

## WATERCAR PURCHASE AGREEMENT

This Purchase Agreement is entered into between WaterCar, Inc. (hereinafter called "WaterCar, Inc." or "Seller"), and (\_\_\_\_\_ (hereinafter called "Buyer").

Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, upon the terms and conditions hereinafter stated, the following: Model- WaterCar Panther Complete Custom (hereafter "Panther").

The purchase price for the Panther is \$ \_\_\_\_\_ (hereafter the "Purchase Price").

Now, therefore, in consideration of the mutual covenants set forth herein and other good and valuable consideration, Seller and Buyer agree as follows:

### **Section 1 DEPOSIT**

1.1-The Buyer shall pay to Seller a deposit of 50% of the purchase price at the time this Purchase Agreement is executed. The deposit less a \$1000 processing fee is refundable only if the Buyer notifies the Seller in writing of cancellation of the order prior to the start of actual production of the Panther.

### **Section 2 DELIVERY NUMBER**

2.1- Upon receipt of a signed Purchase Agreement, WaterCar, Inc. will assign buyer a delivery number. Delivery numbers are assigned on a next deposit, next delivery basis and are subject to prior commitment and availability as determined by WaterCar at its sole discretion.

### **Section 3 PRICE and PAYMENT SCHEDULE**

3.1-At delivery, all prior deposits and payments shall be applied to the Purchase Price provided Buyer completes the purchase.

3.2-The Purchase Price is exclusive of any sales or use tax, value-added tax, duties, registration fees or any charges that may be levied by government authorities in connection with the purchase, sale, transfer, use, registration, export, or import. Taxes required by law to be collected at the point of sale will be collected by WaterCar, Inc. Buyer agrees to report and pay or reimburse WaterCar, Inc. for payment of all applicable federal, state and local taxes arising from the sale of the Panther.

### **Section 4 TERMINATION**

4.1-WaterCar, Inc. may terminate this Purchase Agreement for cause upon written notice to

Buyer if buyer fails to make any payments in a timely manner or otherwise fails to comply with this Purchase Agreement.

## **Section 5 TITLING/REGISTRATION**

5.1-WaterCar, Inc. is a manufacturer of custom amphibious vehicle components. WaterCar, Inc. does not and cannot represent or ensure that the components you purchase will comply with any or all federal laws, individual state laws, or local laws for the Panther's use. Please understand your state and local laws and requirements before purchasing any components from WaterCar, Inc.

## **Section 6 SHIPPING**

6.1-All sales from WaterCar, Inc. are made FOB Fountain Valley California, for shipment to the Buyer at a location outside the State of California as designated by the Buyer. The shipment to a location outside California shall be by common carrier, contract carrier, customs broker, or forwarding agent. WaterCar, Inc. will not deliver the shipment to the Buyer or the Buyer's representative at a location in California except as provided above.

6.2-The Buyer is responsible for arranging shipment to a location outside California and for paying all freight and shipping charges.

## **Section 7 DAMAGES**

7.1-WaterCar is not responsible for freight damages. Report all damage incidents to the shipping company.

## **Section 8 LIMITATION of LIABILITY**

8.1-NOTWITHSTANDING ANYTHING TO THE CONTRARY, THE MAXIMUM LIABILITY WATERCAR, INC. SHALL HAVE TO BUYER FOR ANY BREACH OF THIS PURCHASE AGREEMENT SHALL BE A FULL REFUND OF THE DEPOSIT MADE BY BUYER. IN NO EVENT SHALL WATERCAR, INC. BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, PUNITIVE, INCIDENTAL OR SPECIAL DAMAGES ARISING OUT OF OR RELATING TO THIS DEPOSIT AGREEMENT.

## **Section 9 GOVERNING LAW AND VENUE**

9.1-This Purchase Agreement shall be governed by the laws of the State of California. Any and all disputes between the Parties shall be resolved through arbitration conducted by the American Arbitration Society in Orange County in the State of California. If any part of the Purchase Agreement or any of its terms and conditions are not valid, all other parts, terms, and conditions will remain valid. WaterCar, as seller, may delay or refrain from enforcing any of its rights under the Purchase Agreement with losing them.

## **Section 10 DISCLAIMER OF WARRANTY**

10.1-Except as may be specified in writing, WaterCar, Inc. makes no warranties of any kind, expressed or implied, relating to any products it offers for sale. Moreover, it is expressly understood that unless a statement in writing, is specifically identified as a warranty, any information or statements contained in any sales literature, catalog, brochure, or agreement are not express warranties and do not form a part of the basis of the transaction, but are merely WaterCar, Inc.'s opinion or commendation of its products.

10.2-THERE IS NO EXPRESS WARRANTY AS TO ANY OF WATERCAR, INC.'S PRODUCTS AND WATERCAR, INC. MAKES NO WARRANTY AGAINST BLATANT DEFECTS NOR MAKES ANY WARRANTY OF MERCHANTABILITY OF THE GOODS OR OF THE FITNESS OF THE GOODS FOR ANY PARTICULAR PURPOSE.

While WaterCar, Inc.'s products are thoroughly tested, WaterCar, Inc. cannot control the operation, maintenance, or in some cases final assembly of these products once they have been purchased. Before attempting any installation or assembly, the Buyer should completely review all drawing and instruction sheets accompanying the product to determine the suitability of the product for the intended use, the time, and level of skill necessary for correct installation or assembly. The products offered for sale are custom built components and not intended for use on public highways or to be operated by inexperienced boat or automobile drivers. Prior to each use of these vehicles a thorough inspection of the mechanical components is highly recommended.

BUYER AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH IN THE PURCHASE AGREEMENT, WATERCAR, INC. MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AND SPECIFICALLY EXCLUDES AND DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A SPECIFIC PURPOSE OR USE. ALL OTHER OBLIGATIONS OR LIABILITIES OF WATERCAR, INC., WHETHER UNDER A THEORY OF NEGLIGENCE OR STRICT LIABILITY, CONTRACT, TORT, OR OTHERWISE, ARISING OUT OF OR RELATING TO THE SALE, USE, OR OPERATION THE VEHICLE, OR OTHERWISE, ARE EXCLUDED BY WATERCAR, INC. AND HEREBY EXPRESSLY WAIVED BY BUYER.

Agreed to by Buyer:

Accepted by WaterCar, Inc.:

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

Address: 17403 Newhope Street  
Fountain Valley, CA 92708