

DATE: _____

1. BUYER AND SELLER. This is an Agreement (the "Agreement") made by and between:

NAME(S) OF BUYER(S) _____

ADDRESS _____

PHONE _____ FAX _____

CELL _____ WORK _____

E-MAIL _____

(Hereafter referred to as "BUYER")

NAME(S) OF SELLER(S) _____

ADDRESS _____

PHONE _____ FAX _____

CELL _____ WORK _____

E-MAIL _____

(Hereafter referred to as "SELLER")

2. BUYER'S OFFER TO PURCHASE. Subject to the terms and conditions of this Agreement, BUYER offers to purchase the following vessel, together with all items listed on the attached SELLER'S SPECIFICATION SHEET, (hereafter collectively referred to as the "VESSEL"):

NAME OF VESSEL _____ HIN _____

YEAR BUILT _____ LENGTH-MAKE-MODEL _____

OFFICIAL NO. _____ STATE REGISTRATION NO. _____

3. PRICE AND DEPOSIT. The purchase price of the vessel shall be U.S. Dollars (\$ _____), _____ for which the BUYER agrees to buy and the SELLER agrees to sell the VESSEL, subject to the terms and conditions set for in this Agreement as specified. The sum of U.S. Dollars (\$ _____) _____

_____ in the form of BUYER's check other _____, shall be paid as a DEPOSIT subject to the terms and conditions set forth in this Agreement. The DEPOSIT shall be paid to and held in the trust account of the SELLING BROKER pending completion of this sale and applied as part of the purchase price. The balance of the purchase price shall be paid in collected funds at the closing. Should the SELLER and BUYER agree that payment may be made in any form other than collected funds, they further agree to jointly and severally indemnify and hold harmless the BROKERS involved in the transaction from any loss or liability resulting from reliance on use of such other form of payment. Such other agreement for payment may be set forth on Addendum attached hereto and incorporated herein.

4. BROKERS. The BUYER and SELLER recognize _____ (the "SELLING BROKER ") and they also recognize _____ (the "LISTING BROKER") as the brokers handling the sale of the VESSEL, and herein referred to collectively as the "BROKERS."

5. DATE FOR ACCEPTANCE OF OFFER. Seller has until five o'clock PM local time on or before August , 2012 to accept or reject BUYER'S Offer to Purchase, or it shall be deemed revoked, and the DEPOSIT shall be promptly returned to the BUYER after all expenses incurred by BUYER against VESSEL have been paid.

Purchase 2010v1.0

6. ADDITIONAL PROVISIONS. The sale of this VESSEL may be subject to the following additional requirements that must be met to BUYER'S

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reasonable satisfaction. Check the box for the contingency required by BUYER. BUYER to initial when accepted or declined. Use Addendum to specify the terms and conditions of any contingency.

Yes No
Financing: Accepted _____ Declined _____ Date _____
Demonstration: Accepted _____ Declined _____ Date _____
Marine Survey: Accepted _____ Declined _____ Date _____
Mechanical Survey Accepted _____ Declined _____ Date _____
Other _____ **(Use Addendum if necessary)**

7. **SURVEY.** SELLER and BROKERS recommend the BUYER have the VESSEL surveyed as to value and condition. The BUYER may have the VESSEL surveyed at his own expense, to verify the condition of the VESSEL and the accuracy of the attached inventory.

- A. The SELLER agrees that the BUYER or his agents may examine the VESSEL and inventory in a nondestructive manner. If the VESSEL is in the water, the SELLER may stipulate at which boatyard he is willing to have the VESSEL hauled for survey and agrees that delivery to and from the boatyard for survey, which he hereby authorizes, is to be the SELLER'S sole risk and expense.
- B. The BUYER agrees that the surveyor(s) shall be employed by the BUYER, and that the SELLER and the BROKERS are not responsible for any errors, omissions or other inaccuracies that may appear on the survey of the VESSEL.

8. **DATE FOR ACCEPTANCE OF THE VESSEL.** The BUYER shall notify the SELLING BROKER of his acceptance of the VESSEL and inventory, or his rejection of the VESSEL. Such notice, which shall be in writing, shall be received no later than five o'clock PM local time on **2012** . If said notice has not been timely received, the BUYER shall be deemed to have rejected the VESSEL and inventory in its present condition, subject to the terms, if any, of Paragraph 6. IT IS THE BUYER'S RESPONSIBILITY TO OBTAIN ANY ASSURANCES HE REQUIRES REGARDING THE AVAILABILITY OF SATISFACTORY FINANCING. Should Buyer not accept VESSEL, this agreement is terminated and the DEPOSIT shall be returned to the BUYER within 10 business days after all expenses incurred by BUYER against VESSEL have been paid.

9. **Closing.** The closing of this sale shall take place by five o'clock PM local time on or before _____ and shall be conducted by _____ or other appropriate closing agent, as mutually agreed. The closing of the sale shall be deemed completed when:

- A. All documents necessary to transfer good and absolute title to the VESSEL have been received by the BUYER, or by the closing agent on behalf of the BUYER; and
- B. The balance of the PURCHASE PRICE is paid in collected funds to the SELLER; or to the closing agent for transmittal to the SELLER.

OTHER RIGHTS, OBLIGATIONS AND MISCELLANEOUS PROVISIONS

10. **SELLER'S AGREEMENTS AND REPRESENTATIONS:** The SELLER warrants and/or agrees as follows:

- A. That SELLER has full power and legal authority to execute and perform this Agreement, that SELLER has good and marketable title to the VESSEL, and that SELLER will have obtained necessary authorization to sell the VESSEL, if required.
- B. That the VESSEL will be sold free and clear of any mortgages, liens, bills, encumbrances, or claims whatsoever. If any such obligations remain outstanding at the closing, the SELLER authorizes the closing agent to deduct the funds necessary to satisfy such obligations from the proceeds of the sale.
- C. To deliver the VESSEL and its inventory as accepted in Paragraph 8, on or before _____ at _____ (P.M) (P.S.T.)
- D. To pay any and all duties, taxes, fees, or other charges assessed against the VESSEL by any governmental authority prior to the closing, to hold harmless and indemnify the BUYER, BROKERS, and closing agent against any claims or actions for such fees, and to provide validation of such payments at the closing, upon written request by the BUYER.
- E. To hold harmless and defend the BUYER and BROKERS against any and all claims incurred prior to closing that may impair or adversely affect the BUYER'S receipt, use and possession of the VESSEL, including good and absolute title thereto; and to assume all costs incident to defending the BUYER and BROKERS against such claims, including their reasonable attorney's fees.
- F. To pay BROKERS the commission as soon as the sale is consummated, and authorizes the BROKERS to deduct the commission from payments received directly or indirectly from the BUYER. Such commission shall be calculated upon the above stated selling price, as detailed in Paragraph 3. Should the sale not be consummated for any reason, and the SELLER transfers any interest in the VESSEL to the BUYER, directly or indirectly, within two years of the closing date of the Agreement (except a charter of one month or less) then the SELLER agrees to pay the BROKERS an amount equal to the commission which would have applied to the sale for which the Agreement is now created.

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G. If a Cooperative Brokerage Agreement is entered into whereby the LISTING BROKER is not the SELLING BROKER, the SELLER agrees to pay the BROKERS a total commission of _____ percent (_____) of the selling price of the vessel, or a minimum commission of _____ US Dollars (\$ _____). The commission split shall be determined at the time of negotiating the sale. This agreed commission split shall be (_____ % or \$) to the LISTING BROKER and (_____ % or \$) to the SELLING BROKER. These fees shall be paid directly to LISTING BROKER and SELLING BROKER at the time the sale is closed.

11. BUYER'S AGREEMENTS AND REPRESENTATIONS: The BUYER warrants and/or agrees as follows:

- A. That BUYER has full power and legal authority to execute and perform this Agreement, and has obtained the permission of any authority to buy the VESSEL, if required.
- B. To deliver the following at closing:
 - 1. The balance of the PURCHASE PRICE in collected funds, payable to the SELLER, or to the closing agent for transmittal to the SELLER, as set forth in Paragraph 3.
 - 2. Collected funds payable to the BROKERS, in an amount equal to any charges incurred against the VESSEL by BROKERS on behalf of the BUYER.
- C. To pay all sales and/or use taxes, now or hereafter, imposed as a result of this sale, to indemnify the SELLER and BROKERS against any obligations to pay such taxes, and to furnish proof of such payments, upon request by the BROKERS.
- D. The BUYER will have the right of possession of the VESSEL only upon completion of the closing.

12. INTERIM RESPONSIBILITIES. The SELLER shall bear all risk of loss or damage to the VESSEL, or to any person or property on said VESSEL, until closing. Any damages to the VESSEL subsequent to acceptance as set forth in Paragraph 6, and prior to completion of closing, shall be repaired by the SELLER at his expense, subject to approval of the BUYER who has the right to request a reasonable price adjustment or to cancel the sale if substantial damage cannot be repaired to his reasonable satisfaction. The SELLER agrees not to use the VESSEL after completion of survey(s) undertaken on behalf of the BUYER except to move the VESSEL to a suitable storage location and to conduct any demonstration requested by the BUYER at BUYER'S expense.

13. DEFAULT BY SELLER. The SELLER'S failure to deliver the VESSEL to the BUYER or otherwise to perform the terms of the Agreement, due to any reason (including loss of, or substantial damage to, the VESSEL caused by the SELLER'S negligence which prevents completion of the sale), shall obligate the SELLER to pay all costs and charges incurred in connection with any survey undertaken on behalf of the BUYER, and to pay the BROKERS the full brokerage commission which would have otherwise been due pursuant to Paragraph 10G. The SELLER'S obligation is without prejudice to any other rights the BUYER might also have as a result of the SELLER'S default. However, if the sale cannot be completed by the closing date due to substantial damage to the VESSEL not caused by the SELLER'S negligence, the SELLING BROKER is authorized to deduct from the DEPOSIT and fees or charges incurred against the VESSEL by the BUYER, and return the balance to the BUYER.

14. DEFAULT BY THE BUYER. The BUYER and SELLER agree that the amount of damages sustainable in the event of a default by the BUYER is not capable of ascertainment. Therefore, in the event that the BUYER, after accepting the VESSEL under the terms of this Agreement, fails to fulfill any or all of the obligations set forth in this Agreement, the DEPOSIT shall be retained by the SELLER as liquidated and agreed damages and the BUYER and SELLER shall be relieved of all further obligations under the Agreement. This sum shall be divided equally (50%/50%) between the seller and the BROKERS after all expenses incurred against the VESSEL by the BUYER have been paid. The BROKERS' share shall not exceed the amount the BROKERS would have received had the sale been completed.

15. ARBITRATION OF DISPUTES. Any dispute, controversy or claim relating to the Agreement, including but not limited to the interpretation thereof, or its breach or existence, which cannot be resolved amicably by the BUYER and SELLER shall be referred to arbitration, which shall be the sole and exclusive forum for resolution and settlement of any dispute, controversy or claim between the parties. The arbitration shall be conducted in accordance with the Rules of the American Arbitration Association then in force and shall be held in the city and state of the SELLING BROKER'S office, unless the BUYER and SELLER mutually agree upon another place. Any arbitration award shall be final and binding upon the BUYER and SELLER with respect to all disputes, claims or controversies therein and the BUYER and SELLER shall comply without delay. The arbitrator shall, in its award, fix and apportion the costs of arbitration. The award of the arbitrator may be enforced by any court having jurisdiction over the party against whom the award has been rendered. The BUYER and SELLER further understand and agree that arbitration shall- be the sole and exclusive forum for resolving any dispute, controversy or claim relating to this Agreement and that neither party shall resort to any court except to compel arbitration and its enforcement. The Prevailing Party in any litigation arising from or to enforce this agreement shall be entitled to attorney's fees and other costs of litigation. This Agreement creates legal rights and responsibilities and each party may wish to consult with their own attorney regarding this agreement.

16. MISCELLANEOUS PROVISIONS. This Agreement shall:

- A. Be construed and interpreted in accordance with, and the arbitrator shall apply, the substantive and procedural law of the State of the SELLING

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BROKER'S principal office.

- B. Constitute the entire Agreement between the BUYER and SELLER, and supersedes all prior discussions, agreements and understandings of any nature between them, and may not be changed or added to except by agreement in writing and signed by all parties to be bound.
- C. Be binding upon and shall inure to the benefit of and be enforceable by the successors in interest of the BUYER and SELLER, including but not limited to heirs, executors, administrators or assigns.
- D. Survive the closing of the transaction, and shall not be merged in or otherwise be affected by the execution, tender, delivery, or acceptance of the Bill of Sale or any other documents executed or delivered at the closing.

17. **VESSEL SOLD "AS IS, WHERE IS," WITH NO WARRANTIES.** THE VESSEL IS SOLD "AS IS," "WHERE IS," AND "WITH ALL FAULTS." INFORMATION ON THE VESSEL IS BELIEVED TO BE GOOD AND CORRECT AND THE BROKER(S) OFFER SUCH INFORMATION IN GOOD FAITH, BUT DO NOT AND CANNOT GUARANTEE THE ACCURACY OF THE INFORMATION. THE BUYER EXPRESSLY AGREES THAT NO WARRANTIES OR REPRESENTATIONS, EXPRESSED OR IMPLIED, HAVE BEEN OR WILL BE MADE DIRECTLY OR INDIRECTLY BY THE SELLER OR BROKERS CONCERNING THE CONDITION OR USE OF THE VESSEL EXCEPT AS HEREIN PROVIDED IN WRITING. BUYER FURTHER EXPRESSLY AGREES THAT HE HAS NOT RELIED UPON ANY ORAL REPRESENTATION BY THE SELLER OR THE BROKERS AS TO THE CONDITION OR CAPABILITIES OF THE VESSEL OR ITS INVENTORY. BUYER ALSO RECOGNIZES AND ACKNOWLEDGES THAT VESSELS AND THEIR INVENTORY MAY HAVE BOTH APPARENT AND/OR HIDDEN DEFECTS AND THE BUYER ACCEPTS RESPONSIBILITY FOR DETERMINING THE CONDITION OF THE YACHT, ITS INVENTORY, AND THE EXISTENCE OF ALL DEFECTS NOT DISCLOSED BY THE SELLER.

BUYER'S OFFER TO PURCHASE

The undersigned BUYER has executed BUYER'S Offer to Purchase on the date indicated below, and hereby offers to purchase the VESSEL on the above terms and conditions. BUYER acknowledges receipt of a copy of the Agreement, and authorizes BROKER to deliver a signed copy hereof to SELLER.

BUYER:
Printed Name:

Date:

SELLER'S ACCEPTANCE OF BUYER'S OFFER TO PURCHASE

The undersigned SELLER has executed SELLER'S Acceptance of BUYER'S Offer to Purchase on the date indicated below, and hereby accepts BUYER'S Offer to Purchase the VESSEL and agrees to sell the VESSEL on the above terms and conditions. SELLER acknowledges receipt of a copy of this Agreement, and authorizes BROKER to deliver a signed copy hereof to BUYER.

SELLER:
Printed Name:

Date:

BUYER'S FINAL ACCEPTANCE OF VESSEL

The undersigned BUYER has executed BUYER'S Final Acceptance of the VESSEL on the date indicated below, or is deemed to have executed the same on such date, and hereby accepts the VESSEL on the above terms and conditions. BUYER authorizes the distribution of all funds necessary to complete this transaction.

BUYER: _____ Date: _____
Printed Name: _____

INITIALS: BUYER

SELLER

LISTING BROKER

SELLING BROKER

DATE

DATE

DATE

DATE

