

SUNSHINE CRUISING YACHTS



YOUR COMPREHENSIVE GUIDE TO BUYING A YACHT

BROKER CONTACT SHEET

My Agent Is: _____

Their Phone # is: _____

I am Seeking: _____

CONTRACT TO CLOSING

Once you and the seller have a signed Purchase Agreement there is much to be done, however we do the majority of these tasks on your behalf. Most of what needs to be done is a product of many people working together to get you in your vessel. We act as the liaison between you and the seller, their agent, the closing company, the surveyor, and boat yard/marina. We will guide you from contract to closing to make sure you are abiding by the terms of the contract. It's a tough job at times when much of the outcome depends on other people, but our guarantee to you is that you and your investment are protected. That is why we try to work with like-minded professionals who have the same sense of urgency when it comes to our clients. As a buyer, you also need to have the sense of urgency so that your deadlines are met and you are protected. We will be there each step of the way.

ESCROW MONEY DEPOSIT

So you will not be placed in an uncomfortable position when you purchase a vessel, an understanding of the escrow money deposit is of the utmost importance. At the time a written offer on a vessel is accepted, you will be required by the seller make a wire transfer of 10% of purchase price and this secures the contract. We cannot accept cash, money order, credit card or ACH. The deposit applies in full toward the purchase price at closing. Your escrow deposit is protected as long as you remain in compliance with your contract. This is why we make sure your surveys and inspections are done in a timely fashion. Once the acceptance of vessel form is signed (after survey, and by agreed-upon acceptance date) the deposit is no longer refundable.

WIRING FUNDS

Due to the increased amount of wire fraud, DO NOT wire funds to account other than what is in this packet. We will never email you a new account number or set of wiring instructions. Please call and confirm with YOUR BROKER, the complete wiring account number and instructions over the phone. WE DO NOT ACCEPT ANYTHING OTHER THAN A WIRE TRANSACTION. THIS IS FOR YOUR SECURITY AND OURS.

DOMESTIC:

Ameris Bank
3490 Piedmont Road
Atlanta, GA 30305
Routing Number: 061201754
Account: Sunshine Cruising Yachts LLC, Account: 204886####

INTERNATIONAL:

Swift Code: WFBIUS6S
Bank Information: Wells Fargo
420 Montgomery Street, San Francisco, CA 94104-1207 Credit to:
Ameris Bank Account Number: 4978401370
Special Instructions: Sunshine Cruising Yachts LLC
Account Number: 204886####

Ask your broker for last 4 digits of account

SURVEY AND TRIAL RUN

When purchasing a vessel, it is highly suggested it be inspected. In the yachting world, we call this a survey. The survey is your first lesson on your new boat. It's usually a fun day, full of adventure, but be prepared for anything. You may ask your broker for a list of possible surveyors, but surveyors work independently of Sunshine Cruising Yachts. We encourage you to talk to a few surveyors to make sure you find someone that you can connect with and are happy to work with. We also recommend that you ask your insurance company (or the company you intend to use) whether the surveyor needs to have any specific credentials, and you check with the surveyor's accrediting agency (such as SAMS) to verify a surveyor's credentials. This can generally be done easily online. We can help coordinate the dates for the survey and trial run, making sure to accommodate your schedule. If airline tickets are needed, do not purchase them until the surveyor, the vessel owner and the brokers all have an acceptable date and time. This is a coordinated effort. Once you're satisfied with the survey and trial run, you will be presented with an "Acceptance of Vessel" form for your signature. This is the start of the closing process! To protect your vessel, you should have insurance in place and a binder from the insurance company for your records prior to closing. Most insurance companies will want to see a copy of the survey. Make sure you check out our "Survey Day Survival Guide." Please be aware that, while we may provide you with a list of surveyors or other professionals, we are in no way guaranteeing their services or recommending them.

CLOSING PROCESS

At this point you will be contacted by Yacht Closer Closing Services. They will order an abstract (lien search), prepare bill of sale and discuss with you the difference between a Coast Guard documentation or a state title. Their services are a la carte, so you may choose what you have them do beyond the basic closing process. They will inform you of your fees at this time. It is highly recommended to have your vessel documented. We will send you a buyer closing statement, which gives you the balance needed to be wired prior to closing. Those funds are held until closing day (usually one week after acceptance). On closing day, the closing service will coordinate the legal documents that you are required to keep onboard, as well as the bill of sale and any other documentation. Coordination of the keys will be handled by your broker and you'll be able to set sail! Closing is all handled remotely, so you will not need to be in a specific location. You will simply need access to internet, a printer, a notary, a scanner, and a way to send mail.

NOTE: ALL CLOSINGS ARE CONDUCTED REMOTELY VIA E-SIGN AND WIRE TRANSFER YOU DO NOT NEED TO COME TO OUR OFFICE OR ANY PARTICULAR LOCATION TO CLOSE

WHAT WILL PURCHASING A VESSEL COST ME?

Besides the purchase price, there are other associated costs. The cost of the survey will be discussed between yourself and the surveyor and tends to be market driven. When an engine survey occurs, it will usually be done at the same time. If you choose to haul the boat to inspect the bottom, you are responsible for the boat yard fees to do so. We highly recommend that you include this in your survey process. Generally, you will receive your surveyor report within 2 - 4 days, but remember that each surveyor is independent and will discuss specific details with you.

If you are a Florida resident or if you plan to leave the boat in Florida, you will be responsible for paying a 6% sales tax (on the first \$300,000 of purchase price) plus possible local option taxes on the first \$5,000, \$75 maximum. If you are a Non Florida resident and will be moving the vessel out of state and paying taxes elsewhere, the vessel must leave Florida within 10 days of purchase or immediately be placed in the care, custody, and control of a registered repair facility for repairs, additions, or alterations. The boat must leave Florida within 20 days after completion of the repairs. There are options as well for filing sales tax affidavits, as discussed in the taxes portion of this document.

We require the use of a third-party closing agency such as Yacht Closer. This is for your protection and the seller's protection.

Sunshine Cruising Yachts charges a \$250 administration fee to cover the costs associated with coordinating and processing the closing paperwork.

SURVEY DAY SURVIVAL GUIDE

The day of survey and trial run will usually be a full day. Prepare to be aboard the vessel from 9 AM or earlier to 5 PM or later, depending on scope of the survey and the complexity of the vessel (some may take less time, some more). Remember that the conditions on the water are always amplified. A bad day at sea is better than a good day ashore. A cold day at sea is also colder than a cold day ashore. Make sure you check the weather report, and bring, as appropriate:

- Sunscreen
- Plenty of Water
- Foul Weather Gear
- Sunglasses
- Snacks
- A hat for sun protection
- Anything you need to stay warm or cool (gloves, hats, fans, spray bottles of water)

Other things that you may want to consider bringing include:

- A flashlight
- A headlamp
- A notepad
- Camera

Wear, as you see fit:

- Comfortable clothes that are weather appropriate and allow you to move around freely
- Shoes that have ample tread for gripping the decks that come off easily if needed
- Sun protection, sun protection, sun protection!

Your broker will advise you on anything else that is location specific and also on lunch arrangements, which will vary according to location and situation.

Most importantly, come ready to LEARN! This is YOUR day.



PURCHASE AND SALE AGREEMENT

Buyer / Seller		
Buyer:		Seller:
Co-Buyer :		Co-Seller
Vessel Information		
Make:	Vessel Name:	Official/Title No.:
Model:	Hull No:	Reg No.: Place of Registration:
Year: Length:	Engines:	Country / Flag:
Additional Units (Tenders, Toys, Trailers)		
Agreement Terms		
Offer Date:	Listing Broker: Sunshine Cruising Yachts	Purchase Price:
Seller Acceptance Date:	Selling Broker: Sunshine Cruising Yachts	Less Deposit:
Buyer Accept/Reject Date:	Trade-In Description:	Less Trade Allowance:
Closing Date:	Delivery Location:	Net Cash Difference:
Additional Terms:		

- 1. Agreement** Buyer agrees to purchase and Seller agrees to sell, all right, title and interest to the Vessel on the terms and conditions as set forth herein (the "Agreement). Capitalized words herein refer to the items in the chart above unless otherwise defined herein. Listing Broker and Selling Broker shall be referred to herein as "Brokers." If there is a Trade Allowance, the terms and conditions of the trade-in will be governed by a Trade-In Vessel Addendum.
- 2. Timeframe for Acceptance of Agreement: Deposit.** If this Agreement is not signed and delivered to all parties ("Execution") on or before the SELLER ACCEPTANCE date, this Agreement shall be ineffective and the Deposit(s) shall be returned to Buyer unless Buyer otherwise instructs the Selling Broker. Within three (3) business days following Seller's execution of this Agreement, Buyer shall pay the Deposit to the Selling Broker's escrow account (as acknowledged below) as a deposit toward the Purchase Price to be held subject to the terms of this Agreement. Seller's obligations are not binding until the Deposit clears Selling Broker's account.
- 3. Survey Option: Acceptance of Vessel: Conditions of Survey.** Buyer's obligation to purchase is subject to Buyer's satisfaction, in Buyer's sole discretion, with a trial run and survey of the Vessel, if Buyer elects to have the Vessel surveyed. In such event: (a) Buyer will select the Surveyor and thereupon Surveyor and not Brokers, will be the sole party responsible for any errors or omissions with respect to such survey, notwithstanding the fact that Brokers may have provided information and assisted Buyer with hiring the Surveyor; (b) *the survey shall be completed as soon as practicable after Execution*; (c) all costs of the survey are the Buyer's sole responsibility, including associated costs such as haul-out, dry dock charges, and

Initials Buyer(s): _____, _____

Initials Seller(s) _____, _____

subcontractors, for example; (d) Buyer and its surveyor will be solely responsible for the scope of the survey and the trial run with respect to determining conformity with the Buyer's requirements; and (e) Buyer must deliver written notice of rejection or acceptance to Seller by no later than the BUYER ACCEPT/REJECT date. **Buyer's failure to timely accept/reject shall be construed as a rejection.** Upon Buyer's acceptance, and/or initiation of survey, Seller will not make any personal use of the Vessel pending Closing. If Buyer rejects the Vessel, after all expenses incurred on Buyer's behalf have been paid: (i) the Agreement shall terminate; (ii) the parties and Brokers will be released from any further liability hereunder; and (iii) the Deposit shall be returned to Buyer. The trial run shall be at Seller's sole risk and expense. Brokers shall not be responsible for the cost of correcting any items found to be deficient in the survey.

4. **Closing.** Closing shall occur on or before the CLOSING DATE, or at such other time as may be agreed by the parties in writing. Seller shall deliver the Vessel at the DELIVERY LOCATION (if blank, at Listing Agent's principal place of business) together with all gear, machinery, equipment and all other articles and appurtenances on board the Vessel as of the date of signature of this Agreement by the Buyer ("Items"), except for those Items included in a written exclusion list ("Exclusion List") delivered to Buyer within two (2) days of Execution, but in no event later than Closing. If unacceptable, Buyer shall then have two (2) business days from receipt of the Exclusion List (but in no event later than Closing) to deliver, at Buyer's option, written notice of termination of this Agreement to Seller. In such event, after all expenses incurred in on Buyer's behalf have been paid, (i) the Agreement shall terminate, (ii) the parties and Brokers will be released from any further liability hereunder, and (iii) the Deposit shall be returned to Buyer. Buyer's failure to deliver timely notice of termination will constitute Buyer's acceptance of the Exclusion List. Seller shall deliver to Brokers all necessary documents for transfer of title to Buyer on or before the Closing Date. Final payment due at the time of Closing shall be in the form of cleared funds. The preferred and accepted manner is for final payment by bank-to-bank wire transfer. Any other form of payment must be made early enough to allow funds to be cleared on or before the Closing Date. Any funds due Broker(s) for storage, insurance, repairs and/or other items accrued to the Seller's account shall be deducted from the Seller's net proceeds prior to disbursement of funds to Seller.

5. **Brokers.** The parties acknowledge that the SELLING BROKER agency and the LISTING BROKER agency are the only brokers procuring this Agreement. The term "Broker" as used herein refers to the Selling Agency and Listing Agency, collectively. Notwithstanding that only one party may be responsible for payment of Brokers' fees, the parties agree that the Listing Agency is agent for the Seller only (and owes no fiduciary responsibilities to the Buyer) and the Selling Agency is agent only for the Buyer (and owes no fiduciary responsibility to the Seller). Notwithstanding the foregoing, if a Broker is both the Listing Agency and Selling Agency, the parties consent to Broker acting as a dual-agent in this transaction for both Buyer and Seller, and Broker shall perform only the duties expressly set forth herein and no implied duties or obligations shall be read into the Agreement. The parties further agree that Broker may disclose to both parties facts known to Broker materially affecting the Vessel's value or desirability. Broker shall not, without Owner's consent, disclose to Buyer that Seller is willing to sell the Vessel for an amount less than the asking price. The parties each represent and warrant that neither has employed or dealt with any broker, agent or finder in carrying out the negotiations relating to the sale of the Vessel to Buyer and acknowledge that Broker is a third-party beneficiary to this Agreement.

6. **Seller's Representations: Requirements for Closing.** Seller represents and warrants that: (a) the Vessel is being conveyed free and clear of all debts, claims, maritime or common law liens, security interests, encumbrances, excise taxes, and any other applicable taxes, customs' duties, or tariffs due of any state, country, regulatory and/or taxing authority of any kind whatsoever (collectively, "Encumbrances"); and (b) Seller has good and marketable title to the Vessel, which Seller will warrant and defend. By the Closing Date, Seller shall deliver to Buyer: (i) satisfactory evidence of title; (ii) proof of payment/removal of all Encumbrances, if any; (iii) a personal guaranty and indemnification from the Seller (or the beneficial owner(s) of the Seller if Seller is a corporate entity) guaranteeing Seller's representations and warranties in (a) and (b) above; and (iv) any other necessary documents for transfer of good and marketable title to the Buyer. Seller shall pay any cost associated with, and shall cooperate fully to obtain, any authorization for sale as may be required from any governing authority. Any party which is a corporate entity will provide to the other prior to Closing (x) proof that it is in good standing under the laws of the State under which the entity has been formed, (y) a consent action or resolution demonstrating the entity's duly authorized decision to purchase or sell the Vessel, and (z) a power of attorney demonstrating the authority of the individual accepting the Vessel and/or executing the Agreement and/or purchase and sales documents.

7. **Risk of Loss: Force Majeure.** Risk of loss, damage or destruction to the Vessel shall be Seller's prior to delivery of the Vessel. The Closing Date is subject to the non-occurrence of *force majeure* events such as, without limitation, war, terrorism acts, strikes, accidents, tropical storms, hurricanes, natural disasters, or any other causes beyond Seller's control ("*Force Majeure*"). If a *Force Majeure* event occurs or the Vessel is otherwise damaged, the Closing Date (and all time periods referred to in this Agreement) shall be deemed extended by the time necessary to deliver the Vessel in the same condition as it existed on the date of Execution. However, if (a) the *Force Majeure* or damage to the Vessel delays the Closing Date for a period of at least thirty days or (b) if the *Force Majeure* or damage requires repairs in excess of five percent of the Purchase Price (5%)

Initials Buyer(s): _____, _____

Initials Seller(s) _____, _____

then (i) this Agreement will be deemed terminated, (ii) the respective rights and obligations of each party will cease to exist and be of no further force and effect, (iii) Buyer's Deposit(s) will be returned to Buyer after all expenses incurred by Seller or Broker on Buyer's behalf have been paid, and (iv) neither party will be entitled to, and hereby waives, any claim for specific performance, damages, compensation, interest, or any other claims.

8. **Default.** In the event the Closing is not consummated due to Buyer's non-performance, including but not limited to failure to pay monies due or execute all documents necessary 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, in full settlement of all claims between the parties, and the parties shall be relieved of all obligations under this Agreement. Buyer and Seller agree that the deposited funds shall be divided equally between the Seller and the Brokers, except that Brokers' share shall not exceed any commission due Brokers had a sale been consummated. Brokers shall then divide in the same proportions as the commission would have been divided had a sale been consummated. If Closing is not consummated due to Seller's non-performance, all money paid or deposited pursuant to this Agreement by the Buyer shall be returned to the Buyer upon demand, or the Buyer shall have the right of specific performance. Seller agrees that specific performance is reasonable in light of the uniqueness of the Vessel, difficulty of proof of loss, and the inconvenience or non-feasibility of otherwise obtaining an adequate remedy. On Seller's default the Seller shall forthwith pay Broker the full commission provided for by the listing agreement.

9. **Sales, Use, and Property Taxes.** Sales or use taxes, if applicable on this purchase, are the responsibility of the Buyer. Buyer hereby indemnifies Seller and Broker for the payment of same. As per this Agreement, Property tax is the responsibility of the Owner of Record on January 1st of any given year. This contract does not implement any prorating of Property Tax, unless otherwise stated in ADDITIONAL TERMS. Seller and Buyer are advised to take this into account when agreeing on the terms of purchase.

10. **REPRESENTATIONS AND WARRANTIES.** SELLER AND THE BROKERS BELIEVE THAT ANY INFORMATION ANY OF THEM HAS PROVIDED ON THE VESSEL IS GOOD AND CORRECT AND OFFER THE INFORMATION IN GOOD FAITH, BUT DO NOT AND CANNOT GUARANTEE THE ACCURACY OF THE INFORMATION. BUYER WARRANTS AND REPRESENTS THAT HE IS NOT RELYING ON ANY ADVERTISEMENTS, PROMISES, DESCRIPTIONS, AFFIRMATIONS, OR REPRESENTATIONS (WHETHER ORAL OR WRITTEN, PRIOR TO OR CONTEMPORANEOUS WITH THIS AGREEMENT) PROVIDED BY THE BROKER. UPON CLOSING, IT IS UNDERSTOOD THAT THE BUYER HAS ACCEPTED THE VESSEL IN ITS "AS IS" CONDITION. NO WARRANTY, EITHER EXPRESS OR IMPLIED, AND NO REPRESENTATION AS TO THE CONDITION OF SAID VESSEL, ITS FITNESS FOR ANY PARTICULAR USE OR MERCHANTABILITY, HAS BEEN GIVEN OR IS BINDING UPON BROKER, ALL OF WHICH ARE DISCLAIMED.

11. **Financing.** Buyer's obligations are not contingent upon Buyer obtaining financing, unless otherwise stated in ADDITIONAL TERMS. Buyer represents that it will arrange financing, if necessary. Buyer acknowledges that Broker(s) has made no representations or warranties with respect to Buyer's ability to obtain financing, Buyer's qualifications to obtain any type of mortgage on the Vessel, or Buyer's ability to document the Vessel so that it is a "vessel of the United States" for purposes of the Ship Mortgage Act. 46 U.S.C. 911 et seq.

12. **Counterparts.** This Agreement may be signed in any number of identical counterparts, each of which will be an original (including signatures delivered via facsimile or electronic mail) with the same effect as if the signatures were upon the same instrument.

13. **Binding Effect; Contemporaneous Contracts; Future Sales.** This Agreement is binding on all parties, their heirs, personal representatives and/or assigns. Seller shall not sell the Vessel or enter into any contract for the sale of same while this Agreement is in effect. If a sale is not consummated per the terms of this Agreement, and the Buyer and Seller enter into a contract between themselves within two years after this Agreement is terminated for the transfer of ownership of the Vessel, the Seller agrees to pay the Broker an amount identical to the commission the Broker would receive under the terms of the listing contract.

14. **Transferred Warranties.** No warranties are transferred to Buyer unless listed in this section and attached hereto. Any costs associated with such transfers shall be Buyer's. Seller's transfer of its interest in such warranties is subject to the condition that neither Seller nor Broker makes any representation concerning such warranties and that the warranties transferred are subject to the terms thereof.

15. **Escrowed Funds.** The parties acknowledge that: (a) Broker shall not be responsible for the Deposit until the funds have cleared into Broker's account; (b) the Selling Broker shall hold the Deposit as an escrow agent once the funds have cleared and any other funds received by either Broker from any party will be held in trust for that party; (c) Broker may retain applicable commission prior to disbursement of the balance due to Seller; and (d) in any dispute involving any such funds held by Broker, Broker shall be indemnified for legal fees and costs relating in any way to such dispute, including those incurred in any appeals

Initials Buyer(s): _____

Initials Seller(s) _____

(which obligation is secured by a lien in the escrowed funds) and those relating to its claim for a commission, unless Broker is found, in a final unappealable judgment, to have engaged in willful misconduct or acted with gross negligence.

16. **Miscellaneous.** Notwithstanding anything herein to the contrary, this Agreement, including its exhibits and schedules, is the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous negotiations, agreements, representations, warranties, and understandings pertaining thereto, be it written, oral, or otherwise. Buyer and Seller hereby jointly and severally indemnify and hold the Broker harmless from any and all third party claims, demands, causes of action, losses, liabilities, damages and judgments, arising in connection with the Broker's undertaking pursuant to the terms and conditions of this Agreement. Should Broker become a party to any litigation involving this Agreement, Broker shall be reimbursed for its costs and attorney's fees, at all pretrial, trial and appellate levels, by the party or parties found to have breached this Agreement. If any term, condition, or provision of this Agreement is held to be unenforceable for any reason, it shall, if possible, be interpreted to achieve the intent of the parties to this Agreement to the extent possible rather than avoided. In any event, all other terms, conditions and provisions of this Agreement shall be deemed valid and enforceable. It is understood that there are no other duties, obligations, liabilities, or warranties, implied or otherwise, except as set forth herein. This Agreement may not be amended or modified, except in writing, signed by both parties. Notice and delivery given by or to the attorney or broker representing any party shall be as effective as if given by or to that party. All notices must be in writing and may be made by mail, telefax, email or personal delivery, but proof of delivery shall be required for such to be effective. Unless otherwise provided for herein, Buyer may not assign this Agreement without Seller's consent, which consent shall not be unreasonably withheld. No claim or right arising out of this Agreement can be waived or discharged by one party, in whole or in part, unless in writing, nor shall any waiver be applicable except in the specific instance for which it is given. Any proceeding relating to this Agreement will be brought in the courts of the state and county of the main office of the Selling Broker, and each of the parties irrevocably submits to the exclusive jurisdiction of each such court, waives any objection it may now or hereafter have to venue or to convenience of forum, and agrees not to bring any proceeding relating to this Agreement in any other court. The Additional Terms in the info box above shall be incorporated herein.

The parties, having been advised to consult legal counsel with respect to this Agreement hereby waive trial by jury with respect to any claim relating to this Agreement, whether against each other or against the Broker as a third party beneficiary.

BUYER(S)

SELLER(S)

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Date: _____

Date: _____

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Date: _____

Date: _____

SELLING BROKER: Acknowledgement and receipt of deposit

Signature: _____

Date: _____

Print Name: _____

Amount: _____

THIS AGREEMENT IS NOT BINDING UNTIL SIGNED BY BOTH PARTIES AND DEPOSIT FUNDS HAVE BEEN RECEIVED AND CLEARED INTO BROKER'S ESCROW ACCOUNT

Use of this form is and does not constitute the provision of legal services by Yacht Closer LLC. User understands and agrees that Yacht Closer LLC is not a law firm. Yacht Closer LLC encourages you to seek the advice of an attorney regarding your specific legal situation. Use of this form is "AS IS" and Yacht Closer LLC disclaims all implied warranties, including the implied warranties of merchantability and fitness for a particular purpose.

Initials Buyer(s): _____, _____

Initials Seller(s) _____, _____



ACCEPTANCE OF VESSEL

Buyer(s): _____

Vessel Information

Make:	Hull #:	Registration #:
Model:	Length:	USCG #:
Year:	Name:	Flag:
Additional Unit(s):		

The undersigned Buyer of the Vessel hereby accept the Vessel in its AS-IS condition pursuant to the applicable provisions of the Purchase and Sale Agreement ("Agreement") dated _____.

Buyer hereby acknowledges and agrees that (i) all conditions have either been performed or are hereby waived; (ii) Buyer accepts the Vessel in its AS-IS condition; (iii) no warranty either expressed or implied, and no representation as to the condition of the Vessel, its fitness for any particular use or merchantability have been given or are binding upon Seller or broker(s); (iv) any Surveyors selected are in Buyer's employ, notwithstanding the fact that the broker(s) may have assisted Buyer in hiring said surveyor, to inspect the Vessel; and (v) Buyer has fully inspected and made a trial run of the Vessel (or has voluntarily waived these rights) and that he is not relying on any advertisements, promises, descriptions, affirmations or representations (whether oral or written, prior to or contemporaneous with this acceptance) as provided by the Seller or broker(s). Buyer agrees to accept delivery of the Vessel and pay the balance due thereon under said Agreement and otherwise close this transaction in accordance with the terms therein.

In the event Buyer should fail to close this transaction as specified, the escrow agent is irrevocably directed to forthwith pay the escrow deposit to the Seller and broker(s) in accordance with the Agreement and/or listing agreement then in effect with regard to the Vessel, and upon such payment, the parties, escrow agent, and broker(s) are released from any further liability under the Agreement.

Additional Terms:

BUYER(s):

Signature _____	Signature _____
Print Name _____	Print Name _____
Date _____	Date _____

Acceptance of Vessel



SURVEY WAIVER

THIS SURVEY WAIVER ACKNOWLEDGEMENT is made with regard to the Purchase Agreement (“**Purchase Agreement**”) dated _____, between:

Seller(s): _____

Buyer(s): _____

For the Vessel:

Make:	Year:	Hull #:
Model:	Length:	USCG #:
Name:	Flag:	Registration #:

Buyer has chosen not to retain an independent professional to perform a marine survey, mechanical inspection, or rig survey of the Vessel. Buyer agrees and acknowledges that Broker has strongly recommended that the Buyer retain a professional to examine and survey the Vessel, including its machinery and rig, to verify the Vessel’s condition, description, inventory, and all matters considered relevant, in order to ensure that the Vessel is completely acceptable to Buyer. Buyer has determined, however, that it is in its best interest to forego this opportunity and to proceed with the purchase of the Vessel without such survey(s) or inspection(s).

Buyer shall indemnify, hold harmless, and defend Broker and Broker’s salespersons and employees against any and all claims arising out of or attributable to Buyer’s decision not to retain an independent professional to perform a marine survey, mechanical inspection, or rig survey of the Vessel.

BUYER(s) ACKNOWLEDGEMENT

Signature _____

Signature _____

Print Name _____

Print Name _____

Date _____

Date _____



Sales and Use Tax on Boats

Information for Owners and Purchasers

GT-800005
R. 12/17

If you are planning to buy a boat in Florida or have plans to bring one into Florida, the Florida Department of Revenue reminds you that tax compliance is an important aspect of boat ownership.

What is Taxable?

Sales and Use Tax

All boats sold, delivered, used, or stored in Florida are subject to Florida's sales and use tax, plus any applicable discretionary sales surtax, unless exempt. Florida boat dealers and brokers are required to collect tax from the purchaser at the time of sale or delivery.

When a boat is sold by someone other than a registered boat dealer or a boat is brought into Florida for use in Florida, Florida use tax is due. The "use" part of Florida's sales and use tax provides uniform taxation of items. Florida's six percent (6%) use tax, plus any applicable discretionary sales surtax, is due on a boat used or stored in Florida when:

- The boat is purchased from a person who is not a registered boat dealer and the sale or delivery of the boat occurs in Florida;
- The boat is purchased in another state, territory of the United States, or District of Columbia and is brought into Florida within six (6) months of the purchase date; or
- The boat is purchased in a foreign country and is brought into Florida at any time.

When the purchaser does not pay Florida sales and use tax to the seller for a boat purchase, any sales and use tax, plus any applicable discretionary sales surtax, is paid to the county tax collector, licensed private tag agency, or the Department of Highway Safety and Motor Vehicles when registering the boat in Florida.

Discretionary Sales Surtax

Most counties impose a local option discretionary sales surtax. The surtax is due when the boat is delivered by the dealer or broker to a county that imposes a surtax. The surtax is also due when the boat is purchased from an individual and the boat is used in a county imposing a surtax.

Discretionary sales surtax applies to the first \$5,000 of the purchase price. Current discretionary sales surtax rates for all counties are listed on Form DR-15DSS, *Discretionary Sales Surtax Information*, posted on our website at floridarevenue.com/forms.

Maximum Tax

The maximum tax on the sale of a boat or vessel is **\$18,000**. This includes both sales and use tax and discretionary sales surtax. For more information and detailed instructions on this maximum tax, see Tax Information Publication (TIP) 10A01-07 issued on June 22, 2010.

The maximum tax on the repair of a boat or vessel is **\$60,000**. This cap is to be applied to each boat repair occurring in Florida. Subsequent and separate repairs are each subject to their own \$60,000 cap. For more information and detailed instructions on this maximum tax, see TIP 15A01-07 issued on June 26, 2015.

Trade-In Allowance

Registered boat dealers and brokers may deduct a trade-in allowance from the purchase price of the boat when, in a single transaction, tangible personal property (not real property) is traded as part of the purchase of a boat. If the sale is between individuals, the purchaser must, in a single transaction, trade a boat, motor vehicle, mobile home, or an aircraft for the boat being purchased.

Credit for Tax Paid

A credit against any Florida sales and use tax or surtax due on a boat is allowed to any purchaser who provides documentation that a like tax has been lawfully imposed and paid to another state, territory of the United States, or District of Columbia.

Example: If you purchase a boat in a state that has a sales tax rate of 4 percent, you must pay an additional 2 percent when you bring the boat into Florida, plus any applicable discretionary sales surtax. The maximum tax of \$18,000 will apply.

When is Tax Due?

Unless exempt, a boat must be titled or registered in Florida with any county tax collector, licensed private tag agency, or the Department of Highway Safety and Motor Vehicles:

- Within 30 days of the purchase date or the date the boat entered Florida; or
- Within 90 days after the boat enters Florida, when the boat is documented, licensed, titled, or registered in another state.

Florida use tax, plus any applicable discretionary sales surtax, due on a boat purchased in Florida or brought into Florida within six (6) months of the date of purchase, is paid at the time of licensing, titling, or registering the boat in Florida.

Specific Exemptions

Boats Sold to Nonresidents

A boat sold by or through a registered dealer or broker to a purchaser who is a nonresident of Florida at the time of taking delivery of the boat in Florida is exempt. This exemption applies to the sale of a boat, including any accessories, but does not apply to the sale of a boat trailer.

The nonresident purchaser must meet the following requirements:

- The nonresident purchaser must sign an affidavit (Form GT-500003) stating that he or she has read the law and rules regarding the specific exemption claimed and agrees to remove the boat from Florida.
 - A boat of less than 5 net tons of admeasurement must leave Florida within 10 days of purchase or immediately be placed in the care, custody, and control of a registered repair facility for repairs, additions, or alterations. The boat must leave Florida within 20 days after completion of the repairs.
 - If the boat is 5 net tons of admeasurement or larger, the purchaser may obtain a set of Florida Department of Revenue boat decals, which authorize the boat to remain in Florida waters up to 90 days after the purchase. This period may be extended to 180 days with the purchase of a 90-day extension decal. The decals must be obtained from the selling dealer or broker.
- Within 5 days of the date of sale, the dealer or broker must provide the Department with a copy of the invoice, bill of sale, and/or closing statement, and the original, signed, removal affidavit.
- Within 10 days of removing the boat, the nonresident purchaser must furnish the Department with proof that the boat left Florida. Receipts for fuel, dockage, or repairs purchased outside Florida must identify the boat.
- Within 30 days of removal, the nonresident purchaser must provide the Department with written documentation evidencing that the boat was documented, licensed, titled, or registered outside Florida or documentation that the nonresident purchaser has applied for documentation, licensing, titling, or registration of the boat.

This exemption does not apply to a Florida resident, an entity where the controlling person is a Florida resident, or a corporation where any officers or directors are Florida residents.

Documentation must be mailed to:

Florida Department of Revenue
Compliance Campaigns
PO Box 6417
Tallahassee FL 32314-6417

Foreign-Flagged Vessels

Foreign-flagged vessels or boats holding a valid "License to Cruise in the Waters of the United States" issued by the United States Customs Service pursuant to 19 Code of Federal Regulations 4.94 are not subject to Florida use tax.

Boats Imported for Sale

A boat that is brought into Florida for the sole purpose of sale at retail by a registered boat dealer or broker is exempt from Florida use tax. The boat must be under the care, custody, and control of the dealer or broker and personal use of the boat is **not** permitted while it is in Florida.

Boats Temporarily Docked in Florida

When Florida sales or use tax has not been paid on a boat brought into Florida, the boat is not subject to Florida use tax when the boat remains in a Florida registered facility that rents dockage or slippage for a period not to exceed a total of 20 days in any calendar year. The 20-day period begins on the day the boat is docked at the facility.

If the boat enters Florida for repairs or modifications at a registered repair facility, the boat may remain in Florida tax exempt until the repairs or modifications are completed. The 20-day period stops while the boat is being repaired or modified. Once the repairs are complete, the owner has the balance of the 20-day period to remove the boat from Florida.

Storage of a boat at a registered repair facility does not qualify for tolling of the 20-day time period.

Penalty and Interest

Anyone who purchases a boat and obtains a tax exemption as a nonresident purchaser is subject to Florida use tax, discretionary sales surtax, interest, and penalties (including a mandatory penalty equal to the tax) when:

- A boat that bears a decal set remains in Florida after the expiration of the decal;
- A boat that does not bear a decal set and is not in a Florida registered repair facility remains in Florida more than 10 days from the date of purchase;
- A boat that does not bear a decal set and that was in a Florida registered repair facility remains in Florida more than 20 days from the date the repairs or alterations were completed;
- A boat returns to Florida within six (6) months from the date of departure, is not placed in a Florida registered repair facility, and stays in Florida more than 20 days; or
- The nonresident purchaser does not furnish the Department with the required documentation.

A purchaser who attempts to evade tax by submitting a fraudulent affidavit is subject to the tax due, interest, and a mandatory 200 percent penalty (according to section 213.29, Florida Statutes). The purchaser is also subject to a fine of up to \$5,000 and up to 5 years in prison.

Reference Material

Tax Laws – Our online Revenue Law Library contains statutes, rules, legislative changes, opinions, court cases, and publications.

Brochures – Download these brochures from our “Forms and Publications” page:

- *Florida’s Sales and Use Tax* (GT-800013)
- *Florida’s Discretionary Sales Surtax* (GT-800019)
- *Sales and Use Tax on Boats Information for Dealers and Brokers* (GT-800006)

Information, forms, and tutorials are available on our website at **floridarevenue.com**.

To speak with a Department representative, call Taxpayer Services at 850-488-6800, Monday through Friday (excluding holidays).

To find a **taxpayer service center** near you, go to **floridarevenue.com/taxes/servicecenters**.

For written replies to tax questions, write to:

Taxpayer Services – MS 3-2000
Florida Department of Revenue
5050 W Tennessee St
Tallahassee FL 32399-0112

Subscribe to Receive Email Alerts from the Department.

Subscribe to receive an email for due date reminders, Tax Information Publications (TIPs), or proposed rules. Subscribe today at **floridarevenue.com/dor/subscribe**.

BUYER BROKER AGREEMENT

SUNSHINE CRUISING YACHTS

1. PARTIES: _____

("Buyer") grants Sunshine Cruising Yachts exclusive right to work with and assist Buyer in locating and negotiating the acquisition of suitable vessel as described below. The term "acquire" or "acquisition" includes any purchase, option, exchange, lease or other acquisition of an ownership or equity interest in any vessel.

2. TERM: This Agreement will begin on the _____ day of _____, _____ and will terminate at 11:59 p.m. on the _____ day of _____, _____ ("Termination Date"). However, if Buyer enters into an agreement to acquire vessel that is pending on the Termination Date, this Agreement will continue in effect until that transaction has closed or otherwise terminated.

3. VESSEL: Buyer is interested in acquiring Vessel as follows or as otherwise acceptable to Buyer ("Vessel"):

(a) Type of Vessel: power sail
Specific needs?

(b) Price range: \$0.00 to \$ _____
Buyer paying cash _____ or pre-qualified. (by _____ For \$ _____)

4. BROKER'S OBLIGATIONS:

(a) Broker Assistance. Broker will

- * Use Broker's professional knowledge and skills;
- * Discuss vessel requirements and assist Buyer in locating and viewing suitable vessels;
- * Assist Buyer to contract for vessel, monitor deadlines and close any resulting transaction;
- * Cooperate with yacht sales licensees and/brokers working with the seller, if any, to affect a transaction. Buyer understands that even if Broker is compensated by a seller, such compensation does not compromise Broker's duties to Buyer.

(b) Other Buyers. Buyer understands that Broker may work with other prospective buyers who want to acquire the same vessel as Buyer. If Broker submits offers by competing buyers, Broker will notify Buyer that a competing offer has been made, but will not disclose any of the offer's material terms or conditions. Buyer agrees that Broker may make competing buyers aware of the existence of any offer Buyer makes, so long as Broker does not reveal any material terms or conditions of the offer without Buyer's prior written consent.

(c) Service Providers. Broker does not warrant or guarantee products or services provided by any third party whom Broker, at Buyer's request, refers or recommends to Buyer in connection with vessel acquisition.

5. BUYER'S OBLIGATIONS: Buyer agrees to cooperate with Broker in accomplishing the objectives of this Agreement, including:

(a) Conducting all negotiations and efforts to locate suitable vessel only through Broker and referring to Broker all inquiries of any kind from yacht sales licensees and/brokers, vessel owners or any other source. If Buyer contacts or is contacted by a seller or yacht sales licensee and/broker who is working with a seller or views a vessel unaccompanied by Broker, Buyer, will, at first opportunity, advise the seller or yacht sales licensee and/broker that Buyer is working with and represented exclusively by Broker.

(b) Providing Broker with accurate personal and financial information requested by Broker in connection with ensuring Buyer's ability to acquire vessel.

(c) Being available to meet with Broker at reasonable times for consultations and to view vessels.

(d) Indemnifying and holding Broker harmless from and against all losses, damages, costs and expenses of any kind, including attorney's fees, and from liability to any person, that Broker incurs because of acting on Buyer's behalf.

(e) Not asking or expecting to restrict the acquisition of a vessel according to any category protected under federal, state or local law.

(f) Consulting an appropriate professional for legal, tax, environmental, engineering, foreign reporting requirements and other specialized advice.

6. RETAINER: Upon final execution of this Agreement, Buyer will pay to Broker a non-refundable retainer fee of \$0.00 for Broker's services ("Retainer"). This fee is not refundable and will not be credited to Buyer if compensation is earned by Broker as specified in this Agreement.

7. COMPENSATION: Broker's compensation is earned when, during the term of this Agreement or any renewal or extension, Buyer or any person acting for or on behalf of Buyer contracts to acquire vessel as specified in this Agreement. Buyer will be responsible for paying Broker 5% ONLY under the circumstances that, after an Acceptance of Vessel form is signed, the buyer default on any contract to acquire vessel.

8. PROTECTION PERIOD: Buyer will pay Broker's compensation if, within 90 days after Termination Date, Buyer contracts to acquire any vessel which was called to Buyer's attention by Broker or any other person or found by Buyer during the term of this Agreement. Buyer's obligation to pay Broker's fee ceases upon Buyer entering into a good faith exclusive buyer brokerage agreement with another broker after Termination Date.

Buyer(s) (____) (____) and SCY Broker (____) acknowledge receipt of a copy of this page, which is Page 1 of 2 Pages.

9. **EARLY TERMINATION:** Buyer may terminate this Agreement at any time by written 30 day notice to Broker but will remain responsible for paying Broker's compensation if, from the early termination date to Termination Date plus Protection Period, if applicable, Buyer contracts to acquire any vessel which, prior to the early termination date, was found by Buyer or called to Buyer's attention by Broker or any other person. Broker may terminate this Agreement at any time by written notice to Buyer, in which event Buyer will be released from all further obligations under this Agreement.

10. **DISPUTE RESOLUTION:** Any unresolvable dispute between Buyer and Broker will be mediated. If a settlement is not reached in mediation, the matter will be submitted to binding arbitration in accordance with the rules of the American Arbitration Association or other mutually agreeable arbitrator.

11. **ASSIGNMENT; PERSONS BOUND:** Broker may assign this Agreement to another broker. This Agreement will bind and inure to Broker's and Buyer's heirs, personal representatives, successors and assigns.

12. **BROKERAGE RELATIONSHIP:** Broker will act as a transaction broker. Broker will deal honestly and fairly; will account for all funds; will use skill, care, and diligence in the transaction; will disclose all known facts that materially affect the value of the vessel which are not readily observable to buyer; will present all offers and counteroffers in a timely manner unless directed otherwise in writing; and will have limited confidentiality with Buyer unless waived in writing.

13. **SPECIAL CLAUSES:**

14. **ACKNOWLEDGMENT; MODIFICATIONS:** Buyer has read this Agreement and understands its contents. This Agreement cannot be changed except by written agreement signed by both parties.

Date: _____

Buyer: _____

Address: _____

Telephone: _____

Signature: _____

Date: _____

Co-Buyer: _____

Address: _____

Telephone: _____

Signature: _____

Date: _____

Yacht Broker: _____

Signature: _____