

Agreement for Sale and Purchase of a 2021 Elite AT43 Sports Sedan

BoatCo Elite-1 Limited

Ownaship Limited

Table of contents

Parties	1
Background	1
Agreement.....	1
1 Interpretation.....	1
2 Sale and Purchase of Vessel.....	3
3 Conditions Precedent	3
4 Completion.....	4
5 Risk.....	4
6 Clear Title	5
7 General Provisions	5
8 Warranties	6
Execution.....	7
Schedule 1	8

Agreement dated 26 May 2021

Parties

- 1 **Ownaship Limited** of 34 Bonnie Brae Road, Meadowbank, Auckland New Zealand, trading as 'Ownaship' ('**Seller**')
- 2 **BoatCo Elite-1 Limited** of 34 Bonnie Brae Road, Meadowbank, Auckland, New Zealand ('**Buyer**')

Background

- A The Seller has agreed to purchase the Vessel and certain assets associated with the Vessel from the Third-Party Seller pursuant to the Head Agreement.
- B The Seller intends to on-sell the Vessel to the Buyer.
- C The Buyer wishes to purchase the Vessel on the terms and conditions set out in this Agreement.

Agreement

1 Interpretation

1.1 Definitions

In this Agreement unless the context otherwise requires:

'**Agreement**' means this agreement including the background recitals and Schedule as may be amended pursuant to clause 7.3;

'**Completion**' means completion of the sale and purchase of the Vessel pursuant to this Agreement;

'**Completion Date**' means the date that is five Working Days after the vessel is delivered by the Seller fully completed into the water at Auckland;

'**Condition Date**' means the date set out in the Schedule or such other date as the parties agree in writing;

'**Conditions Precedent**' means the condition contained in clause 3.1;

'**Delivery**' means delivery of the Vessel to the Buyer in accordance with clause 4.2;

'**Encumbrance**' includes any present or future mortgage (including a ship's mortgage), charge, hire purchase or chattel lease agreement, pledge or lien, hypothecation, security interest, retention of title claim, preferential right or any other encumbrance of whatever nature;

'**GST**' means goods and services tax payable under the Goods and Services Tax Act 1985;

'**Issue Rate**' means the rate at which the Shares are offered pursuant to the Offer;

'**Head Agreement**' means the agreement details in the Schedule pursuant to which the seller has agreed to purchase the Vessel from the Third-Party Seller;

'Management Agreement' means the management agreement between the Buyer and the Seller;

'Offer' means the offer of the Shares to be made to prospective investors by the Buyer;

'PDS' means the product disclosure statement relating to the Offer to be prepared by the Seller;

'Purchase Price' means the purchase price set out in the Schedule;

'Shares' means 6 ordinary shares in the capital of the Buyer;

'Third-Party Seller' means the seller under the Head Agreement;

'Warranties' means the warranties set out in clause 8.1;

'Working Day' means a day (other than Saturday or Sunday) on which registered banks are open for business in Auckland; and

'Vessel' means the Vessel set out in the Schedule together with certain assets associated with it, details of which are set out in the Schedule.

1.2 **General construction**

In interpreting this Agreement the following rules must be applied unless the context otherwise requires:

- a **Currency:** References to currency and a reference to '\$' or 'dollar' are, unless otherwise stated, to New Zealand currency;
- b **Parties:** References to a party are to a party to this Agreement and include that party's executors, administrators, successors in title and permitted assigns;
- c **Periods of Time:** All periods of time include the day on which the period commences and also the day on which the period ends;
- d **Non-Working Day:** Any date which is not a Working Day, upon or by which anything is due to be done by any party, will be deemed to be a reference to the next Working Day;
- e **Joint Obligations:** All warranties, representations, indemnities, covenants, agreements and obligations given or entered into by more than one person will be deemed to have been given or entered into jointly and severally;
- f **Payment:** Any reference to or any obligation in this Agreement which requires payment of money will be a reference to, or deemed to include an obligation requiring, payment in immediately available cleared funds and requiring payment be made free and clear of all deductions or withholdings unless the deduction or withholding is required by law; and
- g **Number and gender:** Words importing the plural include the singular and vice versa and words importing one gender include the other genders.

2 Sale and Purchase of Vessel

2.1 Agreement

The Seller agrees to sell and the Buyer agrees to purchase the Vessel free from any Encumbrances on the terms and conditions set out in this Agreement.

2.2 Purchase Price

Subject to the provisions of clause 2.3, the Purchase Price shall be paid by an initial instalment of \$300,000 including GST, a second instalment of \$330,000 including GST, a third instalment of \$330,000 including GST and a final payment of \$594,000 including GST (comprising \$1,539,000 for the Vessel and \$15,000 for reimbursement of costs associated with the offer of Shares) on the Completion Date.

2.3 Issues of Shares

In the event that, on the Completion Date, there are Shares that have not been sold pursuant to the Offer ('**Unsold Shares**'), the Purchase Price shall be satisfied as follows:

- a an amount equal to the number of Shares that have been issued pursuant to the Offer multiplied by \$259,000 shall be paid by the Buyer to the Seller on the Completion Date; and
- b upon the issue of each of the remaining Unsold Shares, further amounts of \$259,000 shall be paid to the Seller (via the Buyer) within 5 Working Days of each issue by the eventual buyer of the Unsold Shares until such time as a total of 6 Shares have been issued and allotted and no Unsold Shares remain (at which point the Purchase Price shall have been met in full).

2.4 Buyer's Nominee

The Buyer shall have the right to nominate a third party to purchase the Vessel provided that the Buyer shall remain liable at all times for the obligations of such nominated party under this Agreement.

3 Conditions Precedent

3.1 Conditions

This Agreement is conditional upon completion of the Head Agreement.

3.2 Benefit of Conditions

The Condition Precedent in clause 3.1 has been inserted for the sole benefit of the Seller.

3.3 Termination

If the Condition Precedent has not been fulfilled or (to the extent that it is capable of waiver) waived by the Seller by the Condition Date, any party may by notice in writing to the other party at any time after the Condition Date terminate this Agreement. Upon such termination this Agreement will be of no effect, and any monies paid to the Seller on account of the Purchase Price must be refunded to the Buyer and, except as otherwise expressed or implied

in this Agreement, no party will have any claim against any other party arising under or in connection with this Agreement.

4 Completion

4.1 Day and Place

Completion must take place on the Completion Date at the offices of the Seller.

4.2 Transfer of Vessel

On the Completion Date, against satisfaction of the Purchase Price in accordance with clauses 2.2 and 2.3, the Seller must (with effect from the close of business on the Completion Date) transfer the Vessel into the possession and control of the Buyer. In particular, the Seller must procure the delivery of:

- a the Vessel to the location specified in the Schedule;
- b a duly executed bill of sale or such other document or other assurance as may be required by the Buyer to transfer title in the Vessel to the Buyer;
- c a complete inventory for the Vessel (which will include the equipment listed in the Schedule);
- d original copies of the Vessel's registration and/or title documents (if any);
- e copies of all suppliers' warranties, operating manuals, literature for onboard systems and equipment in the Seller's possession; and
- f the Vessel's owner's manual.

5 Risk

5.1 Prior to Completion

The Vessel will be the sole risk of the Seller in all respects until Completion.

5.2 Damage Prior to Completion

In the event that prior to Completion the Vessel is lost, destroyed or damaged and such loss, destruction or damage has not been made good by repair or replacement by the Completion Date, then the Buyer may:

- a complete the purchase for the Purchase Price, less a sum equal to the diminution in value of the Vessel; or
- b cancel this Agreement by notice in writing to the Seller whereupon the Buyer will be entitled to the return of any moneys paid by the Buyer to the Seller on account of the Purchase Price, and no party shall have any right or claim against the other parties.

5.3 Insurance

The Seller must procure that the Vessel is fully insured until Completion and must:

- a if required by the Buyer provide to the Buyer, on request, a true copy of the insurance policy held;

- b if required by the Buyer, on satisfaction of the Condition Precedent, obtain an endorsement of the Buyer's interest under this Agreement on the insurance policy; and
- c not change any policy to reduce the insurance cover or otherwise alter the terms of cover to the possible detriment of the Buyer.

5.4 **Takeover of Policies**

The Buyer will not be required to take over any insurance policies held by the Seller or the Third-Party Seller on the Completion Date.

6 Clear Title

6.1 **Title**

The Seller must on Completion give to the Buyer clear title to the Vessel free from all Encumbrances of whatever nature and will on Completion remove all security interests registered against the Vessel on the Personal Property Securities Register and/or any other register under which security interests are registered against the Vessel.

7 General Provisions

7.1 **Entire Agreement**

To the maximum extent permitted by law, this Agreement contains all of the terms, representations and warranties made between the parties and supersedes all prior understandings, discussions, correspondence and agreements (whether written or oral) covering the subject matter of this Agreement.

7.2 **Further Assurances**

Each party will, at its own expense and when requested by another party, promptly sign and deliver, execute, procure, pass and do all such further documents, acts, matters, resolutions and things as may be necessary or desirable for effecting the transactions contemplated by this Agreement.

7.3 **Amendments**

No amendment to this Agreement will be effective unless it is in writing and signed by all the parties.

7.4 **Waiver**

Failure to exercise or enforce or a delay in exercising or enforcing or the partial exercise or enforcement of any right, power or remedy provided by law or under this Agreement or under any of the documents delivered in connection with this Agreement by any party will not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement of that or any other right, power or remedy provided by law or under this Agreement or other document. Any waiver or consent given by any party under this Agreement will only be effective and binding on that party if it is given or confirmed in writing by that party. No waiver of a breach of any term of this Agreement will operate as a waiver of any subsequent breach of that term or of a breach of any other term of this Agreement.

7.5 Non-Merger

The agreements, obligations, indemnities and warranties contained in this Agreement will, notwithstanding any rule to the contrary, not merge on completion of the transactions contemplated by it but will remain in full force until satisfied.

7.6 No Assignment

No party may assign or be relieved of its rights or obligations under this Agreement without the prior written consent of all parties.

7.7 Time of Essence

Time will be of the essence in the performance by any party of its obligations under this Agreement.

7.8 Notices

Any notice given pursuant to this Agreement must be in writing and (with the exception of email) signed by a person duly authorised by the sender. Any such notice will be deemed to be validly given if personally delivered, posted, or forwarded by facsimile transmission or email to the address of the party set out in the Schedule or to such other address as the party to be notified may designate by written notice given to all other parties.

7.9 Costs

Except as may be otherwise provided in this Agreement, each party shall bear its own costs in relation to the negotiation, preparation, execution and performance of this Agreement.

7.10 Choice of Jurisdiction and Law

This Agreement will be governed by and construed in accordance with the laws of New Zealand and the Shareholders submit to the non-exclusive jurisdiction of the New Zealand Courts.

8 Warranties


- 8.1 In addition to any rights available to the Buyer under this Agreement, upon the passing of the title in the vessel from the Seller to the Buyer under this Agreement, the Buyer shall be entitled to all Allan Tong Boat Builders Guarantees applicable to the Vessel, (subject to the terms of that Guarantee) to which the Seller would have otherwise been entitled.

Execution

Signed for and on behalf of **Ownaship Limited**
by its sole director in the presence of:



Ownaship Limited


Witness signature 

Maria Taylor
Solicitor
Auckland

Signed for and behalf of **BoatCo Elite-1 Limited**
by its sole director in the presence of:



BoatCo Elite-1 Limited

Witness signature 

Maria Taylor
Solicitor
Auckland

Schedule 1

Name of Vessel:	TBA
Description of Vessel:	2021 Elite AT43 Sports Sedan
Equipment being sold:	As per the attached specification sheet
Purchase Price:	\$1,554,000 including GST (comprising of \$1,539,000 for the vessel and \$15,000 for reimbursements of costs associated with the offer of Shares)
Place of Delivery:	Westhaven Auckland
Condition Date:	1 December 2021
Addresses for Notices:	Seller: Email: Simon@ownaship.co.nz Attention: Simon Barker Buyer: Email: Simon@ownaship.co.nz Attention: Simon Barker
Head Agreement	Agreement between the Third-Party Seller and the Seller dated 4 November 2020

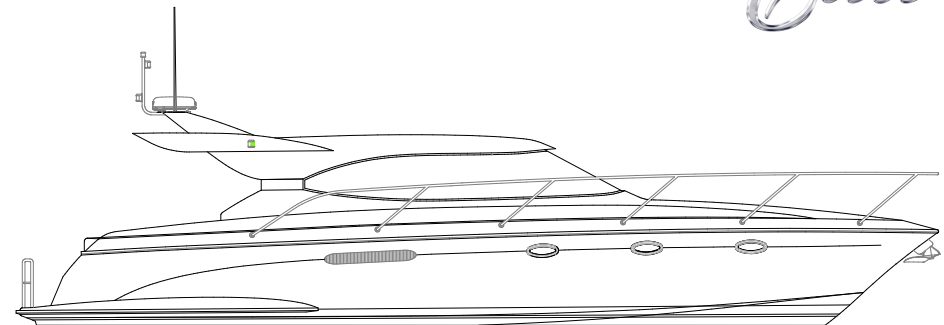


ELITE AT43 SPORT SEDAN STANDARD EQUIPMENT LIST — 2021

Designer	Bill Upfold - Elite Marine
Builder	Allan Tongs Boatbuilders
Length Overall	13.2 metres 43'3"
Beam	4.5 metres 14'7"
Draft	1.05m
Displacement <i>(depending on engines & options)</i>	10,500kg
Fuel Capacity <i>(depending on engines & options)</i>	1300L
Water Capacity	600L
Sleeping Capacity	6 persons

AT ALLAN TONGS
BOATBUILDERS

Elite



HULL, SUPERSTRUCTURE AND DECKS

Female moulded GRP with gelcoat finish to designers specification from polyester resin, fibreglass and foam cores. The outer skins on hull bottom will be laid with vinylester resin.

DECK HARDWARE

6 x 8" Mooring cleats
6 x Stainless steel chafe bars
2 x ¾" Fuel breathers
2 x ½" Water breathers
1 x ½" Holding tank breather
2 x 1 ½" Deck fillers water
2 x 1 ½" Deck fillers fuel
8 x South co exterior cupboard doors catches
1 x 500 x 500 Cule deck hatch
2 x 450 x 320 Cule deck hatches
32 mm Chrome brass belting
Stainless Steel hinges to exterior cupboard doors & hatches
6 x Stainless Steel rod holders
1 x 45lb galvanized Manson Supreme anchor
20 m 3/8" Short link galvanized chain
120 m x16mm Anchor warp
2 Gas stays to cockpit hatch
1 x Grohe Euroeco cockpit basin mixer
1 x Fibreglass cockpit basin
1 x Retractable shower hose & rose
1x Plancha BBQ

INTERIOR HARDWARE

1 x Grohe shower mixer
1 x Grohe sliding shower rose
1 x Grohe basin mixer
1 x Grohe galley mixer
1 x Stainless Steel under mount sink in galley

5 x Mobella interior cabin door latch sets
1 x Bathroom Mirror
Laminate galley and vanity benchtops
Hetich soft-close draw runners
1 x porcelain hand basin in vanity
1 Ultra flex steering wheel
Stainless Steel Force 10, 4 Burner hob oven & grill
Toilet tissue holder
2 x Towel rails
1 x Hand towel ring
Microwave

PLUMBING

Johnson or Flo jet 17 LPM Fresh water pump
Johnson or Flo jet 17 LPM Salt water wash down pump
Johnson or Jabsco shower drain pump
3 x 2000 GPH Bilge pumps
3 x float switches
Sealand or Jabsco quiet flush electric toilet
Sealand 150 litre holding tank, discharge pump, level indicator & vent filter
Y Valve to direct overboard discharge
80 Litre hot water cylinder (Heated by engine and 230V element)
Skin fittings, ball valves, elbow, and tails
Full length 40mm grey water discharge pipe
All hoses rubber and plastic with Stainless Steel hose clamps or bolt clamps
Cockpit and foredeck salt water wash down valve & connector
Domestic plumbing in polybutylene
Removable trap to shower
2 x Hercules polypropylene fuel tanks

2 x Hercules polypropylene water tanks

ELECTRICAL

Maxwell Windlass

2 x deck switches

Auto anchor / chain meter

Shore power entry socket and lead

BEP 36 way digital DC circuit breaker panel

BEP 6 way AC circuit breaker panel

BEP Matrix systems in operation panel

BEP gas detector & LPG solenoid valve

Jabsco search light 146 SL

Bennet trim tab rams with auto retract & gauges

3 x Exalto 223 NM wiper motors

3 x Exalto 600mm wiper arms & blades

Victron 12/3000/120 pure sine wave inverter / charger

LED light fittings

Navigation lights

Sacrificial zinc anode

Galvanic isolator

Marco horn

2 x CM 1100 Engine start battery

6 x R 232 House batteries

Electrical system all 12 volt

All electrical wiring tinned

Fusion C/D Player, FM /AM Radio, mp3

4 x Sony Xplode 6 ½" two way speakers

2 x Pioneer exterior marine speakers

6 x Dashboard switches

3 x Battery master switches.

Smart Regulator

LED television - including lifter

SOFT FURNISHINGS

Saloon settees & helm seat in fabric

Sleeping squabs Draylon

Deck head panels – foam padding vinyl covered

Carpet solution dyed Nylon

Windscreen cover

Cockpit seating

ENGINEERING

1 x Cummins QSC 8.3 marine diesel engine at 600 HP

ZF 286A 2:1 Reduction gearbox

Flexible mounts

Wiring loom, oil & coolant

Engine exhaust in 150mm GPR tubes constructed with Hetron 197 resin with

Antimony Trioxide, GRP water lock & 200mm GPP tubes from water lock to

Under water GRP outlet

56mm 2205 Avesta Propeller shaft

GRP shaft tube with cutlass rubber bearing

Chatfield blue water shaft seal

Cast bronze P bracket strut with cutlass rubber bearing

ZF Faster Propeller

56mm 2205 Avesta rudder stock with cast bronze blade

Cast bronze tiller arm

GRP rudder port

Chatfield elite rudder seal

Ultraflex steering cylinder

Ultraflex Hydrive helm pump

Shaft anode
Racor MA2 900 fuel filter
62mm Vetus cooling water strainer
12mm Fuel mag
Rubber fuel piping and ball valves
R & D Flexible coupling
Engine room sound installation
Bow thruster Maxpower CT80
Stern thruster CT80

ELECTRONICS

2 x Ray Marine 12" touchscreens
 Simrad · colour depth sounder
 Simrad · colour chart plotter
 Simrad · autopilot
 Simrad · VHF
 Simrad · wind instruments
Anchor Camera

STAINLESS STEEL

Deck rail
Anchor roller fitting
Boarding Platform ladder
Navigation light post
Chafe Bars
2 Table legs

GLAZING

Windscreen 5 facet 8mm clear toughened glass
Side windows 6mm tinted toughened glass - Forward portion sliding
Cockpit bulkhead windows 6mm tinted toughened glass
6 x Lewmar ss/acrylic opening hull ports
Cockpit bulkhead - Aluminium framed sliding door and vertical opening pillar-less electrically operated window.

REFRIGERATION

1 x Stainless steel freezer cabinet driven by 12 volt Dometic water cooled condensing unit.
Mitsubishi 306L 230 volt Fridge/Freezer

MISCELLANEOUS

Sign writing computer cut vinyl letters
3 x 2.5 KG alloy gas bottles
Camfil vane separators engine room air grills

PAINTING

Boot top stripe
Hull stripe stick on tape
Interior surfaces finished with International reaction lacquer semi gloss
Varnished surfaces finished with Capritane G50 clear
Bottom anti-foul

EXTRAS

Twin engine drive train
Twin propellers
2 Volvo D6 440 HP Diesel Engines
Laid teak to cockpit sole and platform
Himax solid surface to galley bench
Himax solid surface to vanity bench
4 x 145 watt juice solar panels, 2x 300 amp regulators IP67 connectors and installation
2 additional R235 Endurant lead / acid batteries giving a total of 940AH
Leather upgrade
Platform addition
Cockpit controls
Platform addition
Thruster joy stick and loom
Duel heater
Auto electric 12V water maker
Mercury 3.3 HP outboard
Dinghy
Safety gear
Extended Volvo engine warranty
Cutlery, bedding etc.
WIFI