



MEMORANDUM OF UNDERSTANDING



Foundation for the Sea is honored to support the Republic of Palau by advancing your vision for sustainable sea transportation including your Green Fleet, NDCs and energy roadmap.

We are committed to bringing an Okeanos modernized traditional double hulled open ocean canoe, called Vaka Motu, to Palau by summer of 2018. We have been honored to engage with governors and ministers within your beautiful country who have expressed many potential uses for the Okeanos Palau Vaka Motu including transportation to the outer islands, eco-tourism, education as well as research and monitoring within your marine protected areas.

Okeanos' philanthropic objective is social entrepreneurship intended to build upon traditional culture and knowledge to develop local capacity for fossil fuel-free sea transportation, sailors, boat builders and business operators. As such, Okeanos provides, at no cost to the islands, traditionally designed fossil fuel-free sailing canoes called Vaka Motus internationally certified for open ocean commercial use and equipped with green technologies including solar and biofuel.

We do this by partnering with, and hiring, local crew and operators to establish an island based Okeanos limited business based on competitive use of Vaka Motu. In addition to the use of the Okeanos owned vessel, our foundation assumes all costs for local crew salaries and training including captain's certification and assistance establishing a local, community led business model that will ultimately generate revenue for the people of Palau.

Our goal is to prove that the island nations can use modernized traditional vessels, and native energy sources of sun, biofuel and wind, to meet the local community needs for sustainable sea transportation. Through regular, competitive commercial use of the Okeanos Palau Vaka Motu, the Republic of Palau will integrate the fossil fuel-free vessel into the country's sea transportation network and generate revenue to pay for the Vaka Motu's operating costs and salaries and cost of construction of the vessel at a depreciated rate.

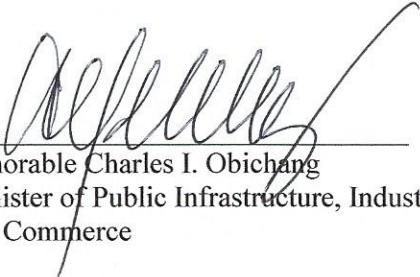
All revenue generated from Okeanos Vaka Motu limited business activities stays within Palau used to develop sustainable sea transportation capacity. No revenue goes to Okeanos as we are a philanthropic organization.

Operating in several Pacific island countries and communities, we have witnessed multiple ways Okeanos sailing canoes inspire respect for self, culture, environment and support local programs for sustainability and healthy living for individuals and ecosystems. We are honored to extend our Okeanos project to the Republic of Palau.

We accept and appreciate Palau's commitment to assist in advancing the Okeanos social entrepreneurship mission to keep the Vaka Motu engaged in local activities to develop local capacity. We understand your commitment to include privileges and immunities (waiver of importation tax, immigration processing, assistance attaining local captain's license) for an Okeanos Sustainable Sea Transportation limited business.

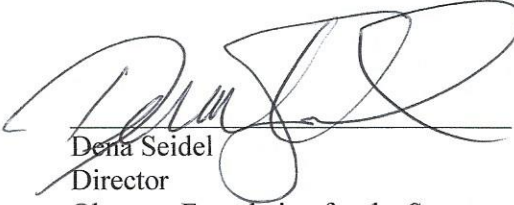
In witness whereof, the undersigned duly appointed representatives of the Government of the Republic of Palau and Okeanos Foundation for the Sea, have on behalf of the respective Parties signed this MOU on this 10th day of August 2017.

For the Government of the
Republic of Palau



Honorable Charles I. Obichang
Minister of Public Infrastructure, Industries
and Commerce

For Okeanos Foundation for the Sea



Dena Seidel
Director
Okeanos Foundation for the Sea