

PURCHASE AGREEMENT (DRAFT)

Ventspils, date is available on the time stamp.

Ventspils State City Municipality (hereinafter referred to as the Ventspils Municipality), single registration number 40900038010, on basis of Clause 3 of the decision of the Municipal Council No. 142 “On the Alienation of the Hopper DZELME” of 28 August 2025 represented by the Head of the Ventspils State City Municipality Municipal Institution “Ventspils Osta”, single registration number 40900035086, legal address 23 Oostas Street, Ventspils, Imants Sarmulis, as the seller (hereinafter referred to as the Seller), on one side, and

_____, registration number _____, legal address _____, represented by _____, as the buyer (hereinafter referred to as the Buyer, but both together referred to as the Parties), on the other side,
on basis of the decision of the Municipal Council No. 142 “On the Alienation of the Hopper DZELME” of 28 August 2025, and on basis of the decision of the Municipal Council No. 59 “On the starting price of the fourth auction of the Hopper DZELME” of 12 May 2026 Auction of alienation of the hopper DZELME with IMO No. 8871273 of _____ 2026 and the Auction Certificate No. _____ of _____ 2026, hereinafter referred to as the Auction,
conclude the following agreement (hereinafter referred to as the Agreement) about the following:

1. Subject of the Agreement

- 1.1. The Seller sells to the Buyer, but the Buyer buys from the Seller the hopper DZELME, IMO No. 8871273 owned by the Seller, hereinafter referred to as the Ship.
- 1.2. Hopper DZELME, IMO No. 8871273, registered in the Latvian Ship Register on 10 July 2025 as property of the Ventspils Municipality.
- 1.3. Information regarding the Ship:
 - 1.3.1. Name of the Ship: DZELME
 - 1.3.2. Registration number of the Ship in the Latvian Ship Register: 1034
 - 1.3.3. Registration date of the Ship in the Latvian Ship Register: 25.11.1993.
 - 1.3.4. Type of the Ship: hopper
 - 1.3.5. IMO: 8871273
 - 1.3.6. Call sign: YLMS
 - 1.3.7. Port of registration: Ventspils
 - 1.3.8. Year built, place built: 1979, USSR
 - 1.3.9. GT/NT: 1435/430.

2. Purchase Price and Payment Order

- 2.1. The vessel is sold for the purchase price of _____ EUR, hereinafter referred to as the Purchase Price. The Purchase Price does not include value added tax. The Buyer shall pay value added tax in addition to the Purchase Price in accordance with the procedure specified in the laws and regulations. *If the buyer is registered in a European Union member state as a value added taxpayer, then in accordance with Article 194 of the European Union Council*

Directive 2006/112/EC on the common system of value added tax, the Buyer is responsible for paying value added tax (reverse charge).

- 2.2. The Buyer has paid the Purchase Price to the Seller on _____ 2026, pursuant to the invoice issued.
- 2.3. When issuing the purchase invoice, the Seller shall take into account the Security Deposit paid by the Buyer. The Security Deposit in amount of EUR 65 590 EUR (sixty-five thousand five hundred ninety *euro*), which the Buyer paid before the Auction held on _____ 2025, is included in the Purchase Price.
- 2.4. By signing the Agreement, the Parties confirm that they are aware of the value of the Ship that is being sold and bought and waive any claims against each other at the moment and in the future regarding cancellation of the Agreement or change of the Purchase Price due to disproportionate losses.
- 2.5. The Buyer confirms and guarantees that all financial resources used within the framework of this Agreement for the purchase of the Ship have been obtained by lawful means, are of legal origin, and are not related to money laundering, financing of terrorism, or other illegal transactions.

3. Confirmations and Liabilities of the Seller and the Buyer

- 3.1. The Seller confirms that the Ship has not been alienated to third parties, has not been gifted, pledged, is not subject to any legal disputes, no transactions have been concluded with third parties in respect thereof, and also until the Buyer's ownership rights are secured, it will not be alienated, leased, pledged, encumbered with obligations, subject to recovery, nor it will be subject of a dispute.
- 3.2. The Seller confirms that they assume full responsibility for the payment of taxes and duties that may arise in connection with receipt of the Purchase Price.
- 3.3. The Seller confirms that they have no tax debts that would prevent the Buyer from registering their ownership rights in the Latvian Ship Register.
- 3.4. The Buyer confirms that they have got acquainted with the actual condition of the Ship and agree to purchase it in the condition and with the equipment it has at the time of signing of the present Agreement.
- 3.5. The Buyer shall submit all documents to the Latvian Maritime Administration and register change of ownership of the Ship registered in the Latvian Ship Register within 10 (ten) working days from the date of conclusion of the present Agreement.
- 3.6. The Buyer shall cover all expenses and costs related to the reregistration of the Ship on the Buyer's name/registration of the change of ownership of the Ship.
- 3.7. From the date of conclusion of the present Agreement, all obligations and rights related to the Ship, tax payments, the risk of total or partial loss of the Ship, as well as the obligation to cover all costs and expenses related to the Ship shall pass to the Buyer.
- 3.8. The Buyer shall assume all obligations and expenses related to storage and maintenance of the Ship at its location from the date of conclusion of the present Agreement, as well as the transportation of the Ship to another location chosen by the Buyer.

4. Transfer of the Ownership Rights and Handing Over of the Ship

- 4.1. The Buyer shall acquire ownership rights to the Ship upon registration of ownership rights in the Latvian Ship Register.
- 4.2. The Parties shall sign the transfer and acceptance certificate regarding the Ship, and the Buyer shall take over the Ship not later than 5 (five) working days from the date of conclusion of the present Agreement.
- 4.3. Location and place of handing over of the Ship to the Buyer is Ventspils, Latvia.

5. Right of Withdrawal and Contractual Penalty

- 5.1. If the Buyer fails to take over the Ship or register the change of ownership of the Ship in accordance with provisions of the present Agreement, the Seller shall be entitled to unilaterally withdraw from the Agreement without a prior notice to the Buyer.
- 5.2. If the Seller exercises their right of withdrawal, the Buyer shall lose the Security Deposit in amount of EUR 65 590 EUR (sixty-five thousand five hundred ninety *euro*) paid by the Buyer prior to the auction held on _____ 2026.
- 5.3. The Parties agree that in case of failure to execute the obligations for which a specific term is provided for in the present Agreement (including in the case specified in Clause 3.5 of the Agreement), the Parties shall be entitled to apply default interest of 0.1% of the Purchase Price for each day of delay. Payment of the default interest shall not release the Parties from execution of their contractual obligations.

6. Term of the Agreement and Resolution of Disputes

- 6.1. The Agreement shall enter into force on the date when it is signed and shall remain in force until the obligations specified in the Agreement have been completely executed.
- 6.2. The Agreement might be terminated before expiry, if:
 - 6.2.1. the Parties have agreed on that in writing.
 - 6.2.2. the Seller exercises the unilateral right of withdrawal referred to in Clause 5.1 of the present Agreement.
- 6.3. The Parties agree that any dispute arising from the Agreement that the Parties cannot resolve by peaceful negotiations shall be reviewed by a court of the Republic of Latvia in accordance with the laws and regulations valid in the Republic of Latvia.
- 6.4. The Parties undertake to make every effort to immediately prepare new documents or make corrections to the existing documents if such additional documents or corrections to documents are necessary to confirm the Buyer's ownership rights to the Ship. The expenses related to preparation of additional documents or corrections shall be covered by the Buyer.

7. Final Provisions

- 7.1. All legal relations not specified in the Agreement and related to execution of the Agreement shall be governed by the laws and regulations valid in the Republic of Latvia on the date of signing of the present Agreement.
- 7.2. All notices, letters and other documents sent in relation to the Agreement by registered (recorded) mail to the Seller's address or electronically (signed with a secure electronic signature) to the Seller's e-mail address ventspils.osta@ventspils.lv and the Buyer's legal address or electronically (signed with a secure electronic signature) to the Buyer's e-mail address _____ shall be deemed to have been received by the Parties on the 3 (third) day after they have been sent by e-mail or handed over to the postal service provider.
- 7.3. Amendments and additions to the Agreement shall be valid if drawn up as an additional covenant to the Agreement and signed by the Parties. The additional covenant shall be attached to the Agreement and become an integral part of the Agreement.
- 7.4. The Agreement shall be binding to legal successors and assignees of the Parties.
- 7.5. The Agreement is drawn up on 3 (three) pages and signed with a secure electronic signature. *or* The Agreement has been drawn up and signed in the Latvian (and English) language on 3 (three) pages, in 3 (three) counterparts having equal legal force, with one counterpart retained by each Party and one counterpart submitted to the Latvian Ship Register.

8. Signatures of the Parties

SELLER	BUYER
On behalf of the Ventspils State City Municipality: Ventspils State City Municipality Municipal Institution "Ventspils Osta" Single Registration No. 40900035086 Legal address: 23 Ostas Street, Ventspils, LV-3601 Head: Imants Sarmulis	

THIS DOCUMENT IS SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND CONTAINS A TIME STAMP