

This Liquidation does not affect any other Mag & Turbo franchise.

4 Statement of Affairs

The Liquidators have prepared an Estimated Statement of Affairs being the assets and liabilities of the company at the date of liquidation. We attach a copy.

5 Proposals for Conducting the Liquidation

5.1 *Realisation of Assets*

Assets will be sold at auction or by private treaty.

5.2 *Examination of Books and Records*

The Liquidators will examine the company's available books and records and conduct a brief review of the company's affairs.

5.3 *Knowledge of Information Relevant to the Liquidation*

Should creditors and other parties possess any information that may be relevant to the liquidation, or may lead to realisations for the benefit of creditors, please advise the Liquidators in writing and provide them with copies of supporting documents.

6 List of Creditors

A list of all known creditors has been compiled by the Liquidators. We attach a copy.

7 Creditors Claim Form

Creditors should complete and return the attached Creditor's claim form by 22 October 2010. Creditors who do not make a claim within the period may be excluded from any distribution that may be made.

8 Retention of Title Claims/Security Interests

Please note, if you believe you have a valid retention of title claim or security interest over goods or equipment supplied to Performance Wheels & Tyres Limited (In Liquidation), and you have not yet contacted the Liquidators, please contact us immediately.

9 Initial Creditors Meeting

As it is unlikely there will be a distribution to creditors, pursuant to s245 of the Companies Act 1993 the Liquidators propose to dispense with the meeting of creditors to consider whether to appoint different Liquidators, and to consider the views of creditors.

Accordingly a meeting of creditors will not be called unless a creditor gives notice to the Liquidators within 10 working days after receiving this notice, requiring a meeting to be called.

10 Liquidation Committee

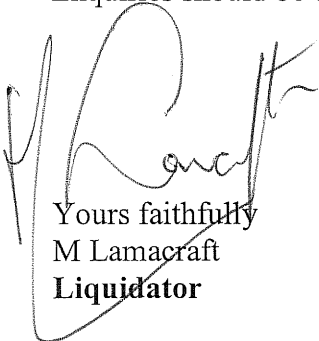
At any time during the liquidation, any creditor may in writing, request the Liquidators to call a meeting of creditors to consider whether a Liquidation Committee should be appointed, and if so, to choose the members of the Committee.

A Liquidation Committee has certain powers set out in s315 of the Companies Act 1993, including to assist the Liquidators as appropriate in the conduct of the liquidation.

11 Estimated Date of Completion of Liquidation

It is not practicable to estimate the date of completion of the liquidation at this stage.

Enquiries should be directed to: Mike Lamacraft

A handwritten signature in black ink, appearing to read 'M Lamacraft', written over the typed name and title.

Yours faithfully
M Lamacraft
Liquidator

Dated this 28th day of September 2010

Attach:

**Estimated Statement of Affairs of
Performance Wheels & Tyres Limited (In Liquidation)
As at the date of the Appointment of Liquidators
Being 23 September 2010**

	<i>Estimated to Realise</i>	<i>Owed to Secured Creditor</i>	<i>Estimated Realisable Value \$</i>
Assets Specifically Pledged:			
Plant and Equipment	40,000	(88,000)	-
Vehicle	5,000	(5,000)	-
Assets not Specifically Pledged:			
Stock			7,000
Debtors			1,000
Cash at Bank			1,000
Estimated Total Assets Available for Preferential Creditors			<u>9,000</u>
First Ranking Preferential Creditors			
Wages and Holiday Pay (Includes PAYE)			<u>NIL</u>
Second Ranking Preferential Creditors			
Inland Revenue Department	GST	(14,000)	
	PAYE	<u>(6,000)</u>	
			<u>(20,000)</u>
Estimated Deficiency as regards Preferential Creditors			<u>(11,000)</u>
Unsecured Creditors			
Trade		(90,000)	
Shareholders Advances		(120,000)	
Shortfall to secured creditor		(48,000)	(258,000)
Estimated Deficiency as regards Unsecured Creditors			<u>(269,000)</u>
Issued and Paid Up Capital			<u>(100)</u>
Estimated Total Deficiency as regards Unsecured Creditors and Shareholders			<u>(269,100)</u>

Note: The above estimates are subject to the costs of realisation, including Liquidators' fees.

Disclaimer of Liability:

We have prepared the Estimated Statement of Affairs as at the date of liquidation being 23 September 2010.

The Estimated Statement of Affairs has been prepared based on information from the books and records of the company together with information supplied by the Director. This information has not been verified. The Liquidators have not carried out an audit or reviewed the information supplied and therefore they do not accept any responsibility for the accuracy of the information from which the Estimated Statement of Affairs has been prepared. Further, the Estimated Statement of Affairs has been prepared for the purpose of the liquidation only, and the Liquidators do not accept any responsibility on any ground whatever, including liability in negligence, to any other person.

M Lamacraft
Liquidator

28 September 2010

Performance Wheels & Tyres Limited (In Liquidation)
Creditors Known at Liquidation
September 2010

Company	Address1	Address2	City
ACC Processing Centre	PO Box 38 023	Te Puni	Wellington
Acebrake Discmachining	6 Lorena Place	West Harbour	Auckland
Allied Nationwide Finance	PO Box 1888		Auckland
ASB Bank – Visa	PO Box 35	Shortland Street	Auckland 1140
Autolign	PO Box 9237	Newmarket 1149	Auckland
B & A Richardson	12 Cathedral Place	Parnell	Auckland
BG Marketing	PO Box 259231	Botany	Manukau 2163
Blairs Supertyre Distributors – North Island	PO Box 14		Geraldine 7956
Brugar Specialist Engineering Ltd	PO Box 213	Silverdale	Auckland 0944
Cartridge Shop	PO Box 8195	Symonds Street	Auckland
Elite Tint Limited	40 Aldred Road	Remuera	Auckland
Far North Fuels	Private Bag 1021		Kerikeri 0245
George Stock & Company Ltd	PO Box 62-102	Mt Wellington	Auckland
Goodyear	PO Box 40 343		Upper Hutt
Inland Revenue	PO Box 1535		Hamilton
Julie Bentley	13 Worthington Place	West Harbour	Waitakere 0618
Just Water New Zealand Limited	Private Bag 92811	Penrose	Auckland
Mag & Turbo	PO Box 76 214	Manukau	Auckland
Malloy Goodwin Harford	PO Box 9892	Newmarket	Auckland
McPhail Group Limited	PO Box 11-2121	Penrose	Auckland
Metalbilt Doors	PO Box 71169	Rosebank 1348	Auckland
Nationwide Accessories	PO Box 5270	Frankton	Hamilton 3204
NZ Transport Agency	Darroch Auckland Limited	PO Box 3490 Shortland Street	Auckland <i>Attn Bev Hilton</i>
PerformaLink Limited	PO Box 91247	Victoria St West	Auckland 1142
Progressive Rentals	PO Box 858		Wanganui
Repco Limited	PO Box 1144	Seventh Ave	Tauranga 3140
Stone & Pelkman Limited	PO Box 26-374	Epsom	Auckland 1344
Stonestar New Zealand Limited	49 Santa Ana Drive	Howick	Auckland
Tyremax NZ	PO Box 1590		Invercargill 9840
Tyretech Takapuna	255 Archers Road	Takapna	Auckland
Tyres 4 U Limited	PO Box 19164	Avondale	Auckland 1230
UDC Finance Limited	PO Box 91145		Auckland 1142
Value Tyres Limited	PO Box 4674		Christchurch
Viaduct Limited	PO Box 1288		Wellington
Vodafone	PO Box 9404	Newmarket	Auckland 1149
Wasteaway	PO Box 58650	Manukau 2163	Auckland
YHI (New Zealand) Limited	PO Box 97-116	South Auckland Mail Centre	Auckland