of conduct taken in good faith in accordance with the advice of counsel;

H. Be reimbursed for all reasonable expenses, disbursements and advances, including attorney fees, incurred or made by it in performance of its duties hereunder;

I. Not be bound by any amendment or supplement to this Agreement without its written consent;

J. Be entitled to rely upon any judgment, order or other writing delivered to it hereunder without being required to determine the authenticity or correctness of any fact stated therein, the propriety or validity of the service thereof, or the jurisdiction of the court issuing any such judgment or the arbitrator issuing any such order;

K. Be under no duty to give the property held by it hereunder any greater degree of care than it gives similar property;

L. Act in reliance upon any instrument or signature believed by it to be genuine, and assume that any person purporting to give any notice or receipt of advice or make any statement in connection with the provisions hereof has been duly authorized to do so; and

M. Have no responsibility for the payment of taxes except with funds furnished to the Trustee for that purpose.

6.3 **DUTIES EXCLUSIVE.** This Agreement sets forth exclusively the duties of the Trustee with respect to any and all matters pertinent hereto. Except as otherwise expressly provided herein, the Trustee shall not refer to, and shall not be bound by, the provisions of any other agreement.

6.4 **INDEMNIFICATION OF TRUSTEE.** Except with respect to claims based upon the Trustee's willful misconduct, the parties shall indemnify and hold the Trustee harmless from any claims made against the Trustee arising out of or related to this Agreement, such indemnification to include all costs and expense; incurred by the Trustee, including, but not limited to, reasonable attorneys' fees.

6.5 **ADDITIONAL ASSURANCES.** Upon payment of all sums held at any given time by the Trustee, the Trustee may request from any and all parties hereto such additional assurances, certificates, satisfactions, releases and/or other documents as he may deem appropriate to evidence the discharge of its obligation hereunder.

6.6 **DEPOSIT INTO COURT.** At any time, the Trustee may deposit all sums then being held by it hereunder into a court of competent jurisdiction and be relieved of any further obligations hereunder.

6.7 **REMOVAL AND REPLACEMENT OF TRUSTEE.** The Trustee may be removed and replaced by a successor upon written notice (A) from both of the parties if they be living at the time or (B) from the remaining party and the legal representatives of the estate of a deceased party, whichever is applicable. The Trustee, or any successor Trustee, may resign and discharge itself of the trust created hereunder, but such resignation shall not be effective for thirty (30) days after written notice is given to all of the other parties hereto then alive or in legal existence. In case of removal or resignation, the Trustee shall deliver to its successor all right, title and interest in all policies of insurance described herein.

ARTICLE VII **EMPLOYMENT**

7.1 **FULL TIME EMPLOYMENT.** The parties are presently employees of the Corporation in such positions and capacities as designated and assigned by the Board of Directors of the Corporation. Further, the parties presently serve as managing members of the Company and are responsible for its day-to-day operation.

7.2 **VOLUNTARY TERMINATION.** Should any party voluntarily terminate his employment with the Corporation for any reason he shall give the Corporation and the other party three (3) months notice. During such three (3) month period the terminating party shall remain an employee of the Corporation to assist in the business transition period subsequent to the notice of termination.

ARTICLE VIII

SPECIFIC PERFORMANCE

8.1 **CERTAIN REMEDIES**. The Corporation and the Company are of a unique nature and cannot readily be purchased or sold on the open market. Accordingly, the parties and the entities would be irreparably damaged in the event that any party to this Agreement fails to sell or transfer his equity interest pursuant to the terms and conditions of this Agreement. In addition, the parties stipulate that it would be impossible to measure in money the damages that would be suffered in the event of a sale in breach of this Agreement. As a result, should a sale or transfer be made which shall not be in conformity herewith, the rights of the remaining party and of the Corporation and of the Company shall be enforceable by a decree of specific performance. Such remedy shall, however, be cumulative and nonexclusive and shall be in addition to any other remedy that the Corporation, the Company and remaining party may have.

ARTICLE IX

DEBTS GUARANTEED BY THE PARTIES

9.1 **PERSONAL GUARANTEES**. The parties may personally guarantee payment of certain obligations of the Corporation and of the Company to third party lenders. If the equity interest of a party is purchased hereunder, the Corporation, the Company and the remaining party shall be required to make diligent good-faith efforts to obtain a discharge of any guarantees furnished by such the terminating or selling party and shall, in all events, indemnify and hold the selling or terminating party harmless from any liability for any such third party guaranty.

ARTICLE X
ISSUANCE OF NEW SHARES OR CLASSES OF STOCK OR MEMBERSHIP
CLASSES OR INTERESTS

10.1 **ANTI-DILUTION.** Upon issuance of new shares or classes of stock or of new membership interests or membership classes in the Corporation or in the Company the percentage of equity ownership existing at the time of issuance shall apply with respect to any new stock, membership interest or class issue. This provision is designed to prevent dilution of stock ownership or membership of a party to this agreement.

ARTILCE XI
CONTINUED OCCUPANCY AFTER SALE OR TRANSFER

11.1 **OCCUPANCY AND VACATION OF PROPERTY.** The parties each acknowledge that they presently occupy or have occupied with their spouses and children living quarters at the real property commonly known as 21 Ewing Avenue, North Arlington, New Jersey. Such real property constitutes a principal asset of _____ Each party acknowledges that if he ceases to be an owner of any part of the Corporation and Company his rights of continued occupancy would also terminate. The parties also acknowledge that immediate vacation of their living quarters on the property might not be practical and could prove burdensome, particularly in the case of the death or disability of a party. Accordingly, the parties have agreed that the following provisions shall apply:

(a) If a party sells his shares and membership interest in accordance with Section 3.4 A., he and his wife and child or children shall be required to vacate any portion of the living quarters at the 21 Ewing Avenue real property then occupied by such

persons by not later than ninety (90) days after the closing of the sale and purchase of such shares and membership interests.

(b) If a party (or the personal representative of a party) effects a sale of shares and membership interest in accordance with Section 3.4 B., then he (if then living) and his wife and child or children shall be required to vacate any portion of the living quarters at the 21 Ewing Avenue real property then occupied by such person by not later than twelve (12) months after the closing of the sale and purchase of such shares and membership interests.

(c) The persons permitted to remain in occupancy post-closing may do so without charge. If for any reason the selling party (if then living) and his wife and child or children fail or refuse at the expiration of the applicable post-closing occupancy period and any agreed upon extensions to vacate, then the remaining party shall have the right to commence an action to dispossess such persons as if they were holdover tenants, and to seek damages for such holdover tenancy at the right of double the fair rental value for such portion of the living quarters not timely vacated.

ARTICLE XII

CONSTRUCTION AND EFFECT

12.1 **NOTICES**. All notices or other communications required or permitted to be given pursuant to this Agreement shall be in writing and signed by the party rendering such notice and shall be deemed delivered upon hand delivery or deposit thereof in the mails with prepaid postage for certified or registered mail with return receipt requested, addressed to each party hereto as each party shall designate from time to time in writing by the manner herein set forth.

12.2 **HEADINGS**. The headings, titles and subtitles herein are inserted for convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

12.3 **GENDER**. As used herein, all pronouns shall include the masculine, feminine, neuter, singular and plural thereof, wherever the context and facts require such construction.

12.4 **GOVERNING LAW**. This Agreement shall be governed and construed in accordance with the laws of this State of New Jersey.

12.5 **SEVERABILITY**. If any provision of this Agreement shall be held invalid or unenforceable according to law, such holding or action shall not invalidate or render unenforceable any other provision hereof.

12.6 **EXHIBITS**. Each Exhibit attached hereto shall be incorporated into and be a part of this Agreement.

12.7 **ENTIRETY OF AGREEMENT**. This Agreement contains the entire understanding between the parties hereto and shall not be modified except in writing by said parties.

12.8 **BINDING EFFECT**. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, heirs and legal representatives.

12.9 **COUNTERPARTS**. This Agreement may be executed in counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

_____ (L.S.)

_____ (L.S.)

ACKNOWLEDGMENT BY _____

I hereby acknowledge that I have received a copy of the Agreement between _____ and _____. I am not a party to such Agreement. However, I understand that such Agreement will effect disposition of their interests in _____, and in _____, and may thereby affect me and further that any transfer I may make by sale, gift or otherwise to either _____ or _____, or both, of all or any part of my interest in those entities will be held subject to the terms and conditions contained in their Agreement.

DESIGNATION AND APPOINTMENT OF TRUSTEE

By execution hereof the undersigned hereby designate, constitute and appoint _____, with principal offices located at _____, New Jersey, as Trustee under applicable provisions of the Purchase and Sale Agreement executed this _____ day of _____, 2XXX.

WITNESS:

_____ (L.S.)

_____ (L.S.)

The undersigned hereby accepts appointment as Trustee this _____ day of _____, 200__.

ATTEST:

_____ By: _____

EXHIBIT A
CERTIFICATE OF AGREED VALUE

The undersigned, being the parties to a certain Purchase and Sale Agreement dated _____, 2XXX (the "Agreement"), hereby agree that until changed by a Certificate of Agreed Value dated later than this Certificate, that the value of _____, a New Jersey Corporation, and _____, is \$_____ and the purchase price per 1% interest in such entities collectively is \$_____. If for any reason a new Certificate of Agreed Value is not entered into by the undersigned within twenty-four (24) months from the date hereof then the value established herein shall control, subject, however, to adjustment as provided in Section 4.2 of the Agreement.

Dated:

