

# Seafarer Brokerage, Inc.

Your cruising connection in Fort Lauderdale since 1973

## PURCHASE & SALE AGREEMENT

Agreement made this 5<sup>th</sup> day of August, 1998, between

Robert Doty  
Irving, TX

(hereinafter referred to as Buyer)

Merle Larsen  
Loma, MT

(hereinafter referred to as Seller)

1. The Buyer agrees to purchase and the Seller agrees to sell all rights, title and interest to the yacht or vessel described as:

NAME: "Prairie Dream" MAKE: Hans Christian TYPE: Aft Cockpit Cutter  
LENGTH: 38 FEET. REGISTRATION NO: \_\_\_\_\_ DOCUMENTATION NO: \_\_\_\_\_  
HULL NO: \_\_\_\_\_ MODEL YEAR: 1985

2. The purchase price is one hundred ~~ten~~ <sup>twenty</sup> thousand US Dollars \$120,000. Sum of eleven thousand US Dollars (\$) 11,000.00 is hereby paid to the escrow account of the broker, acknowledged below as a deposit toward the purchase price, and subject to the terms of this agreement; said funds to be cleared into said account following acceptance by Seller or within 72 hours of the date of this agreement, whichever occurs first.

3. This offer to purchase shall be accepted by Seller, and written evidence thereof delivered to the selling broker on or before August 8, 1998, or this offer shall be deemed revoked and the deposit shall be returned to Buyer.

4. Written or telegraph acceptance or rejection of the vessel must be made by the Buyer on or before September 5, 1998; Buyer's failure to exercise his or her right of acceptance, rejection, or extension of this date as specified shall be construed as rejection of vessel. In the event of rejection the deposit shall be returned to Buyer after all expenses incurred by Buyer against the vessel have been paid.

5. (a) The sale of this vessel is subject to: Sea Trial, Survey and Financing satisfactory to the Buyer.

(b) In the event this sale is subject to survey and /or sea trial, the Buyer acknowledges and agrees:

(I) He or she has selected a surveyor who is in his or her employ and is responsible solely to Buyer for any errors or omissions notwithstanding the fact that the broker may have provided information and assisted Buyer with hiring said surveyor.

(II) He or she shall instruct his or her agent(s) or surveyor(s) to examine and/or sea trial the vessel to insure the vessel meets Buyer's requirements.

(III) All costs of the survey shall be at the expense of the Buyer, including but not limited to all associated costs such as haul out, dry dock charges and /or subcontractors, if applicable.

(c) In the event that the sale of the vessel is subject to sea trial or trial run, the Seller agrees that any sea trial which he or she authorizes shall be made at Seller's sole risk and expense.

6. If vessel is destroyed prior to closing by an Act of God or other cause, the contract shall become null and void and the deposit, less all expenses incurred on behalf of Buyer, shall be paid to Buyer.

7. In the event the closing is not consummated due to non-performance of Buyer, including but not limited to a failure of Buyer to pay monies due or execute all documents necessary to be executed by Buyer for completion of the purchase by the closing date, all deposit funds paid prior to closing shall be retained by the Seller and broker as liquidated and agreed damages, and the parties shall be relieved of all obligations under this Agreement. Buyer and Seller agree that the forfeited deposit shall be divided equally between Seller and broker(s) after all expenses incurred on behalf of Buyer against the vessel have been paid from the deposit.

8. In the event the closing is not consummated due to non-performance of the Seller regarding any of the covenants in this contract, all money paid or deposited pursuant to this contract by the Buyer shall be returned to the Buyer upon demand, less all expenses incurred on behalf of Buyer; or the Buyer shall have the right of specific performance. Upon Seller's default, the Seller shall forthwith pay to broker(s) the full commission provided for under the terms of the listing agreement.

9. The said vessel is being purchased free and clear of all debts, claims, liens and encumbrances of any kind whatsoever, except as noted herein, and the Seller warrants and will defend that he or she has good and marketable title thereto and will deliver to the broker all necessary documents for transfer of title to Buyer on or before the closing date, which is agreed to be September 15, 1998. Final payment due at time of closing shall be in the form of cleared or negotiable funds acceptable to Seller. By the date of closing the vessel shall be delivered at Fort Lauderdale together with all gear, machinery, 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".)

10. It is agreed by the parties that the risk of loss, damage or destruction of said vessel and equipment shall be borne by the Seller until the transaction is closed.

11. Sales or use taxes, if applicable on this purchase, are the responsibility of the Buyer and will be collected by the selling broker at time of 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 and shall 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.

12. 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" condition, and no warranty, either expressed or implied, and no representation as to the condition or suitability for any purpose of said vessel has been or is binding upon broker.

13. Buyer is at least 18 years of age and is a citizen of U.S.A.

14. This contract shall be binding on all parties herein, their heirs, personal representatives and /or assigns when this contract shall have been signed by all parties or their duly authorized agents. Seller agrees not to sell the vessel or enter into any contract for the sale of same while this contract is in effect. If a sale is not consummated per the terms of this agreement, and the Buyer and Seller make direct arrangements between themselves within two years after this agreement is terminated for the transfer of