

**YACHT AUCTION GROUP, LLC in cooperation with
J. P. KING AUCTION COMPANY, INC.**

VESSEL SPECIFIC DISCLOSURES

FOR

VESSEL PURCHASE & SALE CONTRACT

AND

TERMS OF AUCTION

EMERALD ISLE

AUGUST 24, 2010 – FORT LAUDERDALE (BROWARD COUNTY), FLORIDA

DISCLAIMER: Seller and Auctioneer (this term to include Yacht Auction Group, LLC, King and Broker) do not, here or otherwise, attempt to provide Bidder with all of the information Bidder may need to conduct due diligence and make an informed decision about the Auction and Vessel (“Vessel” herein may have either a singular or plural meaning, plus the “Vessels” is used in some instances for the plural). Participation in the Auction is at Bidder’s sole risk and Seller and Auctioneer, plus their agents, brokers, contractors, employees, and representatives will have no liability whatsoever on any basis. The Vessel will be offered and sold in “*AS IS, WHERE IS*” condition with all burdens, circumstances, defects, facts, faults, dangers, hazards, issues, items, material facts, problems, vandalism, and other relevant matters, whether latent or patent, whether past, present, or future, and whether or not referenced herein, which affect, involve, or relate in any way to the Vessel (“Vessel Issues”). The disclosures that follow are made to Bidders to assist them in performing their due diligence, but this list is not represented to be complete or correct and there may be other Vessel Issues affecting, involving, or related in some way to the Vessel. Bidders should govern themselves accordingly.

Participation in the Auction is at Bidders’ sole risk and Seller and Auctioneer, plus their agents, contractors, and employees, will have no liability on any basis whatsoever. The Vessel will be offered and sold in “*AS IS, WHERE IS*” condition with all Vessel Issues then existing.

TO THE FULLEST EXTENT ALLOWED BY LAW, SELLER AND AUCTIONEER UNCONDITIONALLY DISCLAIM ANY GUARANTEE, REPRESENTATION, OR WARRANTY OF EVERY KIND, WHETHER EXPRESSED, IMPLIED, OR STATUTORY, WHETHER ORAL OR WRITTEN, WHETHER PAST, PRESENT, OR FUTURE, WITH RESPECT TO ALL VESSEL ISSUES, EXCEPT AS EXPRESSLY PROVIDED IN: (a) THE *TERMS OF AUCTION*, and (b) THE *VESSEL SALE CONTRACT*.

Without waiving or modifying the above disclaimer in any way or degree, Seller and Auctioneer disclose the following information which relates to the specific Vessel identified. Seller and Auctioneer emphasize that there may be other Vessel Issues affecting the identified Vessel and this is not an all-inclusive list of such matters to be relied upon by Bidders.

EXCEPT AS EXPRESSLY STATED BELOW, SELLER WILL TAKE NO ACTION TO ADDRESS, CURE, FIX, REMEDY, REPAIR, OR SOLVE ANY VESSEL ISSUES DISCLOSED.

DISCLAIMER: This package is merely a bulletin and is solely intended to provide interested parties with preliminary information only. The delivery of this bulletin to any person shall not create any agency relationship between such person and Emerald Isle, LLC (Seller). The information included in this package is believed to be correct, but it is not guaranteed and is not necessarily correct. Some of the information furnished is from outside sources deemed to be reliable, but is not certified as accurate by the Seller.

All of the information contained herein is subject to corrections, errors and omissions, etc. All purchase offers must be based on purchaser's own investigation of any Vessel made available for purchase and not on any representations made by any party. Seller makes no representation nor warranty, express or implied, with respect to the Vessel made available for purchase; the Vessel is being sold in an AS IS, WHERE IS CONDITION, WITH ALL FAULTS, if any.

This Statement shall not constitute an offer to sell or a solicitation of an offer to buy the Vessel referenced herein. In addition and without limitation of the foregoing, there shall not be any sales of any Vessel in any state in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the applicable security laws of that state.

Patriot Act Representation: Seller and Purchaser each represent to the other that: (1) their Vessel interests are not blocked by Executive Order No. 13224, 66 Fed. Reg. 49079; (2) it is not a person listed on the Specialty Designated Nationals and Blocked Persons list of the Office of Foreign Assets Control of the United States Department of the Treasury; and (3) it is not acting for or on behalf of any person on that list.

Hailing Port: The Vessel, documented and recorded in St. Vincent, hails from the port of Fort Lauderdale, Florida with Official Number (Hull Number) KHT00011E292.

Name: The name "Emerald Isle" shall convey with the Vessel.

Marine Survey: Seller has provided a valuation report entitled, "Marine Survey" prepared by Emerald Coast Marine Services and dated June 2, 2009.