

# The Little Ship Company

Consultancy Email [tony@littleships.com](mailto:tony@littleships.com) Website [www.Littleships.com](http://www.Littleships.com)

Cell + [REDACTED] Vonnage # +1 727 233 332

Reg Head Office. Address.: Heywood House, The Valley [REDACTED]. Box 294 Anguilla B.W.I.

**PARTIES to the Transaction:**

**BUYER:**

(Hereinafter referred to as "Buyer")

**SELLERS:**

(Hereinafter referred to as "Seller")

**Buyer Nationality** USA

**BROKER DETAILS** hereinafter "broker"

Selling: The Little Ship Co

Listing: The Little Ship Co.

**VESSEL DETAILS:**

NAME: LENGTH

MAKE: TYPE:

REGISTRATION DOCUMENTATION #:

HULL #: MODEL/YEAR

**PURCHASE DETAILS**

SELLING PRICE

ESCROW DEPOSIT: (payable on acceptance by seller.) 10%

**DATES**

INITIAL DATE OF BUYER'S OFFER

DATE of EXPIRATION OF OFFER (5pm Eastern Time):

DATE of BUYER'S ACCEPTANCE OF VESSEL (5pm Eastern Time) **On or Before**

DATE of FINAL CLOSING OF SALE OF VESSEL (5pm Eastern Time): **On or Before**

Location of the Vessel at Handover:

**TERMS OF SALE SUBJECT TO:**

1. Survey
2. Sea trial
3. Personal Inspection

1) For the purposes of this agreement, when referring to the parties of the agreement, the masculine gender shall also include the feminine gender and the singular shall also include the plural except where otherwise stated. The Buyer who warrants that he is at least 18 years of age, agrees to purchase and the Seller agrees to sell all rights, title and interest to the vessel described above free and clear of all liens and encumbrances, as set forth herein. The Buyer(s) and their guests may board the vessel for inspection, sea trial and survey at their own risk and will hold the brokers, owners and sellers harmless and free from any and all claims of injury or damage which may occur to them. The buyers assume responsibility of notifying their guests of this condition.

2) The escrow deposit due on acceptance by seller will be paid to the escrow account of the Broker or the nominated escrow agent within five business days as a deposit toward the purchase price, and subject to the terms of this agreement. In the event of a successful conclusion of the transaction the balance of funds due will also be paid into said escrow account

**X** \_\_\_\_\_  
Buyer Signature/Date

\_\_\_\_\_  
Seller Signature/Date

- 3) This offer to purchase shall be accepted by Seller, and written evidence thereof delivered to the Selling Broker or this offer shall be deemed revoked. Brokers are obligated to perform only the duties expressly set forward herein and no implied duties or obligations may be read into this agreement. This Agreement shall inure to and be binding upon the undersigned and their respective heirs, representatives, successors and permitted assigns.
4. Buyer must provide written acceptance or rejection of the Vessel on or before the "Acceptance of Vessel" date set forth above. Buyer's failure to provide written acceptance or rejection as specified shall be construed as rejection. If it is not possible to complete this agreement, the Buyer's deposit shall be returned to him after all expenses incurred on Buyer's behalf (e.g., such as Brokers hotel, travel and related expenses, survey, subcontractors, escrow and yard fees for launch, haul chocking and related costs) have been paid. After acceptance of the vessel the vessel will not be used save to move it to a place of safety or to perform agreed upon repairs.
5. The sale of the Vessel is subject to the conditions above. In the event this sale is subject to survey, the Buyer acknowledges and agrees that:
- He has selected a surveyor of his own choosing who is in Buyer's employ and is responsible solely to Buyer for any errors or omissions, notwithstanding the fact that the broker may have provided information and/or assisted the buyer with identifying the surveyor.
  - He shall instruct his agent or surveyors to examine and/or sea trial the Vessel to ensure the Vessel meets the Buyer's requirements; and Buyer authorizes his surveyor to release any survey to the Broker.
  - All costs of the survey shall be solely at the Buyer's expense, including but not limited to all associated costs such as re launching, haulout, dry dock charges and/or subcontractors, if applicable.

If the sale of the Vessel is subject to sea trial or trial run, the Seller agrees that any sea trial he may authorize shall be made at Seller's sole risk and expense of vessel preparation to be in a sea worthy state for the sea trial. Seller agrees to provide a captain to run the Vessel during the sea trial, but both Buyer and Seller acknowledge that the captain is not a representative of the Seller, does not speak on Seller's behalf and cannot bind Seller in any manner, and that the hired captain shall at all times be in command of the Vessel.

6. Seller shall not be liable for failure to deliver or delays in delivery due to causes beyond its control, including but not limited to strikes, lockouts or other labor difficulties, machinery breakdowns, inability to obtain shipping space or transportation, delays of carriers or suppliers, fires, floods, acts of God, war or other outbreak of hostilities, mobilization, civil commotion, riots, embargoes and domestic or foreign governmental regulations or orders. In such event, Buyer's sole remedy and Seller's sole liability for failure to deliver, or delay in delivery, will be limited to the return of that part of the purchase price which Buyer may have paid to the escrow less any Escrow and/or bank costs.
7. Once the buyer and seller sign the "Conditional acceptance of vessel" or the buyer signs the "Acceptance of vessel" the deal becomes irrevocable. In the event the closing is not consummated because of Buyer's breach or non-performance, including but not limited to a failure of Buyer to pay any monies due or execute any documents necessary to be executed by Buyer for the completion of the purchase by the closing date including the Protocol of Acceptance document, all funds paid into the escrow prior to closing shall be retained by the escrow on behalf of the Seller and Broker as liquidated and agreed damages. Should the buyer upon registered notification not comply with the terms and conditions of the agreement, the parties shall be relieved of all obligations under this Agreement. Parties agree that the liquidated damages shall be divided equally between Seller and Broker(s) after all expenses incurred on behalf of Buyer against the Vessel have been paid from these funds. The buyer confirms that he has the full amount of the purchase price available to purchase the vessel and this offer is not subject to finance being approved. In the event of a disagreement between the Buyer and Seller, both parties hereby agree that the Broker will act as a fiduciary agent only.
8. (a) In the event the closing is not consummated because of Seller's breach or non-performance regarding any of the covenants in this Agreement, including but not limited to the seller not executing the documents required to be executed by the seller, all money paid or deposited pursuant to this Agreement by the Buyer shall be returned to the Buyer, less all expenses incurred on behalf of Buyer; or the Buyer shall have the right of specific performance. Seller agrees that specific performance is reasonable in the light of the uniqueness of the vessel, difficulty to establish proof of loss, and the inconvenience or impossibility of otherwise obtaining an adequate remedy. Upon Seller's default, the Seller shall forthwith pay to Broker(s) the full commission provided for under the terms of the listing Agreement.
- (b) Risk of loss and Force Majeure: Seller will bear the sole risk of loss of or damage to the vessel pending delivery to the buyer. If the vessel is damaged after the buyer's acceptance and the repairs will cost less than 5% of the purchase price and will take less than 30 days to complete, seller undertakes to repair the vessel prior to closing and the closing date will be extended by the length of the repair period. If the vessel is damaged more than the 5% of purchase price either party may terminate the agreement as if the buyer had timely rejected the vessel. In such event, buyers sole remedy and the seller's sole liability will be limited to the return of that part of the purchase price that the buyer may have paid to the seller or to the nominated escrow, less any costs incurred. . Either party's obligation to perform will be suspended to the extent required to accommodate unforeseeable events beyond that party's reasonable control ("Force Majeure Events"), including and without limitation, war, terrorist acts, strikes, accidents, acts of God, tropical storms, hurricanes, or natural disasters. If a Force Majeure Event occurs, the time periods referred to in this Agreement, including, without limitation, the Closing Date, will be deemed extended by the time necessary to permit the affected party to perform in accordance with this Agreement; provided, however, if the Force Majeure Event delays the Closing Date for a period of thirty (30) or more days, either party may terminate this Agreement as if Buyer had rejected the Vessel. In such event, Buyer's sole remedy and Seller's sole liability for failure to deliver, or delay in delivery, will be limited to the return of that part of the purchase price which Buyer may have paid to Seller

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Buyer Signature/Date

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Seller Signature/Date

9. The Vessel is being purchased "as is where is" with no warranty of condition as to quality or fitness for purpose, free and clear of all debts, claims, liens, and encumbrances of any kind whatsoever, except as noted hereinafter. Seller warrants and will defend that the Seller has good and marketable title thereto and will deliver to the Broker all necessary documents for transfer of title to the Buyer on or before the closing date at Seller's cost, including, but not limited to up to four (4) original notarized/ executed Bills of Sale for each vessel in the sale (including main vessel and tender(s) ), notarized/executed No Lien Warranty, (closed) transcript of title, LSC Sellers closing statement and all other documents required by the Broker, Buyer or their closing agent. If the seller is a legal entity, a personal guarantee and indemnification from the Seller's beneficial owner(s) must be notarized guaranteeing Sellers representations and warranties. Closing may be conducted by courier or electronic means. The final payment due at time of closing shall be in the form of cleared or negotiable funds acceptable to Seller paid into the escrow account for further distribution to the relevant parties. If, any such obligations remain outstanding at the time of closing, the seller undertakes to notify all the parties of their existence and authorizes the Broker and/or the nominated escrow agent to deduct such funds necessary to satisfy such obligations from the proceeds of the sale, or to retain funds in escrow to cover such obligations in the event of a dispute. Any Party which is a legal entity will provide to the other at closing a) Proof that it is in good standing under the laws of the Jurisdiction under which the entity has been formed b) a consent action or resolution demonstrating the entities duly authorized decision to purchase or sell the vessel and c) Power of attorney demonstrating the authority of the individual delivering or accepting the vessel and/or executing this agreement and/or purchase and sales documents.
10. By the date of closing the Vessel shall be delivered at above agreed location, in the same or better condition as when she was surveyed and accepted including any fulfilled terms of any conditional acceptance, together with all gear, machinery, equipment, furnishings and all other articles and appurtenances thereto agreed upon. (In the event the parties do not agree upon a specific inventory, Seller agrees to deliver the Vessel with all items disclosed in the listing broker's specification sheet or, if none, the selling brochure attached hereto and marked "Exhibit A.") Closing is deemed to have taken place when
- All the required documents needed to transfer good and absolute title of the vessel to the buyer have been received by the broker or the nominated documentation agent (as per point 9 above) and
  - The full amount of the purchase price is received in cleared funds into the nominated escrow account and
  - Any suspensive conditions of any addendum have been fulfilled. The Little Ship Company and/or the broker(s) concerned may assist in the preparation of the legal documentation for this agreement but cannot and do not accept any responsibility for any errors or omissions in this process. The parties are free to use and pay for the services of a documentation service should they so choose.
11. The parties agree that the risk of loss, damage or destruction of the Vessel and equipment will be borne by the Seller until the Final Closing on the transaction. Seller agrees not to allow the vessel to be used except to move it to a safe place of storage pending closure
12. Sales or use taxes, if applicable on this purchase are the responsibility of Buyer and must be paid to the relevant authorities at closing. Duties, taxes and/or fees on the Vessel of any state, country, city, regulatory and/or taxing authority incurred prior to the date of closing of this transaction shall be the responsibility of the Seller to be paid by closing date. Seller shall further pay any cost associated with and shall cooperate fully to obtain any authorization for sale required from any governing authority. This shall specifically include any costs of de-registration, escrow and delivery of all documents to the broker.
13. INFORMATION ON THE VESSEL IS BELIEVED TO BE GOOD AND CORRECT AND THE BROKER OFFERS SUCH INFORMATION IN GOOD FAITH, BUT DOES NOT AND CANNOT GUARANTEE THE ACCURACY OF THE INFORMATION. AFTER THE PROVISIONS HEREIN HAVE BEEN COMPLIED WITH AND THIS TRANSACTION HAS BEEN CONSUMMATED, IT IS UNDERSTOOD AND AGREED THAT THE BUYER HAS ACCEPTED THE VESSEL IN ITS "AS IS WHERE IS" CONDITION, AND NO WARRANTY, EITHER EXPRESSED OR IMPLIED, AND NO REPRESENTATION AS TO THE CONDITION OR MERCHANTABILITY OF THE VESSEL HAS BEEN OR IS BINDING UPON BROKER OR THE SELLER. THE BROKERS EXPRESSLY DISCLAIM RESPONSIBILITY FOR ANY INACCURACIES OR ANY DAMAGE OCCAISIONED THEREFROM. NO IMPLIED WARRANTES UNDER ANY 'SALES OF GOODS' ACT APPLIES TO THIS AGREEMENT.
14. This Agreement, domiciled in Anguilla, under the laws of Anguilla, shall be binding on all parties herein, their heirs, personal representatives and/or assigns when this Agreement shall have been signed by all parties or their duly authorized agents. If a sale is not consummated per the terms of this Agreement, and the Buyer and Seller make direct arrangements between themselves within two (2) years after this Agreement is terminated for the transfer of ownership of the Vessel, then the Seller and the Buyer agree to pay the Broker an amount identical to the commission the Broker would receive under the terms of the Listing Agreement This Agreement contains the complete and exclusive agreement between the parties relating to the subject matter hereof, supersedes any and all prior oral or written communications, proposals, and agreements, and may not be waived or modified except by written agreement of the parties. Except as otherwise expressly provided in this Agreement, representations, warranties, and covenants contained in this Agreement or in any instrument, certificate, exhibit, or other writing intended by the parties to be a part of this Agreement, shall survive for five (5) years after the date of this Agreement.

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Buyer Signature/Date

Seller Signature/Date

- 15. The seller agrees to hold harmless and defend the buyer and the broker against any and all claims prior to closing that may impair the buyers receipt and possession of the vessel, including the seller's possession of good and absolute title to the vessel, and to assume all costs incident to the buyer and the broker(s) defending such claims, including their reasonable attorney's fees
- 16. **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, the Seller and/or The Little Ship Company 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 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. The arbitration shall be conducted in accordance with the rules of Anguilla in the British West Indies, where this agreement is domiciled. The Parties agree that The Little Ship Company (Anguilla) will choose the arbitrator. Arbitration shall be by a single arbitrator on an individual basis and not as a class action. Seller and Buyer expressly waive any right to arbitrate a class action. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. 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. Seller and Buyer agree to defend and indemnify Broker(s) and hold Broker(s) harmless from and against all claims, actions and suits, whether in contract or in tort, and from and against all liabilities, losses, damages, costs, expenses, charges, penalties, attorney's fees, and other expenses of any nature (including, without limitation, settlement costs or expert witness fees) incurred by Broker(s) as a result of their performance of this Agreement. Parties further agree that if the broker or brokers become party to any litigation involving this Agreement any such controversy, claim, suit, demand, counterclaim, cross claim, or third-party complaint, arising out of, or relating to this Agreement or the parties' relationship involving the Broker and/or Brokers shall be submitted to final and binding arbitration in Anguilla, British West Indies. If any dispute in connection with this Agreement results in litigation and/or arbitration, the prevailing party in such litigation and/or arbitration will, in addition to all other relief, be awarded its reasonable attorneys' fees and related reasonable costs. For the avoidance of any doubt, the only parties who have the authority to refer the matter to arbitration are the Little Ship Company, the BUYER or the SELLER. No other party has such a right under this agreement although they may have a cause of action against BUYER or SELLER outside this agreement. Neither the buyers or the sellers shall be entitled to recover from the brokers any special or consequential damages, damages to property, damages for loss of use, time, profits or income or any other incidental or punitive damages.

17. Seller agrees to sell the Vessel on the terms and conditions stated in this Agreement. The Seller and Buyer recognize and acknowledge the authorized selling agency and listing agency shown on page one and acknowledge that they are third party beneficiaries to this agreement. In the event that The Little Ship Company acts as selling and listing agency, then Buyer and Seller acknowledge that The Little Ship Company is acting as a dual agency and by signing below specifically acknowledge consent and approval of The Little Ship Company's role as a dual agent. Sellers agree to pay the brokerage(s) a fee of TEN percent of the final selling price of the vessel.

18. Any funds due for storage, insurance, repairs, wire transfers, escrow costs and/or any other items accrued to the Buyer's or Seller's account shall be deducted from that party's net proceeds prior to disbursement of funds.

19. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. Scanned and faxed signatures are regarded as original for the purpose of this document.

IN WITNESS WHEREOF, the undersigned Buyer has executed this Purchase & Sale Agreement on the date indicated below and acknowledges receipt of a copy hereof.

**BUYER SIGNATURE**

<b>Witness:</b>	<b>Buyer:</b>	<b>Dated:</b>
X _____	X _____	X _____

**SELLER ACCEPTANCE**

The undersigned Seller accepts 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.

<b>Witness:</b>	<b>Seller:</b>	<b>Dated:</b>
_____	_____	_____

<b>Witness:</b>	<b>Seller:</b>	<b>Dated:</b>
_____	_____	_____