

## Warranty of Title

This Warranty of Title is made on [date], by [Seller's name], a[n] [Seller's status] ("**Seller**"), and [Principal's name], an individual ("**Principal**"), to [Buyer's name], a[n] [Buyer's status] ("**Buyer**").

## Background

- i. Buyer and Seller entered into a [Purchase and Sale Agreement for Brokerage Vessel] dated [date] (as amended, the "**Agreement**"), with respect to the vessel "[name]," a [year], "[make]," [LOA]-foot motor yacht, [flag state] official number [ON], and her included tenders, equipment, and inventory (collectively, the "**Vessel**").
- ii. The Agreement requires Seller and Principal, who has an interest in the transaction, to make certain representations and warranties regarding the Vessel.

In consideration of Buyer's entering into and performing under the Agreement, Seller and Principal agree as follows:

1. **Representations, Warranties, and Agreements.** Seller and Principal, jointly and severally ("**Warrantors**"), represent, warrant, and agree as follows:
  - a. **Seller's Status and Authority.** Seller is in good standing under the laws of [Seller's jurisdiction] and has full power and authority to sell and deliver the Vessel to Buyer in accordance with the Agreement.
  - b. **Ownership and Registration.** Seller is the Vessel's sole owner. The Vessel is currently and validly registered in Seller's name with [flag state]. The Vessel is not registered in any other registry or system anywhere in the world. Principal is the sole beneficial owner of Seller and the Vessel.
  - c. **Good and Marketable Title.** Buyer will receive good and marketable title to the Vessel free from any lien, claim, or encumbrance of any kind. No person or entity is owed for any goods or services provided to the Vessel. The Vessel's crew have been paid in full, including, without limitation, any severance due. The Vessel is not obligated to any future claimants, including, without limitation, any charterer. No contract, tort, or other claims have been, or, to the best of Seller's knowledge, could be, asserted against the Vessel. No judgment has been entered against the Vessel that remains unsatisfied.
  - d. **No Government Actions.** There are no proceedings or investigations pending or threatened against Seller or the Vessel before any government body. Seller has received no notice that it has failed to comply with any law or regulation applicable to it or the Vessel. Seller owes no taxes, fines, or penalties relating to the Vessel.
  - e. **Legality and Approvals.** Seller's sale of the Vessel will not violate any law applicable to Seller or any agreement to which Seller is a party. Seller does not

require the approval of any government body or the consent or joinder of any other person or entity to sell the Vessel in accordance with the Agreement.

- f. Payment Instructions.** Any payment instructions provided by Principal, or at Principal's direction, are true and correct, and Buyer's payment of the purchase price in accordance with such instructions will discharge Buyer's payment obligations under the Agreement notwithstanding the fact that the account may be in a name other than Seller's or Principal's.

Warrantors represent and warrant that the above statements are true as of the date of this Warranty of Title and agree that the above statements will be true when Seller delivers the Vessel to Buyer in accordance with the Agreement. Warrantors acknowledge that (i) this Warranty of Title is made to induce Buyer to purchase the Vessel; (ii) Buyer would not purchase the Vessel without this Warranty of Title; (iii) Buyer is justified in relying on this Warranty of Title; and (iv) Warrantors have received adequate consideration for this Warranty of Title.

## **2. Indemnity.**

- a. Scope of Indemnity.** Warrantors shall indemnify and defend Buyer against any loss, liability, claim, or cause of action arising from any breach of Warrantors' representations, warranties, and agreements in Clause 1 above, including, without limitation, the following:
  - i. any attorney's fees, court costs, and other expenses incurred by Buyer in any proceeding or arbitration arising from any claim for which Buyer is entitled to indemnification;
  - ii. any costs incurred by Buyer in connection with the arrest or detention of the Vessel in any jurisdiction as a result of any claim for which Buyer is entitled to indemnification; and
  - iii. any attorney's fees and costs incurred by Buyer to enforce this Warranty of Title.
- b. Procedure for Indemnification.** Buyer shall notify Warrantors if Buyer becomes aware of any claim, or any facts or circumstances that could give rise to a claim, for which Buyer is entitled to indemnification. Buyer may defend any such claim at its expense, in which case Warrantors shall pay any attorney's fees and costs reasonably incurred by Buyer in doing so. Alternatively, Buyer may, at its option, require Warrantors to defend any such claim at Warrantors' expense with counsel reasonably acceptable to Buyer.
- c. Conduct of Defense.** If Warrantors assume the defense of a claim under Clause 2(b) above, Warrantors may defend and settle such claim as they see fit, provided that any settlement (i) provides as the claimant's sole relief payment of money damages, which are paid in full by Warrantors; (ii) requires the claimant to release the Buyer from any liability such claim; and (iii) entails no admission of

wrongdoing by Buyer. Buyer shall allow Warrantors to defend any such claim in its name and shall give Warrantors any assistance that Buyer reasonably considers necessary or convenient to defend any such claim.

3. **Waiver of Defenses.** Warrantors' liability under this Warranty of Title will not be affected by any bankruptcy, insolvency, reorganization, or other event with respect to Warrantors, or any change in circumstances, foreseen or unforeseen, that constitutes a defense or legal or equitable discharge of a guarantor or surety. Warrantors hereby unconditionally and irrevocably waive any such defense and any right to revoke this Warranty of Title for any reason.
4. **Process Agent.** Warrantors hereby irrevocably appoint the following attorney, licensed in the State of Florida, as their agent for service of process and other related documents under this Warranty of Title:

Alley, Maass, Rogers & Lindsay, P.A.  
340 Royal Poinciana Way – Suite 321  
Palm, Beach, Florida 33480

This appointment will remain in effect for at least three years after Seller delivers the Vessel to Buyer, provided that Warrantors will remain fully liable under this Warranty of Title after the end of such period.

5. **Binding Effect.** This Warranty of Title will bind Warrantors' respective heirs, successors, and assigns. Any rights given to, or duties imposed upon, the estate of a deceased party will inure to the benefit of, and be binding upon, the fiduciary of the decedent's estate in his fiduciary capacity. Buyer's rights against Warrantors under this Warranty of Title will inure to Buyer's assigns, including any subsequent purchaser of the Vessel.
6. **Governing Law; Dispute Resolution.** The terms of the Agreement regarding governing law, dispute resolution, attorney's fees, and litigation costs apply to this Warranty of Title together with any necessary conforming changes.

[Seller's signature block]

[Principal's signature block]

[notarial acknowledgement]