



ZEN Yachts Purchase and Sale Agreement

This Purchase and Sale Agreement (the 'Agreement') dated this [●]_____ day of [●]_____,
[●]_____

Between:

Zero Emission Nautic S.L. of Calle Balmes 173, 4th floor, 08006, Barcelona, Spain (the 'Seller') of the
first part and

[●]_____ of [●]_____ (the 'Buyer')
of the second part.

The Buyer and the Seller shall hereinafter be collectively referred to as the "Parties" and each one of
them shall be individually referred to as the "Party".

The Parties, in the respective capacities in which they appear, acknowledge each other's legal capacity
to enter into this agreement, made with the following

RECITALS

- I. Whereas, the Seller is a company engaged in the design and building of eco-friendly and zero emission, luxury, blue water performance yachts and is planning to build a 15.7 m solar electric cruising catamaran in accordance to specifications specifically selected and ordered by the Buyer and set out in Annex "1) Specifications" ("the Yacht").
- II. Whereas, the Buyer, subject to the terms and conditions of this Agreement, is interested in purchasing, free of any charges and liens, the Yacht.

Now, therefore, the Parties execute this Agreement subject to the following

CLAUSES

1. SUBJECT MATTER

1.1 Sale and purchase

The Seller hereby commits to sell and transfer to the Buyer, who will purchase and acquire the Yacht, meeting the **Specifications** and **General Arrangement** determined by the Buyer and listed in Annexes "1) Specifications" and "2) General Arrangement", subject to the conditions hereof.

The Yacht shall be delivered to the Buyer:

- (i) on an as-is basis, after successful sea trials;
- (ii) free of any charges or liens, restrictions, encumbrances, options, claims or any other third-party rights, and in general free of any constraint on its ownership or use;
- (iii) together with its inherent rights and appurtenances, including manufacturer rights and sellers' warranties.



The Buyer and the Seller expressly agree that the Seller shall not be responsible for investigating or otherwise ensuring that the Buyer is competent and experienced in the proper control and navigation of the Boat.

1.2 Delivery

1.2.1 Estimated Delivery Date

The Seller, for the purposes of article 1462 of the Spanish Civil Code, undertakes to deliver the Yacht to the Buyer on or before the Estimated Delivery Date ([●]) at the Seller's address below (or at any other location that the Seller may reasonably inform to Buyer at least [14] days in advance): Marina Vela, P. Juan de Borbon 103, 08039, Barcelona, Spain. The Yacht shall be in the water or on land for delivery; whichever is agreed with the Buyer.

The Estimated Delivery Date is given in good faith and the Seller shall use every reasonable endeavour to meet it, but it is not guaranteed. In particular, alongside with provisions of subparagraph (ii) below, the Seller shall not be responsible for a delay in delivery caused by the fitting of extras, making modifications to the Yacht, by delays in road or sea delivery or for other causes reasonably beyond their control.

1.2.2 Delays not attributable to Seller

The Seller will not be liable in any way for any delay, non-delivery or default in shipment due to labour disputes, pandemics, transportation shortage, delays in receipt of material, priorities, fires, accidents and other causes beyond the control of the Seller or its suppliers, including force majeure. If the Seller, in its sole judgment, will be prevented directly or indirectly, on account of any cause beyond its control, from delivering the Yacht at the time specified, the Seller will have the right to terminate this Agreement by notice in writing to the Buyer, which will be accompanied by full refund of all sums paid by the Buyer pursuant to this Agreement and no further indemnification being due from Seller to Buyer.

1.2.3 Protocol of delivery and acceptance

In addition to the partial deliveries for milestone completion described in Clause 2.1 below, on final delivery, the Seller and Buyer will jointly sign a protocol of delivery and acceptance (the "**Protocol of Delivery and Acceptance**", see Annex "5) Protocol of Delivery and Acceptance"). From the moment of the Buyer's signature on the Protocol of Delivery and Acceptance, the responsibility and the risk regarding the Yacht (and all its gear and equipment) shall be transferred to the Buyer who will be immediately responsible for insuring and registering the Yacht.

The Buyer shall take delivery of the Yacht immediately upon signature of the Protocol of Delivery and Acceptance by both parties. If the Buyer fails to take delivery of the Yacht without good reason, then, in addition to any other rights which the Seller may have, the Seller shall be entitled to require the Buyer to pay the reasonable berthing and/or storage charges together with any other expenses reasonably incurred by the Seller, including insurance, maintenance, security and lifting of the Boat in or out of the water until actual delivery shall take place.

1.2.4 Transfer of ownership

Irrespective of partial deliveries as described in Clause 2.1 below, and according to article 118 of the Spanish Maritime Navigation Law, transfer of full legal title over the Yacht once completely constructed following the specifications set up in Annex 1) will take place on delivery.

2. PRICE AND METHOD OF PAYMENT

2.1 Price

The Buyer undertakes to pay the Seller the amount of [●] Euros (€[●]) (the “**Price**”), broken down as follows, as payment for the Yacht.

The Price is inclusive of Value Added Tax (“**VAT**”), which shall be charged by the Seller and payable by the Buyer, unless a VAT exemption is applicable according to the VAT legislation¹, subject to the Buyer providing the Seller with the relevant tax exemption certificate acceptable to the applicable taxing authorities, in which case the amount of VAT will be subtracted from the Price payable by the Buyer.

The Seller and the Buyer both acknowledge the sufficiency of this consideration. In addition to the Price specified in this Agreement, the amount of any present or future use, excise, or similar tax applicable to the sale of the Yacht will be paid by the Buyer, or alternatively, the Buyer will provide the Seller with a tax exemption certificate acceptable to the applicable taxing authorities.

Payment of Price shall be made according to the following schedule and milestones, on the basis of the completion of the relevant stage of the Yacht construction, which shall be evidenced by the Seller to the Buyer by means of the corresponding certificate of milestone completion:

- (i) Refundable Deposit of € 10,000 on [●]_____.
The deposit will be refunded to the Buyer if transfer of ownership of the Yacht is not completed, unless lack of transfer is due to the fault of the Buyer or if this Agreement is cancelled by the Buyer or if the Buyer invokes any term of the Reservation Deposit Agreement.

- (ii) The remainder of the Price (the “**Deferred Price**”) will be paid in accordance to the following instalments (the “**Instalments**”) and subject to completion of the corresponding construction milestones:
 1. € [●]_____ (representing 25% of the Deferred Price) today upon this Agreement’s signing.
 2. € [●]_____ (representing 25% of the Deferred Price) upon first bulkhead fit up (2 - 10 months after 1.).
 3. € [●]_____ (representing 25% of the Deferred Price) upon hull structure completion (approx. 5 months after 2.).
 4. € [●]_____ (representing 10% of the Deferred Price) upon powering up battery bank and propulsion systems (approx. 3 months after 3.).
 5. € [●]_____ (representing 5% of the Deferred Price) upon start of interior installation (approx. 2 months after 4.).
 6. € [●]_____ (representing 5% of the Deferred Price) prior to sea trials (approx. 3 months after 5.).
 7. € [●]_____ (representing 5% of the Deferred Price) prior to delivery ex-factory (approx. 1 month after 6.).

Payment of each of the Instalments above shall be construed as a partial acceptance by Buyer and delivery by Seller of each of the milestones described during the process of construction of the Yacht.

¹ Spanish Law 37/1992, of December 28th, on the Value Added Tax, and its Regulations.



2.2 Method of payment

The Buyer shall pay the Price to the Seller, upon presentation by Seller of the relevant invoice, by way of a bank transfer to the bank account in the Seller's name designated by the latter for this purpose with value date on each of the dates specified in Clause 2.1 above.

2.2 Inflation

Should the prevailing inflation rate be substantially higher than the EU average of the previous 3 years, the company reserves the right to alter the next instalment accordingly and only in relation to direct costs such as purchasing of components, parts and materials not yet acquired. The Seller commits to discussing these alterations with the Client and believes in a good faith outcome of these discussions.

Should the Buyer desire to avoid this potential cost increment, the Buyer has the option to settle Instalment number 2 above together with Instalment number 1 on today's date, allowing the Seller to purchase most of the equipment that may be subject to steep inflation and/or raw materials price increases, at the beginning of the project. In the former case, prior notification will be sent by the Seller at least 15 calendar days prior to sending the invoice related to the concerned Instalment. In the latter case, the Buyer shall notify the Seller of his intention prior to signing the Agreement.

3. SELLER'S REPRESENTATIONS AND WARRANTIES

3.1 Subject matter of the representations and warranties

The Seller makes the following representations and warranties to the Buyer (the "**Representations and Warranties**", see Annex "6) Representation and Warranties") and states that the same are and will be correct, accurate and true. The Seller is not aware of any facts or circumstances that could alter the Representations and Warranties contained herein:

3.1.1 Incorporation and capacity

The Seller is a duly incorporated and validly existing company under Spanish law, registered with the Register of Companies of Barcelona, and has sufficient capacity to execute this Agreement and sell the Yacht in the terms set out herein. Such sale violates no laws, administrative provisions, its articles of association or any contracts or commitments that bind the Seller, which has properly passed all the necessary resolutions and obtained the appropriate authorisations to execute this Agreement, which requires no further authorisation or subsequent ratification.

3.1.2 Title

Partial acceptances by the Buyer notwithstanding, the Buyer shall hold no title to the Yacht up until final delivery. Upon final delivery, the Buyer will hold absolute title to the Yacht.

3.1.3 Charges and liens

Upon delivery, the Yacht will be free and clear of any charges and liens, including but not limited to pledges, mortgages, seizures, purchase options, usufructs, third party rights of the same nature or express pre-emptive rights. Similarly, the Seller is not aware of the existence, at today's date, of any expropriation, seizure or compulsory sale agreement or order affecting the Yacht.

4. SELLER LIABILITY

4.1 Scope

The Seller shall hold harmless and indemnify the Buyer for any expenses or losses it may incur as a direct result of any Seller breaches of any obligations assumed by virtue of this Agreement due to Seller's fault or negligence, with a maximum liability equal to the amount already paid by the Buyer to the Seller.

4.2 Liability regime

All matters not provided for in this Agreement in connection with the Seller's liability to the Buyer, shall be subject to the provisions of the Spanish Civil Code.

5 DELAYS, NEGLIGENCE, REMEDIES AND EARLY TERMINATION

5.1 Delay in payment

If the Buyer fails to pay the Deposit or part of the Deferred Price in accordance with Clause 2.1 without good reason, the Seller shall have the right to:

- in the first three months of late payment, halt further production of the Yacht;
- between three and six months of late payment, advertise the Yacht for resale and to resell the Yacht (or any part of it which is readily removable) - pending resale, the Seller may charge the Buyer interest on the amount outstanding at 6% over the Bank of Spain base rate calculated from the date upon which the payment was due until the date on which it is actually received or the Yacht is resold;
- after six months of late payment, bring a legal action against the Buyer.

5.2 Delay in delivery

If the Seller wrongfully delays, neglects or refuses to deliver the Yacht to the Buyer, the Buyer may:

- in the first three months of delay, neglect or refusal of delivery withhold payment of the corresponding Deferred Price's instalment;
- between three and six months of delay of successful Sea Trial according to the Protocol (see Annex "4) Sea Trial Protocol"), request Liquidated Damages, pro rata of the three month period, being paid by the Seller to the Buyer not exceeding 10% of the Yacht price;
- after six months call for mediation for damages for non-delivery, determined by the estimated loss directly resulting, in the ordinary course of events, from the Seller's non-delivery of the Yacht, the latter not exceeding the amount already paid by the Buyer to the Seller.

5.3 Early termination



This Agreement shall be terminated by resale of the Yacht to a third party under clause 5.1 above or, at the Seller's option, it may be terminated after 183 days' delay on the part of the Buyer in making payment.

Additionally, the Seller reserves the right to cancel this Agreement in the event of a substantial and material risk that the Buyer is or shall imminently be incapable (financially or otherwise) to fulfil its material obligations under this Agreement.

On termination or cancellation under this Clause, the Seller shall be entitled to claim from the Buyer any loss and damage which they have sustained as a result of the resale or delay in payment due to them and to deduct the reasonable amount of such claim from any deposit or instalment that the Buyer has paid.

6 MISCELLANEOUS

6.1 Assignment

Neither of the Parties may directly or indirectly, fully or partially, assign the rights and obligations under this Agreement without the other Party's express prior written consent.

6.2 Severability

If a provision of this Agreement is deemed invalid, voidable or unenforceable, in whole or in part, the remaining provisions shall remain in full force and effect provided this does not lead to significant inequality in the positions of the parties.

6.3 Entire agreement

This Agreement constitutes the entirety of the agreement existing between the parties in relation to its subject matter. None of the Clauses of the Agreement is intended to confer any rights, remedies, obligations or responsibilities on any person other than the Parties.

6.4 Non-waiver

The failure by one party to require performance of any obligation under this Agreement at any time shall not imply nor may it be interpreted as a waiver of the right to require performance of such obligation in the future.

6.5 Amendment

Amendments to this Agreement (including its Schedules) shall be valid only if made in writing, with the signature of the authorised representative of each of the parties.

7 NOTICES

7.1 Formal Notices



All formal communications or notices within the framework of this Agreement shall be made in writing and may be delivered by hand, registered mail with return receipt, 'burofax' (content-certified letter with return receipt), messenger, email with proof of receipt (either issued by the addressee's email server or by way of another email) or any other means that provide confirmation of sending and receipt to the Party being notified at the address provided in this Clause or at any other address notified to the other Party pursuant to this Clause.

7.2 Addresses for Notices

Notices shall be sent to:

Seller:

For the attention of: Zero Emission Nautic S.L. – Mr. Matic Klemenc

Address: Calle Balmes 173, 4th floor, 08006, Barcelona, Spain

Email address: buy@zenyachts.com

Buyer:

For the attention of: [●]

Address: [●]

Email address: [●]

7.3 Change of Address

In order to take effect between the Parties, any change of address for service must be notified to the other Party at least ten (10) business days in advance by any one of the means provided in this Clause for the service of notices.

8 GOVERNING LAW AND JURISDICTION

8.1 Governing law

The parties expressly agree that this Agreement shall be governed by and construed in accordance with the laws of Spain.

8.2 Jurisdiction

The parties to this Agreement expressly waive personal jurisdiction and submit to the authority of the Courts of the city of Barcelona to adjudicate any dispute arising from the interpretation, performance or execution of this Agreement.

[Signature page follows]



In witness whereof, the parties have executed this Sales Agreement on this [●]_____ day of [●]_____, [●]_____.

Seller

Name: Julien Mélot – CEO
Place: Barcelona
Date: [●]

Signature: _____

Witness of Seller

Name: Matic Klemenc – Sales Director
Place: Barcelona
Date: [●]

Signature: _____

Buyer

Name: [●]
Place: [●]
Date: [●]

Signature: _____

Witness of Buyer

Name: [●]
Place: [●]
Date: [●]

Signature: _____

[Annex pages follows]



Annex

- 1) Specifications**
- 2) General Arrangement**
- 3) Warranty Conditions for your ZEN50**
- 4) Sea Trial Protocol**
- 5) Protocol of Delivery and Acceptance**
- 6) Representations & Warranties**
- 7) Customer Self-Declaration**