



CONTRACT for the SALE and PURCHASE OF A SECOND-HAND VESSEL page 1 of 2

(Used with Bill of Sale Form by The Department for Transport Under the provisions of The Merchant Shipping Act 1995)

NAME OF VESSEL Length (approx) Year Built USED as

Vendor's full names,

Address

Purchaser's full names,

Address

Broker's full names,

Address

1. Purchase Price The Vendor contracts to sell and the Purchaser contracts to purchase the above mentioned vessel free from any encumbrances subject to the terms and conditions of this contract for the sum of £..... In words (.....pounds sterling) as seen as lies Together with all her outfit, gear and equipment but not including stores or the Vendor's personal effects or as expressly defined in any schedule hereto.

2. Deposit and payment On the signing of this contract a deposit of at least 10% of the purchase price is to be paid to be held in trust by The Broker. The balance of the purchase price together with any Value Added Tax payable thereon shall be payable in accordance with Clause 7 hereof. (NOTE: Where payment is made by cheque, draft, letter of credit or other instrument, the terms of this Contract shall not be deemed to have been fulfilled until such payment is cleared into the payee's account).

3. Warranties The Purchaser being at liberty to inspect the vessel and be satisfied as to its condition and specification, all express or implied warranties or conditions statutory or otherwise are hereby excluded and the vessel its outfit, gear and equipment shall be taken with all faults of description without any allowance or abatement whatsoever.

4. Inspection and/or survey The purchaser may at a venue to be agreed and at his/her own cost haul up or place ashore and/or open up the vessel and its machinery for the purpose of inspection and/or survey which, including any written report shall be completed within 7 days of the signing of this contract. Any written report shall confirm that the surveyor is specifically experienced in surveying vessels of this construction type and use and that the report is on the condition of the vessel commensurate with its age and use. In the event that the inspection requires more than a superficial non-destructive dismantling and limited removal of anti-fouling, consent of the Vendor must be obtained in writing before work commences.

5. Defects Within 4 days after the completion of such inspection and/or survey if any material defects in the vessel or its machinery other than those commensurate with its age and use shall have been found, provided the cost of remedy shall not already have been allowed for in the reduction from the original purchase price, the purchaser may give notice to the Vendor in writing specifying such material defects or deficiencies including a copy of the relevant survey report requiring the Vendor forthwith to make good the same . All agreed items of work shall be carried out without delay in all the circumstances and shall be carried out so as to satisfy the expressly specified requirements of the Purchasers Surveyor in respect only of material defects, mentioned in his report and notified to the Vendor.

6. Acceptance The vessel shall be deemed to have been accepted by the purchaser upon the happening of any of the following events: (a) Upon the expiry of 10 days from the date of this Contract providing that no inspection or survey be carried out. (b) 4 days after the completion of the survey provided that the Purchaser has not served notice under clause 5 hereof (c) Upon notification by the Vendor to the Purchaser of completion of the remedial works specified in a notice given to the Purchaser under the provision of Clause 5 hereof.

VENDORS INITIALS.....PURCHASERS INITIALS.....

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7. Completion Upon acceptance of the vessel by the Purchaser, the deposit shall be treated as part payment of the purchase price and the purchaser shall pay the balance due immediately. The Vendor shall (a) Provide the Purchaser with an executed Bill of Sale in favour of the Purchaser showing the vessel to be free from encumbrances, together with any other documents appertaining to the vessel. (b) Deliver to the Purchaser a Value Added Tax invoice, if applicable, and any necessary delivery order or other authority enabling the Purchaser to take immediate possession of the vessel. (c) By delivery of documents in (a) and (b) of this Clause, be deemed to covenant that he has the power to transfer property in the vessel and that the same is free from encumbrances and liabilities for duties taxes debts liens and the like on the said vessel, except such encumbrances and liabilities for duties taxes debts liens and the like as are the responsibility of the Purchaser under Clauses 4 hereof.

8. Default (a) Should the Purchaser make default in paying the balance of the purchase price as herein before stipulated, the Vendor shall be at liberty to re-sell the vessel either by public auction or private treaty and any deposit paid shall be forfeit without prejudice to the Vendors right to claim from the Purchaser the amount of any loss on resale together with all costs of sale and resale and reasonable expenses due allowance being made for the forfeit of deposit. (b) If the Vendor shall default in the execution of the Contract the Purchaser shall without prejudice to any other right he/she may have hereunder be entitled to the return of the deposit.

9. Legislation (a) This contract shall be construed according to and governed by the law of England. (b) This contract shall be subject to the standard terms for sales of vessels of A.Y.B. (Associated Yacht Brokers) as displayed on the AYB website. (c) The construction of this contract is not to be affected by any Note as used in text or clause title.

10. Sea trial (optional clause) A sea trial is an option / a sea trial is not an option. (Delete as applicable)

Clause 7 title documents to be handed over- Bill of Sale

Receipt of deposit is hereby acknowledged (In Words).....pounds sterling; In Figures £.....

signature of VENDOR..... Date:

WITNESS

Signed

Address Occupation

signature of PURCHASER..... Date

WITNESS

Signed

Address Occupation

signature of BROKER..... Date

WITNESS

Signed

Address Occupation