



ESCROW AGREEMENT

STANDARD DEPOSIT ESCROW AGREEMENT FOR SHIP SALE AND PURCHASE

1. Date of this Agreement	2. Date of Memorandum of Agreement (MOA)
3. Sellers (i) Name: (ii) Address: Click here to enter text. (iii) Telephone number: (iv) Email address:	4. Sellers' Authorised Representatives (Name, Nationality, Passport/Identity Card Number)
5. Buyers (i) Name: (ii) Address: Click here to enter text. (iii) Telephone number: (iv) Email address:	6. Buyers' Authorised Representatives (Name, Nationality, Passport/Identity Card Number)
7. Deposit Holder (i) Name: (ii) Address: (iii) Telephone number: (iv) Email address:	8. Deposit (state amount and currency)
9. Deposit Account (i) Bank: (ii) Address: (iii) Account Name: (iv) Account Number: (v) IBAN: (vi) SWIFT/BIC: (vii) Payment Reference:	10. Vessel (i) Name: (ii) IMO number: Click here to enter text. (iii) Flag State: Click here to enter text.
11. Banking Days' Jurisdiction(s)	
12. Deposit Holder's Fee (Sellers' share) Amount: Plus per cent (sales tax)	13. Deposit Holder's Fee (Buyers' share) Amount: Plus per cent (sales tax)
14. Governing law (Cl. 14(a))	15. Exclusive jurisdiction (Cl. 14(b))

Standard Deposit Escrow Agreement for Ship Sale and Purchase

1 The Sellers and the Buyers have entered into the MOA identified in Box 2 for the sale of the Vessel stated in Box
2 10 and have agreed that the Deposit shall be held by the Deposit Holder on behalf of the Sellers and the Buyers
3 in accordance with the terms of this Agreement.

4 **1. Definitions**

5 **Banking Days** means days on which banks are open for business in the jurisdictions named in the MOA and in
6 any additional jurisdictions stated in Box 11.

7 **Buyers** means the party stated in Box 5.

8 **Deposit Holder** means the party stated in Box 7.

9 **Deposit** means the amount stated in Box 8.

10 **Deposit Account** means the account stated in Box 9.

11 **Sellers** means the party stated in Box 3.

12 All other capitalised terms used in this Agreement shall have the same meaning as in the MOA.

13 **2. Appointment of the Deposit Holder**

14 The Sellers and the Buyers hereby appoint the Deposit Holder to hold the Deposit in accordance with this
15 Agreement, and the Deposit Holder accepts its appointment hereunder.

16 **3. Documentation**

17 The Deposit Holder shall not be obliged to open the Deposit Account or to accept payment of the Deposit until
18 the Deposit Holder has received in form and content acceptable to it, the following:

- 19 (a) a copy of the MOA signed by the Sellers and the Buyers;
- 20 (b) this Agreement duly signed either in original or by email;
- 21 (c) any application forms or bank mandates relating to the opening and operation of the Deposit Account required
22 by the Deposit Holder;
- 23 (d) a copy of the certificate of incorporation and memorandum and articles of association or equivalent
24 constitutional documents of both the Sellers and the Buyers;
- 25 (e) any documentation necessary to satisfy the Deposit Holder's 'Know-Your-Customer' (KYC) policies; and
- 26 (f) any other information reasonably required by the Deposit Holder.
- 27 (g) Immediately upon opening of the Deposit Account the Deposit Holder shall notify the Sellers and the Buyers that
28 it is ready to receive the Deposit.
- 29 (h) If the Deposit Holder does not receive the above documentation within five (5) Banking Days from the date of
30 this Agreement the Deposit Holder may terminate this Agreement by written notice to the Sellers and the
31 Buyers. Such termination shall be without liability to either the Sellers or the Buyers and without prejudice to
32 any rights of the Deposit Holder under this Agreement.

33 **4. Payment of Deposit**

- 34 (a) The Buyers shall transfer the Deposit to the Deposit Account in accordance with the MOA, without deduction,
35 withholding or set-off unless obliged to do so, in which case the amount to be transferred to the Deposit Holder
36 shall be increased to the extent necessary to ensure the Deposit Holder receives the Deposit in full.

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37 (b) The Deposit Holder shall notify the Sellers and the Buyers immediately upon receipt of funds and if the Deposit is
38 not received in full.

39 5. Release of the Deposit

40 (a) The Deposit Holder shall release the Deposit and interest, if any, on receipt of either:

41 (i) a Letter of Instruction in the form attached as Annex A signed by an authorised representative of each of
42 the Sellers and the Buyers; or

43 (ii) a final and unappealable award or final and unappealable judgment of any competent court, tribunal or
44 arbitration panel.

45 (b) Any bank charges incurred in releasing any funds from the Deposit Account shall be for the account of the party
46 receiving those funds.

47 6. Responsibilities of the Deposit Holder

48 (a) The Deposit Holder shall hold and deal with the Deposit in accordance with the terms of this Agreement. Unless
49 stated otherwise the Deposit Holder owes no duty, obligation or responsibility whatsoever (whether express or
50 implied) to either the Sellers or the Buyers or any other person.

51 (b) The Deposit Holder shall not be liable for any loss, liability, damages, costs or expenses arising out of or in
52 connection with the performance of its obligations under this Agreement unless caused by its negligence or
53 wilful misconduct.

54 (c) In any event, the Deposit Holder shall not be liable for:

55 (i) any loss of business, loss of goodwill, loss of opportunity or loss of profit; nor

56 (ii) any loss whatsoever deemed consequential or indirect under applicable law.

57 (d) The Sellers and the Buyers shall jointly and severally indemnify the Deposit Holder against any loss, liability,
58 damages, costs or expenses, (including legal expenses) howsoever arising in relation to this Agreement or the
59 Deposit.

60 (e) The Deposit Holder shall keep the Deposit separate from the Deposit Holder's own funds at all times and fully
61 identifiable as being held as deposit only for the Sellers and the Buyers.

62 (f) The Sellers and the Buyers acknowledge that any payment by the Deposit Holder from the Deposit Account will
63 be made as soon as reasonably practicable after receipt by the Deposit Holder of instructions in accordance with
64 Clause 5 (Release of the Deposit). All payments shall be made by way of telegraphic transfer.

65 (g) The Deposit Holder's obligations in relation to any particular payment required to be made in accordance with
66 this Agreement shall be fully discharged when the Deposit Holder has initiated the payment of the required
67 amount to the relevant payee's account.

68 (h) The Deposit Holder shall have fulfilled its obligations under this Agreement when payment of all amounts
69 (including interest) in the Deposit Account have been initiated.

70 7. Deposit Holder's Fees

71 At the same time as the Buyers pay the Deposit to the Deposit Account, the Buyers shall also pay the amount
72 plus any sales tax stated in Box 13 which the Deposit Holder is authorised to deduct from the Deposit Account in
73 settlement of the Buyers' share of the Deposit Holder's Fee. The Deposit Holder is authorised to deduct from the
74 first payment it makes to the Sellers the amount plus any sales tax stated in Box 12 in settlement of the Sellers'
75 share of the Deposit Holder's fee. If no payment is made to the Sellers the Deposit Holder may invoice the Sellers
76 directly for its share of the Deposit Holder's Fee.

77 8. Notices

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78 All notices under this Agreement shall be given in writing to the email addresses stated in Boxes 3, 5 and 7, as
79 the case may be.

80 **9. Variations**

81 This Agreement may be amended at any time only by and upon the written agreement of each of the Deposit
82 Holder, the Sellers and the Buyers.

83 **10. Counterparts**

84 This Agreement may be executed in any number of separate counterparts, each of which is an original but all of
85 which together shall constitute one and the same instrument.

86 **11. Third Party Rights**

87 This Agreement is not intended, and shall not create, any third party beneficiaries or rights in any third parties
88 and the provisions of the Contracts (Rights of Third Parties) Act 1999 are expressly excluded.

89 **12. Invalidity**

90 If one or more of the provisions of this Agreement is or becomes invalid, illegal or unenforceable the validity,
91 legality and enforceability of the remaining provisions of this Agreement shall not be in any way affected or
92 impaired thereby.

93 **13. Entire Agreement**

94 This Agreement comprises the entire agreement between the Deposit Holder, the Sellers and the Buyers and
95 supersedes all previous agreements whether oral or written between the parties.

96 **14. Law and Jurisdiction**

97 (a) This Agreement shall be governed by and construed in accordance with the law of the country stated in Box 14.
98 If Box 14 is left blank, then English law shall apply.

99 (b) The parties submit to the exclusive jurisdiction stated in Box 15. If Box 15 is left blank, then the exclusive
100 jurisdiction of the courts of England and Wales shall apply.

101 This Agreement has been executed on the date stated in Box 1.

102 **SIGNED by** _____
103 For and on behalf of the Sellers

104

105 **SIGNED by** _____
106 For and on behalf of the Buyers

107

108 **SIGNED by** _____
109 For and on behalf of the Deposit Holder

110

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Annex A – Letter of Instruction

To:

Reference is made to the Memorandum of Agreement dated between ourselves as Sellers and Buyers respectively, relating to the sale of the Vessel and the Escrow Agreement dated between you as Deposit Holder and ourselves.

In accordance with the terms and conditions of the Escrow Agreement, we hereby jointly and irrevocably instruct you to pay the following amount from the Deposit Account to the account as specified below:

Amount:
Bank:
Address:
Account Name:
Account Number:
IBAN:
SWIFT/BIC:
Payment reference:

Interest accrued on the Deposit, if any, shall be returned to the Buyers.

Dated:

SIGNED by _____

For and on behalf of the Sellers

Name:

SIGNED by _____

For and on behalf of the Buyers

Name: