PURCHASER'S CLOSING STATEMENT

DATE: *JUNE ____, 2014*

PURCHASER:

SELLER: *JAMES L. MAYNARD*
4476 MT. GALLANT ROAD
ROCK HILL, SC 29732

VESSEL DESCRIPTION: *1989 55' OCEAN "TUFF LIFE II"*
HIN: XYU15655L889 / OFFICIAL #: 943282

PURCHASE PRICE ***$180,000.00***

(PLUS) SC SALES TAX *+$300.00*

(PLUS) CLOSING FEE: Abstract of Title *+$25.00*

BALANCE $180,325.00

(LESS) DEPOSIT HELD IN HMY ESCROW *($18,000.00)*

BALANCE DUE AT CLOSING $162,325.00

DHS, USCG, CG-1270 (REV. 06-04)

OMB APPROVED
1625-0027

UNITED STATES OF AMERICA

DEPARTMENT OF HOMELAND SECURITY
UNITED STATES COAST GUARD

NATIONAL VESSEL DOCUMENTATION CENTER

CERTIFICATE OF DOCUMENTATION

VESSEL NAME	OFFICIAL NUMBER	IMO OR OTHER NUMBER	YEAR COMPLETED
TUFF LIFE II	943282	XYU15655L889	1988

HAILING PORT	HULL MATERIAL	MECHANICAL PROPULSION
PORT CANAVERAL FL	FRP (FIBERGLASS)	YES

GROSS TONNAGE	NET TONNAGE	LENGTH	BREADTH	DEPTH
48GRT	38NRT	55.7	16.3	8.0

PLACE BUILT

WEEKSTOWN NJ

OWNERS

OPERATIONAL ENDORSEMENTS

RECREATION

MANAGING OWNER

RESTRICTIONS

NONE

ENTITLEMENTS

NONE

REMARKS

None

ISSUE DATE

MAY 25, 2016

THIS CERTIFICATE EXPIRES

MAY 31, 2017

Christine H. Walden

ACTING DIRECTOR, NATIONAL VESSEL DOCUMENTATION CENTER

UNITED STATES COAST GUARD SEMPER PARATUS 1790

PREVIOUS EDITION OBSOLETE. THIS CERTIFICATE MAY NOT BE ALTERED

Derek Lynds C.Y.W. LLC

Invoice

Invoice No: 156
Date: July 7, 2014
Terms: NET 0
Due Date: July 7, 2014

1614 Sw Thelma St
Palm City ,Fl 34990

772-201-9576

Dlynds20@aol.com

Bill To: Tuff Life 2

Code	Description	Quantity	Rate	Amount
	Install new teak deck and make new step with lid for entry	1	$14,000.00	$14,000.00
	Make new hatches for deck out of marine plywood and banded with teak and layed up glassed	1	$2,200.00	$2,200.00
	Deposit $10000	1	-$10,000.00	-$10,000.00
	Balance on completion $6200.00	1	$0.00	$0.00
	Install live well in transome	1	$4,500.00	$4,500.00
	Rip off old covering boards	1	$400.00	$400.00
	Have tv bracket made	1	$300.00	$300.00
	Install tv to bracket	1	$75.00	$75.00

* Indicates non-taxable item

Subtotal	$11,475.00
TAX (0.00%)	$0.00
Total	**$11,475.00**
Paid	$0.00
Balance Due	**$11,475.00**

Please detach and send with remittance to:

Derek Lynds C.Y.W. LLC
1614 Sw Thelma St
Palm City ,Fl 34990

REMITTANCE ADVICE FOR Invoice # 156 on Jul 19, 2014

Balance Due: $11,475.00

Amount Paid: _____

Received From: Tuff Life 2

SUMMARY AND VALUATION

==========

SUMMARY:

In accordance with the request for a marine survey of the "Tuff Life II", for the purpose of evaluating its present condition and estimating its Fair Market Value and Replacement Cost, I herewith submit my conclusion based on the preceding report. The subject vessel was personally inspected by the undersigned on May 21, 2014.

This vessel is recommended for general insurance purposes with the following recommendations complied with:**#1 - #3**

After consideration of the reliability of the data, the extent of the necessary adjustments and condition of the vessel and in this geographical location, based on our experience and understanding of current market conditions, the **"FAIR MARKET VALUE"** of the subject vessel is:
$ 190,000.00 U.S. DOLLARS.

The **"ESTIMATED REPLACEMENT COST"** indicates the retail cost of a new vessel of the same make/model with similar equipment offered by the same manufacturer or similar manufacturer is: **$ 1,200,000.00 U.S. DOLLARS.**

The recommendations on this survey are based upon the guidelines set forth by the U.S.C.G., NFPA, CFR and ABYC Standards and Regulations.

This report is submitted without prejudice and prepared exclusively for .

This report should be considered as an entire document and no single section is meant to be used except as part of the whole. It is current to the named client, underwriters or lenders for 30 days of undisturbed lay up or the vessel's first use. Subsequent updating and/or transfer of this survey report is solely the right of the undersigned surveyor.

Naval architecture and marine engineering analysis as usually performed in the design stage of the vessel's construction were not part of this survey and typical subjects such as adequacy of stability and sea keeping were not within the scope of this survey.

BLUE WATER SURVEYS, LLC.

Neil K. Haynes CMS, AMS, CMI-I

Reviewed & Accepted *Date* *Reviewed &*

Accepted *Date*

Purchaser – *Broker – HMY Yacht Sales, Inc.*

At Charleston City Marina
17 Lockwood Drive · Charleston, SC 29401 ● Office/843-577-3470 · Fax/843-577-3488
www.hmy.com

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BLUE WATER SURVEYS, LLC
Capt. Neil K. Haynes CMS, AMS, CMI-I
1739 Maybank Hwy., Suite T
Charleston, SC 29412

Phone/Fax (843) 559-2857
email: nhaynes@boatsurveyor.com
web page: www.Boatsurveyor.com

DATE: May 21, 2014
SURVEY REPORT NO: CHAS4361

VESSEL "TUFF LIFE II"

This is to certify, that at the request of the undersigned Marine Surveyor, did on May 21, 2014 visit a 1989 Ocean 55' Convertible in order to inspect and report on the condition of the subject vessel where she lay afloat at Marsh Harbor Marina (Tolers Cove) Isle of Palms, SC. The potential buyer was not in attendance during the survey. Weather conditions date of survey were sunny and warm. The Hull Identification number **(HIN)** was verified and photographed from the transom and is included in this report. An inland trial run was performed. An out-of the water inspection of underwater machinery and the exterior of the hull's wetted surface area was performed this date at Charleston City Boatyard, Wando, SC.

There are thirty-six (36) photographs included in this report showing vessel's condition this date. There are thirty-three (33) written pages included in this report. ***A separate mechanical survey was performed by Superior Diesel and is not included in this report.***

Terms, Conditions and Limitations

The prospective purchaser(s) are advised to make inquiries and request full disclosure from the sellers, brokers and other interested parties of any and all known or suspected conditions, hazards, problems, or the like, which may exist in addition to those outlined within this report which may affect the vessel's safety, operability, and/or value. It is also recommended that the vessel's maintenance log, loss/accident information, previous surveys, and/or repair records be obtained and reviewed and inquiries be made to those with first hand experience in operating and/or repairing with the subject vessel. These details can be useful in scheduling maintenance and repairs.

Terms, Conditions and Limitations

The prospective purchasers are further advised to conduct a "walk through" inspection, inventory verification, and operational testing of the vessel and all equipment immediately prior to the conclusion of the purchase (similar to that done in other type transactions). Time elapsed from the survey, vessel usage, and other post survey factors, (i.e. collisions, groundings, storms, lightning strikes, vandalism, etc.) post survey repairs, and prior to transfer of interest can alter conditions which existed at the time of the survey. New owners are also advised to contact the manufacturers of the boat, engine and other component equipment to register their ownership and to obtain up to date information concerning the boat/equipment and possible recall campaigns or other advisories and possible recall campaigns or other advisories and recommended maintenance procedures to prevent potential losses.

Purpose of the inspection was to ascertain the physical condition and value of the vessel (condition and evaluation). AC and DC power was used to check operation of the systems specified in this report only. No reference or information should be construed to indicate any of the following:

1. ***Evaluation of the internal condition of the engines and the propulsion system's operating capacity.***
2. ***Electronic equipment checked for power up only. No full function tests were performed. No output tests were performed.***

Terms, Conditions and Limitations

This yacht survey report is issued by the undersigned who has exercised reasonable care in conducting a visual inspection of the accessible areas in connection with a marine survey of the subject vessel. All details and particulars in this report are believed to be true, but are not guaranteed accurate. No part of this report is issued as an expressed or implied warranty of the condition of the vessel, of the value of the vessel, or of the cost of any repairs. Unless specifically stated otherwise in this report, the undersigned has not removed fasteners, has not removed fixed structures or equipment, and has not disassembled hull or machinery for inspection or testing; therefore this report does not cover latent defects not readily discovered without such removal or disassembly. **No corings were taken from hull or deck to determine laminate, hardness or core condition. To ascertain true laminate or core condition requires destructive testing, not performed at this survey.** This vessel was surveyed without removals of any parts, including fittings, tacked carpet, screwed or nailed boards, anchors and chain, fixed partitions, instruments, clothing, spare parts and miscellaneous materials in the bilges and lockers, or other fixed or semi-fixed items. Locked compartments or otherwise inaccessible areas would also preclude

inspection. Buyer/owner is advised to open up all such areas for further inspection. Unless specifically stated otherwise in this report, the undersigned has not operated the engines, machinery, equipment or appurtenances. The undersigned has conducted his survey and issued this report for the sole use of the specified requesting party's benefit for an agreed fee based upon the intended use of the report and the legal liability of the undersigned shall not exceed the fee paid by the requesting party for issuance of this report, regardless of the number of claims or suits and regardless of whether under theory of tort, contract, warranty, products, outrage, or otherwise. This survey report represents the condition of the vessel on the above dates, and is the unbiased opinion of the undersigned.

Parties requesting this report should ask owners or agents to make full disclosure of any past claims insured or otherwise. Full disclosure should be made for any previous hard groundings, floodings, lightning strikes or any other event that could have future bearing on the safe sea keeping ability.

Failure to list obvious wear and tear that is within the observable scope of the purchaser does not constitute omission nor does subsequent discovery of defects beyond the limitations of the survey constitute error. It is neither cost effective nor practical to list every observable cosmetic deficiency. This survey does not guarantee discovery of hidden flaws or flaws apparent after a change in environment, method of vessel operation, maintenance procedures, and/or the installation or modification of electrical or mechanical equipment.

SURVEY REPORT PREPARED EXCLUSIVELY FOR:

as there may have been certain aspects of this vessels future maintenance procedures or suggestions that are not contained in this report applicable to the date of this survey. Transfer of this report is authorized only by Blue Water Surveys.

The voluntary standards and recommended practices developed by the American Boat and Yacht Council (ABYC) and the National Fire Protection Association (NFPA) and Code of Federal Regulations (CFR) have been used as guidelines in the conduct of this survey.

Terms, Conditions and Limitations continued

The use of the word "appears" is intended to indicate that a close or complete inspection was not possible or it was not deemed appropriate at the time of this survey. The deficiencies reported herein reflect the conditions observed at the time the survey was conducted.

VESSEL'S PARTICULARS

OWNER NAME AND ADDRESS: ***as per USCG documentation database:***

Mr. James L. Maynard
4476 Mt. Gallant Road
Rock Hill, SC 29732

VESSEL'S BERTH: Vessel was berthed at the facilities of Tolers Cove, Isle of Palms, SC.

VESSEL'S USE: Vessel was reported used for pleasure.

VESSEL'S HISTORY: Vessel's complete owner, maintenance, damage, voyaging or repair history was not established.

NAME OF VESSEL:..... TUFF LIFE II"
TYPE OF SURVEY:..... CONDITION AND VALUATION PRE/PURCHASE
ESTIMATED MARKET VALUE:.....* $ 190,000.00 U.S. DOLLARS
ESTIMATED REPLACEMENT COST:.....* $ 1,200,000.00 U.S. DOLLARS

MAKE/MODEL OF VESSEL:.....55 CONVERTIBLE**
HULL MATERIAL:.....GLASS REINFORCED PLASTIC**
HULL TYPE:.....MODIFIED VEE**
BUILDER:..... OCEAN YACHTS

LENGTH OVERALL (LOA):.....55'8"**
BEAM:..... **16'4"
DRAFT:..... ** 4'4"
DISPLACEMENT:..... **58,000 LBS.
YEAR BUILT:..... 1989

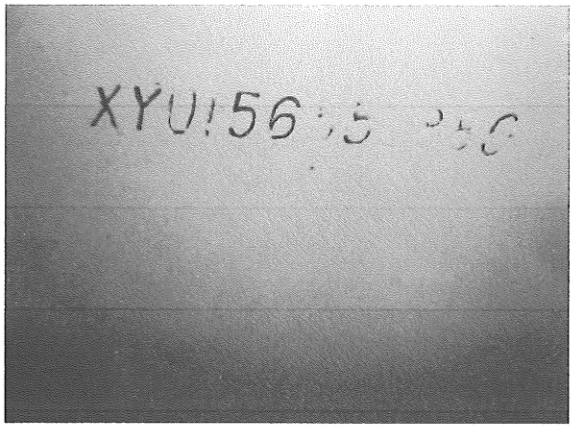
VESSEL'S PARTICULARS continued

DOCUMENTATION #:..... 943282
HULL I.D. NUMBER:..... XYU15655L889- Gross 38; Net 38
HOMEPORT:..... Rockhill, SC on document
PROPULSION SYSTEM:..... TWIN SCREW
FUEL TYPE:..... DIESEL
FUEL CAPACITY:..... **956 U.S. GALLONS
AC POWER:..... 120 VOLTS AC
DC POWER:..... 12 VOLTS DC
FRESH WATER CAPACITY:..... **200 U.S. GALLONS
HOLDING TANK:..... Approximately 60/80 U.S. gallons
INTENDED USE:..... PLEASURE

INTENDED CRUISING AREA:..... East coast, Gulf, Bahama waters

* Refer to Summary, Remarks and Valuation Section
** Per Manufacturer's Specifications- **No actual measurements were made by the surveyor during inspection, reported measurements were taken from published sources.**

ACTUAL HIN # PHOTOGRAPHED FROM TRANSOM



CONSTRUCTION DETAILS

Destructive testing inclusive of core samples and global thermal imaging were not performed this date.

Cored hulls or decks have been known to have hidden defects that can only be discovered by destructive testing, inclusive of Barcole Hardness Barcole Hardness ply by ply laminate inspection, burn out for resin to glass ratio or non-destructive global thermal imaging not performed or requested on the date of this survey.

HULL:
This vessel's hull and deck and superstructure were glass reinforced plastic or composite moldings laid up in female molds; no laminate schedules offered. **No corings were taken from hull or deck to determine laminate or core condition. To ascertain true laminate, hardness or core condition requires destructive testing, not performed at this survey.**

DECK:
The deck has coring in flat sections for rigidity. The hull to deck attachment is a flange to flange arrangement with bedding compound, lap bonds and mechanical fasteners on random and even centers with teak cap rail over.

STRUCTURAL MEMBERS:
Hull stiffness is provided by glass reinforced plastic longitudinal and transverse stringers. Complete inspection not possible due to limited access. Appear serviceable where observed.

Bulkheads are partial ply and transverse and bonded to hull skin at stress points and compartment intersections. They appear serviceable where sighted.

Strength is provided by random full and partial bulkheads, fiberglass encapsulated transverse and longitudinal stringers and various cabinets and joiner work. No permanent structure was removed in order to assess the condition of the vessel. Where inspection was possible no apparent signs of structural deterioration were noted. Further assessing the condition would require invasive testing.

FASTENINGS:
Structural members are fastened to the hull with fiberglass material and plastic resin. Where inspection was possible without removing joiner work or coverings, all attachments were found to be secure with no evidence of secondary bonding failures.

HARDWARE ATTACHMENT:
Where inspection was possible hardware was found to be attached with stainless steel nuts, bolts and washers. Fastenings appear to be generally secure. No fasteners were removed in order to facilitate the evaluation of their condition.

Portlights #: none
Deadlights #: eight (8) superstructure sides port and starboard; two (2) superstructure sides aft
Overhead escape hatches: one (1) centerline fore deck
Overhead ventilating hatches: four (4) port and starboard fore deck
Dorades: none **Sliders:** none
Vents: air boxes port and starboard hull sides; teak louvers below companionway step
Companionway: transverse slider

Note: None of the hatches were checked for leaks with a hose or other apparatus. They were only checked for opening and closure and ease of operation and proper dogging.

Chain locker is forward and accessible through a hinged access in the forward cabin and single hawse hole entry and windlass goose neck.

This vessel has a raked and flared bow, tapers sheer, flat rounded teak sheathed transom with hard chines.

EXTERIOR HULL, DECK and SUPERSTRUCTURE

The exterior hull shows white gelcoat with silver/blue boot top.
There are minor dings and nicks to freeboard surfaces (all considered cosmetic).
There is evidence of some minor spot repairs.

Deck construction is molded glass reinforced plastic. The deck traffic areas have textured non-skid with teak sheathing in cockpit and there is sufficient drainage for inclement weather. There is a sawn teak toe railing surrounding the fore and side decks.

The cockpit bulwarks are sufficiently high with adequate foot well depth and drainage for all but severe sea conditions.

DECK FITTINGS:
The deck of this vessel is surrounded with a life line system consisting of single course aluminum bow and side railings. Grab railings are sufficient on superstructure sides of tubular aluminum.

Ventilation is provided by companionway, hatches and vents in the topsides and deck.

There were no unusual crew exposures not normal to this type of craft noted to deck areas on the date of this survey.

GENERAL INTERIOR (LAYOUT, FINISH and STRUCTURE)
Described from forward to aft

Forward most is an access door to the divided chain/rode locker.

Master's head: Next aft is an enclosed shower stall with seat, telephone shower wand and controls and two splash doors. Next aft to port is a Galley Maid electric toilet. To starboard is a molded glass reinforced plastic lavatory with hot/cold faucet, make-up mirror and exhaust fan switch. Centerline overhead is an aluminum framed escape hatch with screw dogs, lift arm and bug screen. Centerline aft through a privacy door is the master's cabin.

Master's cabin: Port forward is a mirrored cedar lined shelf locker. Next aft is a transverse double berth with eight drawers below forward and aft. Above and outboard is two slide, fiddled shelves and three door storage. Above is vent hatch. To port and forward is a cedar lined hanging locker. Central is two slide, three drawers forward, shelf, two doors and television above. Aft is a cedar lined hanging shelf locker with vent hatch central. Next aft and through a privacy door is the forward passageway stairwell landing.

Crew cabin: Next to starboard is the crew cabin. Forward inboard is a hanging wire storage rack locker. Outboard are upper and lower berths with four drawers below lower berth. Aft is a door shelf locker. Above is a vent hatch.

Guest cabin: To port is the guest head with dual entry doors. Head has similar features to forward head with a different shower arrangement inboard. Aft of head and forward outboard is a hanging locker. Aft are inboard and outboard single berths with four drawer storage each below with drop storage below and aft. Central is a three drawer dresser. Outboard and above outboard berth is a fiddled shelf with two door storage above.

Passageway: Next aft and up a three step banistered stair with dryer below is the horse shoe galley to starboard.

Galley: Forward and inboard is a stainless steel galley sink with potable and Insta hot faucet. Outboard is an AC cook stove with safety shield. Central is slider storage. Aft outboard is trash compactor and dish washer with side loading refrigerator / freezer inboard. Galley has a power vent.

Galley had adequate storage and was safely arranged for sea this date.

Salon: Next aft is one step up with washer/dryer below is the salon. Starboard forward is a large fiddled bar with three stools. Next aft is a hinged couch with rod storage below. Aft is a cabinet with drawer and AC/DC panelboards below.

To port and forward is the entertainment equipment with television and stereo equipment. Outboard below counter is a wet bar with out of service bar system and spirit storage. Below counter is ice maker. Inboard is side loading small refrigerator and door storage. Aft is a drawer cabinet with L shaped couch above with hinged storage below.

Inboard is a high/low table.

The vertical surfaces on this vessel are teak veneer, wall coverings, upholstered covers, and mirrors. The ceilings are teak veneer and wall coverings. The overhead is fabric. The cabin soles are carpeted and teak veneer in heads and galley with adequate drops for bilge inspection, engine access and maintenance of bilge equipment. Counter tops are sheathed in plastic laminate, molded plastic and wood veneer.

INTERIOR (LAYOUT, FINISH and STRUCTURE) continued

There is adequate lighting throughout this vessel, both natural and via 12 Volt DC and 110 Volt AC fixtures. There is adequate ventilation throughout via overhead hatches, companionway door, vents and forced air system both 12 Volt DC and 110 Volt AC Systems. All ladders and railings were found safely arranged and no unusual exposures were noted on the date of this survey not normal to this type craft.

COSMETICS

Bilges: The bilges were found to be relatively clean with no significant accumulation of bilge water.
Freeboard: good general condition for age
Deck: Good impact value ***with exception of starboard forward bow cleat and flex on drops above fish chiller***; No elevated moisture readings this date
Bright Work (exterior): needs sand and recoat to improve
Bright Work (interior): good general condition for age
Cabin Sole: good general condition
Overhead: good general condition; some minor stain
Ceilings: good general condition below decks; some stain and mildew
Upholstery: good general condition below decks; ***cockpit and Flybridge cushions cracked and worn***
Housekeeping: Good to Fair

CANVAS

1 lace-on white vinyl tan tuna tower cover
1 three quarter vinyl and isinglass Flybridge enclosure
- miscellaneous assemblies below deck not erected this date
appears to be cockpit cover and Flybridge console cover, etc.

TANKAGE

DIESEL:

Location: (2) port and starboard outboard propelling diesels **Manufacturer:** Stoll
Material: 5052 H32 aluminum **Thickness:** .250
Tank labeled: Yes **Fill Pipe:** side deck
Tank Delivery Hose: not sighted **Vent Location:** hull side
Shut Off Valve: Filter and transfer pump **Gauge:** yes
Fuel line and fittings: good as able to view **Manifold:** cross-over with transfer pump
Capacity: 478 each = 956 total U.S. gallons **Grounded:** yes
Hose Connections: good as able to view
Fuel Filters: Engine mounted spin on/off type and large RAcors with shut-off valve; 500 Racor for gen

POTABLE WATER:

Location: centerline bilge below aft passageway
Material: plastic **Fill pipe location:** Port aft cockpit
Clean out plates: none **Gauges:** yes
Lines and Fittings: good as able to view **Pumps:** 115 VAC
Manifold: none **Accumulation Tank:** yes
Filters: dual canister
Capacity: 200 U.S. gallons *according to published sources*

Hoses were of PVC pipe and reinforced plastic tubing at various areas throughout this vessel. All appear serviceable where sighted.

WASTE:

Location: centerline forward passageway
Hoses and Clamps: Hoses are not vapor tight and may result in odors
Material: plastic **Deck Plate discharge:** yes
Diverter valve: ball valves at toilet pan **Lines and Fittings:** ***See Observations***
Gauges: no
Vented: Yes
Capacity: undetermined; approximately 60 to 80 U.S. gallons

TANKAGE continued

NOTE: The United States Coast Guard prohibits the discharge or raw sewage in inland and coastal waters. All boats with installed toilet facilities must have an operable marine sanitation device (MSD) on board. Vessels 65 feet and under must install a Type I, II, or III MSD. Vessels over 65 feet must install a Type II or III MSD. All installed MSD's must be Coast Guard Certified. Coast Guard Certified Devices are so labeled except for some holding tanks which are certified by Definition under the regulations.

HOT WATER HEATER:

Type: 120 VAC
Capacity: 19 U.S. gallons
Manufacturer: Whirlpool
Pressure Relief Valve: yes

Note: No tanks were pressed or pressure tested at this survey. Sample of contents of tanks were not taken this survey therefore fluid condition is unknown.

ENGINES and MACHINERY

MAIN ENGINES

Propulsion power on this vessel is provided by twin V-8 mechanically aspirated freshwater cooled marinized diesel engines manufactured by Detroit Diesel.

Horse power is 735
Model # JT 8V92 TiB Port: 8082-3303 - Starboard: 8082-7303

Starboard Serial # 08VF (rest not legible)

Port Serial # 08VF128420

Engines are mounted atop composite longitudinals on (flexible isolation) (hard mounts) mounts with attached Capital gear boxes:

Model # HY-25000
Serial # Port: 11098-0288
Starboard: Not available
Gear Ratio: 1.53 to 01

Shafting is 2" nominal stainless steel. Shafts exits wet injected packless seals.

Controls are hydraulic double lever/cable type, at Flybridge Tuna tower console and starboard aft cockpit. They operated well this date.

Exhaust System:
Exhaust is wet injected and led through composite pot silencer/accumulators which exits stern.

Hoses are double clamped and appear good as able to view.

Exhaust systems and injection elbow should be serviced as per manufacturers recommendations and failure to comply with manufacturers suggested periodical maintenance procedures result in catastrophic failures. Read and comply with manufacturers recommended hourly service procedures.

Ventilation is natural through bilges and blower system ducked to above deck areas. Instrumentation is full at console and consists of tachometers, gear oil pressures, oil pressures, temperatures, charge rates and high heat low oil alarms.

Engine operated well with respect to start up and shifting and increase of RPM's.

Cosmetics were good to fair.

Logged indicated hours: reported below 300 since rebuild

Fluid level and condition: Normal level indicated on dipsticks. Appears serviceable.
Raw water strainers: no internal strainer

==========

GENERATOR:

120/240 Volt AC power is provided by a 4 cylinder fresh water cooled marinized engine manufactured by Westerbeke. Model # BID 15.0 Serial # 1234LG05.

It has an attached 15 KVA winding with a remote starting panel located at AC Panelboard. Instrumentation was located at unit and consists of oil pressure, temperature and charge rate. There is a drip pan and there is no sound encasement. Exhaust is wet injected and led through a composite accumulator/silencer which exits port side.

This gen set ***started and stopped during survey several times. Generator would not run continually.***

Oil pressure was approximately 30 lbs. and the log showed 3083.2 (active) hours this date. Cosmetics were fair.

Output under load: VAC 106 Volts DC: 12+
Hz under load: 58+

There is a constavolt charger for shore side battery maintenance. There are engine hung belt driven alternators for offshore charging.

We do not have all of the equipment necessary to perform a complete mechanical survey, nor are we authorized or factory trained to perform one, and always recommend a separate mechanical survey by a certified diesel mechanic in order to make sure that there is good service life and any unexpected costly mechanical deficiencies that would require repairs or replacements.

A separate mechanical survey was performed by Superior Diesel. We recommend compliance with their recommendations.

PLUMBING, PUMPS and FITTINGS

All plumbing runs are copper, rubber, wire bound rubber, vinyl and reinforced vinyl. All connections were flared, compression ring, and stainless steel flat screw hose clamps. All plumbing runs as able to view were well supported and led clear of open machinery or chafe points.

1 Rule 2000 bilge pump centerline below steerage shelf, operational
1 Rule live well pump
1 Water Puppy salt water pump wash down, not tested
1 Shurflo salt water pump, not tested
1 Fasco 110 VAC salt water pump for air conditioning system, operational
1 Rule 2000 bilge pump below generator shelf, operational
1 Fuel transfer pump, not tested
1 Sta Rite 115/230 potable water pump with gauge and pressure tank and dual canister filters, operational
1 Reverso oil change pump, three valve, operational
2 Galley Maid 12 VDC head pumps, operational
1 Rule 800 GPH forward shower sump pump, operational
1 2000 Rule centerline engine compartment, operational
1 2000 Rule bilge pump centerline master's bilge, operational

Vessel has three bilge alarms forward, mid and aft.

All below waterline through hull penetrations are bronze and equipped with ball valves.

NOTE: As usual, the salt water distribution system on this vessel has many components which are inter dependent one upon the other. Most sinkings or partial floodings are due to either hose or fitting failure. It is always prudent to inspect all salt water distribution systems at least annually for fitting wastage, hose deterioration or chafe to prevent loss by water ingress. Take down and lubricate all stop cocks at least every other haul and inspect for wastage. Also it is recommended to double hose clamp all raw water connections where possible.

DECK FILLS AND FITTINGS:

DESCRIPTION (marked)

1. Diesel
2. Diesel
3. Waste
4. Water

==========

THRU-HULLS: INTAKES AND DISCHARGES RELATIVE POSITION:

all are double clamped bronze ball valves unless noted otherwise:

DESCRIPTION:

1. Air conditioning intake with sea strainer
2. Wash down intake with sea strainer
3. Port engine intake
4. Starboard engine intake
5. Generator intake with sea strainer
6. Out of service ball valve, closed and capped
7. Toilet intake
8. Toilet intake
9. Toilet discharge
10. Toilet discharge

DP drain plug

"T" Transducer

Note: All sea valves should be inspected minimum of annually for hose, valve and clamp degradation, and replacements be made as found necessary. All valves should have an attached soft pine bung for damage control purposes. *It is also suggested to frequently operate all valves to ensure easy operation in the event of an emergency situation.*

It is suggested that all below the waterline thru hull fittings be double clamped where possible.

ELECTRICAL SYSTEMS

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AC SYSTEM:

There is a 50 amp 125 Volt AC boat plug fed by a three wire earth grounded umbilical cord led through a Glendenning cord reel feeding a marine switch panel with main switch.

AC Source Selector Switch type is rotary shore/off/gen.

Wire type, size and rating appears well routed and supported, serviceable for intended use as able to view.

There are various outlets available throughout yacht, appear adequate and conveniently located. Tested positive for proper polarity.

Main breaker: located in the main electrical panel starboard aft salon
Branch breakers: A leg: thirteen (13) branch breakers - Volts In
B leg: thirteen (13) branch breakers - Volts In
Circuit load monitors: Volts In
Connections: Crimp as able to view

DC SYSTEM:

Voltage is provided by a lead acid battery powered 12Volt DC System.

Batteries total number are: four 8D located centerline forward engine compartment

Batteries are boxed and are not strap tied and led through a breaker which feeds a panel board.

Main battery switches are located at Panelboard and are breaker type.

The Panelboard contains over current protection utilizing circuit breakers located starboard aft salon. Access was adequate and it appeared serviceable. Type connectors-crimp as able to view ***with exception of aft bilge pump connections with wire nuts.*** Routing/support appeared well and secured where sighted.

DC Panelboard has six (6) push breakers and nine (9) branch breakers.

ELECTRICAL SYSTEMS

DC SYSTEM:

Charging system consists of alternators on main engine and diesel powered generator. ***Generator alternator was to be replaced.*** There was a 40 amp Sentry battery charger for shore side charging. Note: When working on vessel's with invertors be sure to turn off invertor before accessing AC circuitry to prevent possible shock.

All wiring is marine flex and good as able to view without removals. It is led clear of open machinery and chafe points as able to view without removals.

FIRE FIGHTING and SAFETY EQUIPMENT

The Coast Guard sets minimum safety standards for vessel and associated equipment. To meet these standards various equipment must be Coast Guard approved. "Coast Guard Approved Equipment" has been determined to be in compliance with USCG specifications and regulations relating to performance, construction or materials. If your vessel does not carry this equipment, it must be brought into compliance immediately.

FIRE EXTINGUISHERS:

1 BC I dry chemical fire extinguishers bracketed engine compartment
gauge reads good charge this date

1 BC I dry chemical fire extinguisher bracketed at Flybridge,
gauge reads good charge this date

1 BC I dry chemical fire extinguisher bracketed galley,
gauge reads ***(recharge)*** this date

2 BC I dry chemical fire extinguisher loose in crew cabin,
gauge reads good charge this date

1 BC I dry chemical fire extinguisher bracketed below stair box,
gauge reads good charge this date

1 Halon Fire boy 200 MA extinguisher bracketed
service as per manufacturer's recommendations

PERSONAL FLOATATION DEVICES:

1 Type IV ring device loose brow locker
2 Type I personal floatation devices
4 Type II personal floatation devices
2 Type II personal floatation devices, crew cabin loose
1 ring device in salon, loose

LIFE RAFT:

1 6 person Switlik , 1995, Switlik stored in a canister. ***Needs inspection and repack***

TENDER: none

PYROTECHNICS:

1 12 gauge very pistol with 4 meteors with August 2017 expiration dates
4 hand held flares with March 2017 expiration dates
- many dated spares

SIGNALING DEVICES:

1 air horn 12 Volt DC with dual ***non operational*** trumpets
1 Set navigational lights for size and class; ***aft dual bulb anchor light not operational***

OTHER:

4 Set of Spreader lights, operational, ***port small light housing cracked***
1 "No Oil Discharge" plaque posted engine hatch
1 "Trash Disposal" placard posted galley
1 Hand held spotlight
1 ACR Remote control spotlight, ***not operational***. In keeping with proper boat maintenance practices, all equipment should be in operational order.

GROUND TACKLE

1 Danforth anchor approximately 40 lb. with 3/8" chain and adequate 5/8" three strand rode with spare rode and chain

Chain and rode were not stripped from locker due to time constraints. Remove and inspect for defects prior to deployment.
Make sure bitter end or rode(s) are attached before fully deploying tackle and check entire length of rode for chafe. Note: It is suggested for boats over 21 feet (6.25 m) in length, provision shall be made for the simultaneous deployment of two anchor rodes over the bow according to ABYC H-40.

DECK GEAR

Windlass: Vertical Ideal with up/down foot switches and up/down helm remove, operational

Hawse pipes: single oval aluminum, ***missing cap,*** and windless gooseneck

Anchor Platform: teak pulpit with cast aluminum shelf launching chute

Swim ladder: starboard fish/reboarding with transom steps

Other:
4 cockpit bulwark mounted rod holders
12 weld on aft tower leg rod holders
2 triple spreader Rupp outriggers
1 stinger pole

All cleats, fairleads and rollers necessary to anchor or moor a vessel of this type.

STEERING

There are dual helms driving hydraulic pumps to pressure reservoir to single hydraulic ram to starboard lever arm and bronze connecting rod to rudders with upper bearing bridge and lower packing glands.

WETTED SURFACE INSPECTION

This vessel shows no signs of flexure or distortion as she lay hauled out.
There was no evidence of severe grounding as able to view with out removal of coatings ***with exception of past keel repairs forward, mid and aft.***.

The underbody was sounded and no audible evidence of delamination was noted.

The port three blade 28LH29 bronze propeller showed no evident deformation on target stick
The starboard three blade 28RH29 bronze propeller showed no evident deformation on target stick.

The bronze strut's were tight to the hull with no evident deformities.

The port 2"nominal stainless steel shaft turned true on a clamp on target stick, end, mid and forward.
The starboard 2" nominal stainless steel shaft turned true on a clamp on target stick, end, mid and forward.

Note: Shafts should be frequently rotated by running engines to prevent degradation.
Corrosion can occur from oxygen deprivation in shaft logs and on bearing surfaces where freshly flowing water does not provide oxygen to maintain the protective oxide film. This can lead to local corrosion cells that can drastically affect shaft strength and normal expected service life. Rotate engines frequently to prevent stagnant water in logs and on bearing surface.

The propeller shafting was not removed for inspection because it is impractical, time consuming and costly. The series of stainless steel was not determined. The condition of the shafting in bearing surfaces shaft logs or below paint was not determined. A complete shaft inspection necessitates removal, cleaning and roller block or lathe measuring to determine straightness and to perform a global visual inspection.

The port cutlass bearing showed minimal wear. Intermediate showed minor wear.
The starboard cutlass bearing showed minimal wear. Intermediate showed minor wear.

The bronze rudders turned free on their bearings and relatively tight in boxes.

There were no major signs of corrosion to underbody components as able to view without removals.

Shaft Zincs: approximately 40 % wasted.
Rudder Zinc: gone ***replace***
Trim Tab Zincs: ***wasted/ Replace***
Hull Zinc: Starboard side approximately 30% wasted; port; viable

Note: Once an anode is coated with insulating film, it is essentially useless. Inspect sacrificial anodes regularly and replace when 50% consumed.

OSMOTIC BLISTERING:

There was no readily detectable visual evidence of osmotic blistering above or below the waterline. Symptomatic evidence of blistering can, however, be obscured by bottom coatings, a dry storage period during which blister domes may spontaneously depressurize, bottom laminate conditioning, and other actions.

The undersigned surveyor has no first hand knowledge of the history of the hull maintenance, construction methodology, repair history, prior blister treatments or repairs, or prophylactic coatings. If a scientific analysis of the future potential for a blistering condition is required, it is recommended that hull coupons be removed for ply-by-ply laboratory evaluations, or other laminate profiles be considered after consultation with qualified glass reinforced plastic laminate experts.

Owners, underwriters, lenders, prospective purchasers or any others with an interest in the subject vessel are cautioned that the causes and cures of the blistering condition are complex and controversial. Repair mythologies are constantly evolving as new prevention technologies and remedies are emerging. Without laboratory analysis, the undersigned cannot predict future blistering behavior, nor can we determine the full extent of damages, or estimate possible repair costs.

Bottom paint: active this date, age undetermined

INVENTORY

The following items were found on board subject vessel at the time of this inspection, and were in good condition except as noted:

ELECTRONICS:

1 Icom IC-M700 Pro SSB; powered up, (not tested)
1 Furuno 1/4-72 NM radar, operational
1 Furuno LS-4100 Echo sounder, operational
1 Icom IC-M 504 VHF, ***not operational*** - (all equipment should be in operational order)
1 Garmin GPS Map 4210, operational
1 Simrad AP20 auto pilot, operational
1 Furuno FCV-292 color sounder, operational
1 Dytek ST1000 sea temperature, operational
1 Datamarine Navigator, *(considered obsolete)*
1 Datamarine Depth, *(considered obsolete)*

Tuna Tower:

1 Horizon Eclipse + VHF, operational
1 plastimo steerage compass, ***no deviation card sighted***

ENTERTAINMENT:

1 Hitachi TV, will power up
1 AM/FM cassette master cabin, with weather channel
1 Phillips Magnavox 70 WSD tuner, not fully tested

1 Sony Hi-fi stereo SLV-775 - would power up
1 Sony CDP-CE315 five CD changer, would power up
1 Sony TC-WE425 AM/FM cassette, would power up
1 Sony STR DE 325 audio/video control, would power up

Have owner or representative go over operational of entertainment equipment

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APPLIANCES:

1 small side loading salon refrigerator, operational
1 Whirlpool ice maker, operational
1 Broan trash compactor, not tested, no key available
1 Jet line vacuum, operational
1 Kenmore dish washer, not tested
1 B & D coffee maker, not tested
1 B & D toaster oven, not tested
1 Kenmore dish washer, ***appears not operational***
1 Kenmore washer dryer, ***needs filter attachment, not full cycle tested***
1 Kenmore side loading refrigerator/freezer, operational
1 Galley Made three burner with oven and safety shield cook stove; *needs loose shield trim reattached*
1 15E instant hot water, *not plugged in*
1 garbage disposal, operational

AIR CONDITIONING UNITS:

1 FX12P aft salon, operational this date
1 FX12P forward cabin, operational this date
1 FX12P forward salon, operational this date

1 Sea Frost BF 3, 110 VAC chiller, operational
1 Sea Frost BF1, 110 VAC chiller, operational

OTHER:

1 Ritchie powerdamp compass loser helm, ***no deviation card sighted***
1 remote control spotlight
1 Plastimo compass tuna tower, ***no deviation card sighted***

Miscellaneous lines and fenders
Miscellaneous electrical and mechanical spares

RECOMMENDATIONS THAT APPLY TO INSURANCE

Standards organizations referenced are:

1. American Boat and Yacht Council 410-956-1050
2. The National Fire Protection Association 800-344-3555
3. The United States Coast Guard Title 33 and 46

Findings and recommendations are listed in no particular order of importance. Standards referenced are intended as a guide (only) and do not encompass all standards that my apply or mitigate any of the findings. Many standards are quoted only in part. The reader is advised to obtain copies of applicable standards for his/her own information and interpretation.

1. Horn at helm not operational. Correct to proper operation to comply with federal regulations.

2. Rear anchor light bulb out. Replace, prove to comply with federal regulations.

3. Repair or replace lower helm VHF for distress or ship to ship communication.

REMARKS THAT APPLY TO MAINTENANCE

The following suggestions are offered to enhance value, utility and safety. However, as opposed to items of recommendations, remarks do not require immediate attention for considerations of insurance risk status. Observations note current condition and also do not require immediate attention.

1. Due to survey time constraints the specific gravity of flooded batteries was not checked. The batteries were not load tested. It is suggested to top off flooded batteries, charge for 24 hours, check specific gravity and load test to ascertain the true condition prior to voyaging.

2. This vessel is equipped with many complicated electronic and mechanical devices. We suggest that you thoroughly read and understand the owner's manual on each individual piece of equipment prior to operation to understand operational and maintenance procedures and to prevent costly break downs from improper use.

3. Suggest change all fluids, filters, and zincs in propelling diesels and gen set to establish good base line maintenance if service records are not available proving maintenance procedures.

4. Service bi-annually round snap down cockpit tank covers to prevent water ingress that could cause serious corrosion problems.

5. The age and general condition of the hoses and clamps on this vessel require a system by system inspection and replacement schedule.. Suggest use ABA-AWB or Murray solid band clamps in lieu of perforated clamps as good preventative upgrade. 80% of boats sink at the dock from clamp, hose or plumbing component failure.

6. Secure forward Sea Frost system. Loose and may be damaged in rough sea condition.

7. Service starboard rudder packing gland. Presently leaking. Suggest brush back and lube both as maintenance improvement.

8. Wire nuts on two Rule pumps below steerage shelf. Replace with heat shrink butts.

9. Renew degraded and breaking door veneer shelf for potable aft air conditioning units.

10. Replace degraded port overhead ball valve in air conditioning system.

11. Replace degraded green/black air conditioning ing discharge hoses intersecting port exhaust.

12. Hydraulic steering fluid is low. Top off and monitor for leaks. Ram may need rebuild as indicated by oil blanket below ram.

13. Replace broken upper aft facing deck flood.

14. ACR spotlight is not operational. In keeping with proper boat maintenance practices, all equipment should be in operational order.

15. Battery volt meter is not operational at panel. In keeping with proper boat maintenance practices, all equipment should be in operational order.

16. Synchronizer needs adjustment as it is not functioning properly.

17. Add chafe grommet on generator feed line.

18. There are wing nuts on batteries. Wing nuts should not be used according to ABYC standards. Also, batteries need to be blocked to prevent circuit stress from shift in rough sea way.

19. Three fish box hatches have detached hinges and are flexing. Rebuild.

REMARKS THAT APPLY TO MAINTENANCE continued

20. Generator would not start. Have technician prove operational. After several attempts, toggled three stop switch and the gen started. Suspect stop switch or alternator.

21. Bennett trim pump reservoir low. Top off and monitor.

22. No lens cover for generator vacuum gauge. Replace a maintenance improvement.

REMARKS THAT APPLY TO UPGRADES
These are not mandatory but considered a better standard for safety

1. It is recommended that a Galvanic Isolator Monitor be installed as per American Boat & Yacht Council A 28.13.1 and 28.13.2; "The Galvanic Isolator shall be equipped with an integral operational status monitoring and alarm system that provides an audible or visible indication of the following condition; shorted or open condition if any diode failure to block galvanic current at 1.1 volts DC." "The status indicating device for the galvanic isolator shall be mounted in a location readily apparent to the vessel operator." Dairyland Electrical Industries Fail-Safe galvanic isolator is recommended by ABYC.

2. NFPA 302 ***12.3 Smoke Detection:*** All vessels 26 feet or more in length with accommodation spaces intended for sleeping shall be equipped with a single station smoke alarm that is listed to UL217 for recreational vehicles and is installed and maintained according to the device manufacturers' instructions.

3. We also recommend all our clients to become educated about damage control, how to address and suppress on board fires and a good general knowledge of emergency first aid and boat maintenance. There are many good books available concerning these topics and a good cruising library is invaluable to folks who intend to take adventures upon the oceans of the world.

4. Suggest refit air conditioning compartment and engine compartment with GFCI units. ABYC (American Boat and Yacht Council) E-8 suggests that AC receptacles installed in the galley, head, machinery space, or on a weather deck, be protected by a GFCI (ground fault circuit interrupters (GFCIs) may be used on single-phase AC circuits to provide additional protection for personnel and equipment. Ground Fault Protectors (GFP) may be used to protect equipment.

5. Install hour meter each engine to facilitate proper engine maintenance procedures.

REMARKS THAT APPLY TO UPGRADES continued
These are not mandatory but considered a better standard for safety

6. Add anchor and tackle to augment present tackle carried.

OBSERVATIONS

1. We suggest that the new owner spend a minimum of two days with owners or owners captain going over systems, plumbing, mechanical, fueling, electrical, maneuvering or any idiosyncracies particular to this craft that would affect the safe operation, sea keeping, maintenance or maneuvering of a vessel of this size and complexity.

2. Current book published by U.S. Department of Transportation U.S.C.G Navigation Rules, International - Inland called COLREGS was not located aboard this vessel. Suggest a copy be purchased and permanently carried aboard this vessel. It can be purchased by contacting Superintendent of Documents, U.S. Government Printing Office, P.O. Box 371954, Pittsburgh, PA 15250-7954.

3. Due to the amount and number of danger, warning and caution labels suggested by ABYC, please read and consider posting attached list of labels at the appropriate locations. Labels can be procured through Lem Products, P.O. Box 190, Doylestown, PA 18901 (800-220-2400) www.lemproductsinc.com

4. We suggest that a periodical maintenance program be written by an individual qualified to manage a complex vessel such as this and organize a maintenance log to ensure all necessary maintenance procedures are adhered to. In the event of an insured loss, it is very important to be able to provide your insurance company wit proof that you have maintained your vessel properly and have upheld a good faith agreement.

5. Waste tank shows past thru hull fitting repairs and wasted clamps. No leakage noted. No strong odor.

6. Port fuel gauge running low. Tank is full.

7. Three noticeable keel repairs aft showing some minor weepage port side at aft repair. Next haul, grind down, inspect and relaminate. These type repairs on Oceans are somewhat normal due to improper blocking procedures.

OBSERVATIONS continued

8. Some corrosion pitting in screw on trim tabs. Two jacked fasteners port side. Renew tabs as necessary.

9. Antenna poles ultraviolet light degraded. Sand and epoxy coat or replace to prevent hand injury.

10. Salon hour meter at panelboard reads 145.7. Total hours since reported rebuild not verified.

11. Covering boards and cockpit teak worn. Suggest renew to improve cosmetics.

12. Tonal reports around starboard bow cleat were noticeably different from remainder of deck.

13. Starboard aft tower leg has freeze crack and past weld repair.

14. Speed rotors missing on transducer. Functions considered obsolete.

Surveyor's Remarks: The evaluation stated in this report is based upon no major mechanical issues discovered. This report has been issued without complete knowledge of any data gathered by attending mechanical surveyor that require costly repairs or replacements.

CURRENT VESSEL'S CONDITION

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* **NEW/BRISTOL:** is a vessel that is new or is maintained in mint or a fashion usually better than factory new - loaded with extras. Turnkey, no commissioning necessary.
* **ABOVE AVERAGE:** has had above average care and is equipped with extra electrical and electronic gear. A well-found vessel ready to go.
* **AVERAGE:** Clean, ready for sale. Attractive inside and out, normally equipped. Mechanically sound, mid-time on mechanicals, and little or no additional work.
* **GOOD:** Mechanically sound, requiring some interior and exterior cosmetic work. Generator on the down side of life expectancy.
* **FAIR:** Cosmetics still show noticeable areas of wear and fading after cleanup. Mechanically sound but definitely on the down side of life. May require substantial yard work.
* **POOR:** Vessel needs significant amount of structural yard repair. Most mechanicals, electronics, need overhaul or replacement. Cosmetics almost not restorable. Cost of repairs and restoration may exceed market value of the vessel.

This vessel, this date, fits under the category of: **Good**