

J BOATS DEALERSHIP AGREEMENT

Agreement is hereby made between J Boats, Inc. of 557 Thames Street, Newport, Rhode Island, 02840 (hereinafter "J Boats") and Zhangzhou Red Dragon Co., Ltd., a legally registered joint venture company in the People's Republic of China with principal place of business at No.999 Tangbian, Xingtai development zone Changtai district, Zhangzhou, 363900, P.R. China. Tel: +86 596 821-8658, website www.reddragon-yachts.com (hereinafter called "RDY").

J Boats and Dealer wish to enter into an agreement under which Dealer will sell the sailboats, parts and accessories covered by this agreement to its customers. In consideration of the mutual agreements herein contained and of the mutual trust and confidence between the parties, and with the mutual expressed intention to deal fairly with each other and with the public, the parties do hereby agree as follows:

1. DEFINITIONS

- (a) "Builder" shall mean manufacturer(s) licensed by J Boats to build and/or provide "J" boats, Options and Accessories.
- (b) "J" boats shall mean the J/80 built by Builder according to designs and specifications provided by J Boats, and such other boats as may be produced and listed by J Boats on an Appendix hereto attached and made a part hereof.
- (c) "Options and Accessories" shall mean options, parts and accessories provided by Builder to Dealer which specifically relate to or are designed for "J" boats.

2. DEALER'S SELLING PRIVILEGE

Dealer is granted the exclusive privilege of selling new "J" boats, Options and Accessories in the Prime Market Area as follows: Mainland China, Macau, Kinmen, and Penghu, .

3. OPERATING OBLIGATIONS OF THE PARTIES

A. The operating obligation of the parties are as set forth in Appendix A attached hereto and made a part hereof. J Boats shall have the right to modify Appendix A from time to time, in its sole discretion.

B. Both J Boats and Dealer recognize that the success of the relationship embodied in this agreement depends upon the active and aggressive promotion and sale of "J" boats by Dealer. Aggressive promotion shall require at least the same promotional level and stocking level as other sailboat lines the dealer may carry. J Boats also recognizes the difficulty of evaluating Dealer's sales performance. Dealer acknowledges, however, that there is a minimum level of sales performance which must be maintained to accomplish the purposes of this agreement which level is to

be mutually determined on an annual basis and annexed hereto as Appendix B and made a part hereof.

C. Dealer shall train and maintain a staff with adequate knowledge to actively sell "J" boats, Options and Accessories on an informed basis.

D. Dealer shall maintain its inventory of "J" boats in first rate condition, ready for immediate sale and its demonstrators in "like-new condition."

E. Dealer shall make available prompt, efficient and courteous maintenance and repair service to owners and users of "J" boats. All service shall be performed in a good and workmanlike manner and in accordance with such recommendations, specifications and instruction as may be furnished to Dealer by Builder.

F. Dealer will receive, investigate, report to J Boats and handle courteously and efficiently all complaints received from "J" boats owners, with a view to securing and maintaining the goodwill of the public towards Dealer, J Boats, "J" boats and Builder.

4. ADVERTISING AND SALES PROMOTION

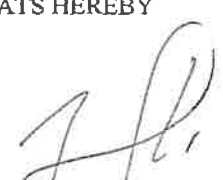
A. Dealer will actively promote the sale of "J" boats in its Prime Market Area including, without limitation, advertising, attending boat shows, assisting in the conduct of local and regional "J" boat regattas and rendezvous, and providing demonstrators and equipment reasonably necessary for such purposes at Dealer's expense.

B. J Boats will create, print and supply at no charge to Dealer a limited quantity of product brochures in English. Dealer agrees to cover the shipping expense of brochures if sent by Dealer request via air-freight or courier.

C. J Boats may advertise and promote its products in such media, in such manner, and at such time and places as it shall in its sole discretion determine. J Boats will send to Dealer the customer leads for new products arising from or within the Dealer's Prime Market Area. Dealer agrees to provide J Boats with details of follow-up and disposition of such leads upon request.

5. WARRANTIES

Dealer shall follow the warranty procedure outlined in Appendix C when resolving problems with Builder. J BOATS MAKES NO EXPRESS WARRANTIES HEREUNDER, AND J BOATS HEREBY



SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTIES INCLUDING ANY AND ALL WARRANTIES OF MERCHANTABILITY, FITNESS OR PERFORMANCE. THE AFORESAID DISCLAIMER SHALL NOT AFFECT ANY EXPRESS WRITTEN WARRANTY WHICH MAY BE FURNISHED BY THE BUILDER.

6. TRADEMARKS; TRADE NAMES

J Boats is the exclusive owner of various trademarks, including the trademark "J", and operates under the trade name "J Boats." Dealer may, on a non-exclusive basis: display such trademarks in connection with the sale or offering for sale and servicing of "J" boats, Options and Accessories, provided, however, that such marks shall not be used as part of the name under which the Dealer's business is conducted. Dealer shall discontinue the display or use of any such trademark or trade name or change the manner in which any such mark or name is displayed or used when requested to do so by J Boats; and (ii) Such mark(s) and name(s) may not be used in any manner except as permitted in this Paragraph 6 without the prior written approval of J Boats.

7. CONFIDENTIALITY

From time to time, J Boats may share its proprietary business information with Dealer. J Boats' proprietary business information includes, without limitation, its business and marketing plans, sales and promotional strategies, product research, design, development and testing efforts, costs, sources of supply, trade and "class" contacts, pricing and pricing policies, and all non-public activities of J Boats. Dealer agrees to keep such proprietary information in strictest confidence and to exercise due diligence in protecting all such information from any disclosure which J Boats has not authorized in advance.

8. TERM OF AGREEMENT

A. This Agreement shall be effective when it has been executed and delivered by both parties and shall remain in effect for an initial period of three (3) years, unless earlier terminated as provided in paragraph 9 hereof.

B. Thereafter, this Agreement shall be automatically renewed for consecutive periods of one (1) year each unless prior to the expiration of the first three (3) year period or of the then current period, either party gives at least ninety (90) days prior written notice to the other party of its desire to terminate the Agreement, in which event this Agreement shall terminate at the end of the then current period.

9. TERMINATION OF AGREEMENT

A. With or Without Cause. Either party may terminate this agreement at any time upon 90 days written notice to the other party.

B. With Cause. J Boats may terminate this agreement for cause, if any of the following situations shall not be remedied to the reasonable satisfaction of J Boats or shall continue to exist for the respective periods of time indicated below after J Boats shall have given notice to Dealer with respect thereto. It is understood that each of the periods of time indicated below shall be deemed to be extended if and to the extent required by applicable law:

(i) Breach by Dealer of any provision of this agreement (immediate, except as otherwise set forth below).

(ii) Dealer's failure to have and maintain any license which may be necessary for conduct by Dealer of its "J" boats operations (immediate if license is revoked; 30 days if license is suspended).

(iii) Any transfer or assignment or attempted transfer or assignment of this agreement or any obligation of Dealer hereunder without prior written consent of J Boats (30 days).

(iv) A sale by Dealer of substantially all of its dealership assets, or change in management or control of the dealership (immediate).

(v) Any material misrepresentation or omission by Dealer to J Boats, or breach of warranty by Dealer in connection with applying for, or as set forth in, this agreement (immediate).

(vi) Failure by Dealer to make timely payment to or accept delivery from Builder of any of "J" boats, Options and Accessories ordered by Dealer (30 days).

(vii) Dissolution or liquidation of Dealer if a partnership, limited partnership, corporation, limited liability company or other legal entity (immediate).

(viii) Insolvency of Dealer or the voluntary or involuntary initiation by or against Dealer of any insolvency or bankruptcy proceedings under the Federal Bankruptcy Act or under any state insolvency law which is not vacated within thirty (30) days from the initiation thereof.

(ix) Failure by Dealer to maintain and display all "J" boat inventory and demonstrators in "like-new fashion" (30 days).

(x) Failure by Dealer to maintain the minimum agreed upon level of sales performance as set forth in Appendix B (60 days).

10. EFFECT OF TERMINATION

A. Termination of this agreement shall not release Dealer from the obligation to pay any sum which may then be owing to J Boats or Builder, or customer in form of deposit, which obligation shall survive. The acceptance of orders from Dealer or the continuance of sale of "J" boats, Options and Accessories by J Boats or Builder, or any other act of J Boats after termination of this agreement, shall not be construed as an implied waiver of the termination.

B. Dealer will, upon termination of this agreement, immediately discontinue the use of any and all trademarks and trade names referenced in this agreement and shall

assign to J Boats any and all interest(s) therein, including any internet domain name adopted, used or employed in connection herewith. Dealer, without expense to J Boats, will also remove all its signs containing any such trademarks and trade names, and will destroy or surrender to J Boats all stationery, printed matter, advertising materials containing such trademarks or trade names or anything else that might make it appear that Dealer is still handling "J" boats, Options and Accessories.

C. Upon termination of this agreement, J Boats shall have the option, but not obligation, to repurchase from Dealer any and all "J" boats, Options and Accessories in the Dealer's inventory at the original factory invoice (exclusive of freight charges) less all amounts then owing for whatever reason from the Dealer to J Boats or Builder.

11. DEALER NOT AGENT OR LEGAL REPRESENTATIVE OF J BOATS

This agreement does not constitute Dealer as the agent or legal representative of J Boats for any purpose whatsoever. Dealer is not granted any express or implied right or authority to assume or to create any obligation or responsibility in behalf of or in the name of J Boats or to bind J Boats in any manner whatsoever.

12. FEDERAL, STATE AND LOCAL TAXES

Dealer hereby certifies that all "J" boats, Options and Accessories and items similar thereto purchased from Builder are for resale in the regular course of Dealer's business. Dealer further certifies that Dealer has obtained any license required to collect sales or use tax incurred in any such resale transactions, and that the number, if any, of such license has been or will be furnished to J Boats or Builder upon request. Dealer agrees, as to any such "J" boats, Options and Accessories, or items similar thereto which are put to any tangible property which Dealer purchases for use and not for resale, to pay directly to the appropriate taxing authority any sales, use, excise or similar taxes incurred by such use or purchase, and to hold J Boats harmless from any claims, demands and any and all costs (including attorney's fees) arising from any dispute with such taxing authority with respect thereto.

13. NOTICE

Any notice given by either party to the other under this agreement shall be in writing and delivered by any form of mail or hand delivery which results in a written receipt or refused receipt to the sender, or by facsimile. Any notices to J Boats shall be sent to: J Boats, Inc. at 557 Thames St. Newport, RI 02840 Fax (401) 846-4723. Any notices to Dealer shall be sent to Dealer's address or facsimile listed at the head of this Agreement. All notices shall be deemed given upon receipt or refusal, or in the case of facsimile, upon proof of transmission to the indicated FAX number. Either party may change the address and/or facsimile to which notices to it shall be sent hereunder by

10/10/2024

written notice to the other party in the manner set forth above for notices.

14. NO IMPLIED WAIVERS

The failure of either party at any time to require the other party to perform any provision hereof shall not affect the full right of such party to require such performance at any time thereafter. The waiver by either party of a breach of any provision hereof shall not constitute a waiver of any succeeding breach of the same or any other provision nor constitute a waiver of the provision itself.

15. ADDITIONAL DEALERS

J Boats recognizes Dealer's special interest and obligation for the promotion and sale of "J" boats in Dealer's Prime Market Area. Accordingly, if Dealer performs its obligations under this agreement to the reasonable satisfaction of J Boats, J Boats will not increase the number of authorized dealers for "J" boats in Dealer's Prime Market Area in a manner which in the reasonable contemplation of J Boats may substantially impair Dealer's business in "J" boats except after giving Dealer reasonable advance notice thereof, which notice shall contain an explanation of the reasons why J Boats is adding additional dealers in Dealer's local area. However, nothing contained in this agreement shall require or be construed to require Dealer's approval of the appointment of any authorized dealer by J Boats, or to limit Dealer as to the geographic area in which, or persons to whom, it may sell "J" boats.

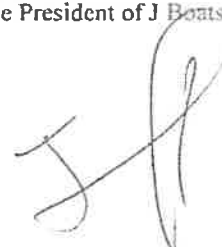
16. APPLICABLE LAW

This agreement is to be governed by and construed according to the laws of the State of Rhode Island. If, however, any provision in any way contravenes the laws of any state or jurisdiction where this agreement is to be performed, such provision shall be deemed not to be a part of this agreement in such state or jurisdiction, but the balance of this agreement shall remain in full force and effect.

17. MISCELLANEOUS

A. There are no other agreements or understandings, either oral or in writing, between the parties affecting this agreement except as otherwise expressly provided herein. This agreement cancels and supersedes all previous written or oral agreements between the parties except with respect to any trade indebtedness which may be owing to either party by the other.

B. No change in, or addition (except for the filling in of blank lines) or erasure of any printed portion of the agreement shall be valid or binding upon J Boats unless the same is approved in writing by the President of J Boats.



C. Dealer represents and warrants that it is an established and reputable yacht dealer in the Prime Market Area, is a legal entity duly formed and in existence under the laws of the jurisdiction of its creation, is in good standing under all applicable laws and has full power and authority to enter into this agreement and carry out its obligations hereunder. Dealer is in compliance with all applicable laws, and neither the execution and delivery of this agreement nor the

carrying out of Dealer's obligations hereunder will constitute or result in a breach of any other agreement to which Dealer is a party or any law to which it, its business or this agreement is subject. The individual signing and delivering this document on Dealer's behalf is duly authorized to do so, and the execution and delivery of this instrument by such person shall be valid and binding upon Dealer.

DEALER:

Dealer Ownership Information:

1) Liu Gui Qiang	63% ownership	active in daily management
2) Zheng Ya Li	17% ownership	non-active in daily management
3) Lin Xue Fang	10% ownership	non-active in daily management
4) Su Mei Rong	10% ownership	non-active in daily management
3) Lai Lan Ying	10% ownership	non-active in daily management

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed as of the date set forth below.

As Managing Director, I, Liu Gui Qiang, hereby acknowledge and agree to this agreement on behalf of Zhangzhou Red Dragon Yacht Co., Ltd, a legally-registered Joint Venture Chinese Company registered to do business in the Peoples Republic of China (P.R.C.) at No.999 Tangbian, Xingtai development zone Changtai district, Zhangzhou Province.

Liu Gui Qiang, managing director

Company seal:



On this 27th day of January, 2023.

Witness

Signature

J BOATS, INC.:

I hereby acknowledge and agree to for J Boats, Inc., at 557 Thames Street, Newport, Rhode Island 02840.

by

Authorized Officer

Title

on this

day of

20 23

J BOATS, INC.

By

Signature

Witness

10/10/2024

APPENDIX A - OPERATING OBLIGATIONS

1. STOCKING REQUIREMENT

Dealer is expected at all times to have at least one new "J" boat in stock or on order for stock.

2. PURCHASE ORDER AND DEPOSIT

A. Dealer shall follow J Boats specified ordering procedure, including participation in web-based ordering programs or other approved methods.

B. Dealer shall follow the J Boats and/or Builder specified deposit schedule. Prior to three weeks before the hull molding date, deposits are fully refundable. For orders that are cancelled within three weeks before hull molding or while the boat is in process, deposits are refundable (less documented re-sale expenses) only after the boat is re-assigned.

C. Upon receipt of the initial boat order, J Boats or Builder will confirm a hull number and estimated production schedule. Builder will send a Sales Acknowledgment confirming options and pricing to the Dealer for approval prior to submitting the order to production.

D. Change orders and additional customer work orders received within three weeks before the hull molding date are at the sole discretion of the Builder, and may entail an additional upcharge to the Dealer.

3. CLOSINGS

A. Builder will give Dealer ten (10) days notice before the completion date of the boat. Dealer will arrange closing procedures and make final payment due to Builder within seven (7) days after the completion of the boat. In the event Dealer fails to make such final payment within fifteen (15)

days after completion, J Boats reserves the right to cancel the order and re-market the boat. Any deposits or progress payments made and outstanding at that time will be applied by J Boats to offset its costs and actual damages including, but not limited to, interest (at Citibank, NA's Prime lending rate plus 2%) and re-marketing costs. The balance, if any will be returned to Dealer after the boat is re-sold.

B. Payment made to Builder upon completion and prior to shipment shall be made by bank wire transfer or certified or cashier's check.

4. SHIPPING AND FREIGHT

Shipping and freight costs, including when requested, the cost of shipping cradles and shrink-wrap shall be the responsibility of and for the account of the Dealer. Unless specifically agreed otherwise in advance by Builder and Dealer, overland freight from factory will be handled by Builder approved boat-haulers only.

5. SUGGESTED PRICING

J Boats will notify Dealer from time to time of the suggested retail pricing, discount and deposit terms of "J" boats, Options and Accessories. J Boats and Builder reserve the right from time to time and at any time to change suggested retail pricing, discount and deposit terms of any or all "J" boats, Options and Accessories, and other items sold under this agreement. J Boats shall advise Dealer in writing at least 30 days in advance of the effective date of new suggested retail pricing, discount and deposit terms. The same shall become part of this agreement upon such effective date.



J/Boats Licensed Builders

Europe

J/Composites

(J/70, J/80, J/99, J/111, J/112E, J/45)

1 Allée Titouan Lamazou

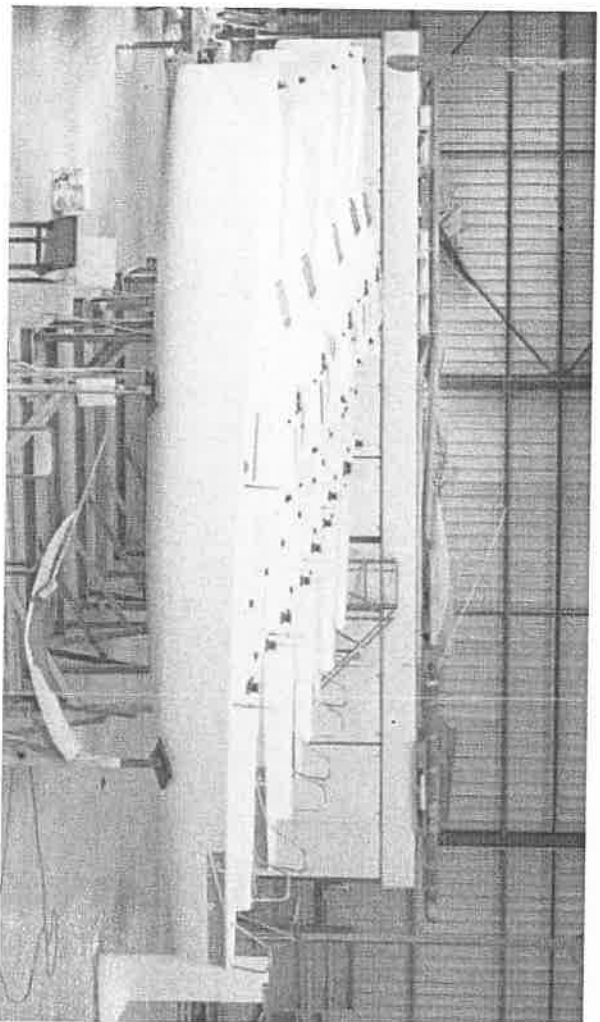
CS20402 Olonne sur Mer

85109 Les Sables d'Olonne, France

+33 251-237-990

info(at)jcomposites.eu

www.jcomposites.eu



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info(at)jiboats.com

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sales(at)reddragonyachts.com

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San Isidro ARGENTINA

+54 11 4747 4162

roberto(at)jiboats.com.ar

