

Yacht Purchase & Sale Agreement

This is an Agreement (the "Agreement") made by and between _____ of _____, a citizen of _____ (the "BUYER"), and _____ of _____ (the "SELLER"), owner of the _____ described in Attachment(s) _____ to this Agreement, which is made a part hereof, and named _____, (the "YACHT").

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

1. PRICE AND DEPOSIT:

The "SELLING PRICE" shall be _____ (_____) for which the BUYER agrees to buy and the SELLER agrees to sell the YACHT, subject to the terms and conditions set forth in this Agreement. The sum of _____ (_____) of the SELLING PRICE shall be paid as a deposit (the "deposit") upon execution of this agreement. The deposit shall be paid to and held in escrow by the SELLING BROKER pending resolution of this sale. The balance of the SELLING 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 BROKER(S) involved in the transaction from any loss or liability resulting from reliance on use of such other form of payment.

2. SURVEY:

The BUYER may have the YACHT surveyed at his expense, to verify the condition of the YACHT and the accuracy of the attached inventory.

A. The SELLER agrees that the BUYER or his agents may examine the YACHT and inventory in a nondestructive manner. If the YACHT is in the water, the SELLER may stipulate at which boatyard he is willing to have the YACHT hauled for survey and agrees that delivery to and from the boatyard for survey, which he hereby authorizes, is to be at the SELLER's sole risk and expense.

B. The BUYER agrees that the surveyor(s) shall be employed by the BUYER. BUYER agrees that any and all claims that may arise regarding the accuracy of the survey in the transaction may not be asserted against the BROKER(S).

INITIALS: BUYER

BUYER

SELLER

SELLER

DATE

DATE

3. ACCEPTANCE OF THE YACHT:

The BUYER shall notify the SELLING BROKER of his acceptance of the YACHT and inventory, or his rejection of same. Such notice which shall be in writing, shall be received no later than five o'clock p.m. local time on _____. If said notice has not been timely received, the BUYER shall be deemed to have rejected the YACHT and inventory in its present condition, subject to the terms, if any, of paragraph #7.

IT IS THE BUYER'S RESPONSIBILITY TO OBTAIN ANY ASSURANCES HE REQUIRES REGARDING THE AVAILABILITY OF SATISFACTORY FINANCING AND INSURANCE PRIOR TO THE ABOVE MENTIONED DATE.

4. TERMINATION OF AGREEMENT:

If the BUYER gives notice of his intention to reject th YACHT under the terms of this Agreement, such notice shall constitute termination of the BUYER's obligation to purchase and the SELLER's obligation to sell, and the BUYER and the SELLER both authorize the SELLING BROKER to return the deposit to the BUYER, after deducting any fees and charges incurred against the YACHT by the BUYER, or by the BROKERS on behalf of the BUYER, including the cost of the survey and related expenses.

5. CLOSING:

The "closing" on this sale shall take place by five o'clock p.m. local time on or before _____ at the office of _____ at _____ . The closing of the sale shall be deemed completed when:

A. All documents necessary to transfer good and absolute title to the YACHT have been received by the BUYER, or by the SELLING BROKER on behalf of the BUYER; and

B. The balance of the SELLING PRICE is paid in collected funds to the SELLER, or to the SELLING BROKER for transmittal to the SELLER.

6. TIME OF ESSENCE:

The BUYER and SELLER expressly recognize and agree that time shall be of the essence with respect to any and all times, dates, and deadlines set forth in this agreement, including but not limited to those set forth in paragraphs 3 and 5 herein.

7. ADDITIONAL PROVISIONS:

(If none, enter "NONE" in the space provided below. If more space is required, attach separate addendum.)

INITIALS: BUYER

BUYER

SELLER

SELLER

DATE

DATE

OTHER RIGHTS, OBLIGATIONS AND MISCELLANEOUS PROVISIONS

7. SELLER'S REPRESENTATIONS: The SELLER warrants and/or agrees as follows:

A. That he has full power and legal authority to execute and perform this Agreement, that he has good and marketable title to the YACHT, and that, if necessary, he will obtain permission, prior to closing, from any authority to sell the YACHT,

B. That the YACHT 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 SELLING BROKER to deduct the funds necessary to satisfy such obligations from the proceeds of the sale.

C. To deliver the YACHT and its inventory as accepted in paragraph #3, on or before _____ at _____.

D. To pay any and all duties, taxes, fees, or other charges assessed against the YACHT by any governmental authority prior to the closing, to hold harmless and indemnify the BUYER and BROKERS 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 YACHT, including BUYER's condition survey of YACHT and SELLER'S possession of good and absolute title to YACHT, 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 without regard to subsequent adjustments as a result of survey or otherwise. Should the sale not be consummated for any reason, and the SELLER transfers any interest in the YACHT 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.

9. BUYER'S REPRESENTATIONS: The BUYER warrants and/or agrees as follows:

A. That he has full power and legal authority to execute and perform this Agreement and to obtain, prior to closing, if required, the permission of any authority to buy the YACHT,

B. To deliver the following at closing: (1) Collected funds payable to the SELLER, or for the SELLER's account, in an amount equal to the balance of the SELLING PRICE as set forth in Paragraph #1. (2) Collected funds payable to the BROKERS, in an amount equal to any charges incurred against the YACHT by BROKERS on behalf of the BUYER, including costs related to any survey of the YACHT. (3) Any and all documents, including authorization, required to complete this purchase.

INITIALS: BUYER

BUYER

SELLER

SELLER

DATE

DATE

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 YACHT only upon completion of the closing.

10. INTERIM RESPONSIBILITIES:

The SELLER shall bear all risk of loss or damage to the YACHT, or to any person or property on said YACHT, until closing. Any damages to the YACHT subsequent to acceptance as set forth in Paragraph #3, and prior to completion of closing, shall be repaired by the AELLER 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 damages cannot be repaired to his satisfaction. The SELLER agrees not to use the YACHT after completion of survey(s) undertaken on behalf of the BUYER except to move the YACHT to a suitable storage location and to conduct any sea trials requested by the BUYER.

11. DEFAULT BY SELLER:

The SELLER's failure to deliver the YACHT to the BUYER or otherwise to perform the terms of the Agreement, due to any reason (including loss of or substantial damage to the YACHT 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 #8F. 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 YACHT not caused by the SELLER's negligence, the SELLING BROKER is authorized to deduct from the deposit any fees or charges incurred against the YACHT by the BUYER, including the cost of the survey and related expenses, and return the balance to the BUYER.

12. DEFAULT BY BUYER:

The BUYER and SELLER agree that the amount of damages sustainable in the event of a default by the BUYER are not capable of ascertainment. Therefore, in the event that the BUYER, after accepting the YACHT under the terms of this agreement, fails to fulfill any or all of the obligations set forth in paragraphs #5 and #9, the deposit shall be retained by the SELLER as liquidated and agreed damages and the BUYER and SELLER shall be relieved of all obligations under the Agreement. This sum shall be divided equally (50%/50%) between the SELLER and the BROKERS after all expenses incurred against the YACHT by the BUYER have been paid. The BROKERS' share shall not exceed the amount the BROKERS would have received had the sale been completed.

INITIALS: BUYER

BUYER

SELLER

SELLER

DATE

DATE

13. 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 award of the arbitral authority 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 arbitral authority shall, in its award, fix and award the costs and reasonable attorney's fees to the prevailing party of the arbitration. The award of the arbitral authority may be enforced by any court having jurisdiction over the party against which the award has been rendered or where assets of the party against which the award has been rendered can be located. 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, refer questions of law or to confirm, vacate or modify any such award.

14. BROKER REPRESENTATION:

The SELLER and the BUYER each acknowledge that the SELLING BROKER represents the BUYER, and the LISTING BROKER represents the SELLER, each representing the party that the respective broker has brought to this transaction. The SELLER and the BUYER also acknowledge and agree that in the case of a sole BROKER, such BROKER represents the interest of both the SELLER and the BUYER and that such representation shall not render this Agreement voidable.

15. LEGAL FEES:

Should the LISTING BROKER or the SELLING BROKER become party to any litigation or Arbitration involving this Agreement and found not to be at fault, it is agreed that the BROKER(S) shall be reimbursed for costs and attorney's fees by the party(s) found to be at fault.

16. MISCELLANEOUS PROVISIONS:

This Agreement shall:

A. Be construed and interpreted in accordance with, and the arbitral authority shall apply, the substantive and procedural law of the State of the SELLING BROKER's principal office.

INITIALS: BUYER

BUYER

SELLER

SELLER

DATE

DATE

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 related to this transaction executed or delivered at or subsequent to the closing.

17. NO WARRANTIES:

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 YACHT. THE BUYER FURTHER EXPRESSLY AGREES THAT HE HAS NOT RELIED UPON ANY ORAL REPRESENTATION BY THE SELLER OR THE BROKERS AS TO THE CONDITION OR CAPABILITY OF THE YACHT OR ITS INVENTORY. THE BUYER ALSO RECOGNIZES AND ACKNOWLEDGES THAT YACHTS 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 ANY DEFECTS.

IN WITNESS WHEREOF the BUYER and SELLER have hereunto placed their signatures as of the date written below.

BUYER	WITNESS	DATE
BUYER	WITNESS	DATE
SELLER	WITNESS	DATE
SELLER	WITNESS	DATE