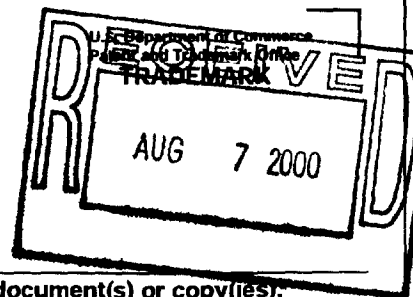


09-06-2000



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8-7-00

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

New

Resubmission (Non-Recordation)
Document ID #

Correction of PTO Error
Reel # Frame #

Corrective Document
Reel # Frame #

Conveyance Type

Assignment License

Security Agreement Nunc Pro Tunc Assignment

Merger
Effective Date
Month Day Year

Change of Name

Other

Conveying Party

Mark if additional names of conveying parties attached

Name Execution Date
Month Day Year

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKATA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Corporation Association

Other

Citizenship/State of Incorporation/Organization

FOR OFFICE USE ONLY

09/01/2000 NTHAI1 00000137 1835359

01 FC:481

40.00 GP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK
REEL: 002130 FRAME: 0393

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1835359"/>	<input type="text"/>	<input type="text"/>
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<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

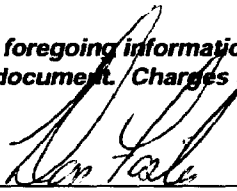
Yes

No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Don P. Foster



8/4/00

Name of Person Signing

Signature

Date Signed

GENERAL ASSIGNMENT AND
ASSUMPTION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This General Assignment is executed and delivered effective this 1st day of July, 1996 by Egg Harbor Acquisition, Inc. ("EHAI") in favor of its affiliated entity, Marine Acquisitions, Inc. ("Marine").

WHEREAS, EHAI has agreed to purchase the assets and assume certain liabilities of Egg Harbor Yacht Company, Inc. ("Egg Harbor") pursuant to that certain Asset Purchase Agreement dated November 6, 1995, as amended June 30, 1996 ("Agreement"); and

WHEREAS, EHAI desires to assign to Marine and Marine has agreed to purchase from EHAI all of EHAI's rights, titles and interests under the Agreement and to assume, pay, perform and discharge all of EHAI's duties and obligations under the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged:

1. Conveyance and Delivery. EHAI has conveyed, granted, bargained, sold, transferred, set over, assigned, delivered and released unto Marine and by the presents does hereby convey, grant, bargain, sell, transfer, set over, assign, delivery and release unto Marine and Marine's successors and assigns to have and hold forever, good and marketable title to all EHAI's rights, titles and interests in and under the Agreement.

2. Assumption. Marine hereby agrees to assume, pay, perform and discharge all of EHAI's obligations, duties, debts and liabilities under the Agreement and to hold EHAI harmless from all such obligation, duties, debts, and liabilities.

3. Title. EHAI represents and warrants that:

(i) EHAI has good and marketable title to all its rights, titles and interests in the Agreement, free and clear of all liens, claims, charges, encumbrances, mortgages, options, restrictions, security agreements or any other encumbrance of any kind, character or description whatsoever, except as described in the Agreement;

(ii) EHAI has all requisite power and authority to sell, transfer, convey and deliver its rights, titles and interests in the Agreement under the Agreement to Marine pursuant to this instrument of Conveyance; and

(iii) EHAI will defend good and marketable title to its rights, titles and interests against any and all adverse claims whatsoever.

4. Condition of the Assets. The rights, titles and interests in the Agreement are being sold "as is, where is" without any representation, warranty, liability or other obligation on the part of EHAI whatsoever, whether expressed or implied, except as set forth in the Agreement. THIS EXPRESS WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES,

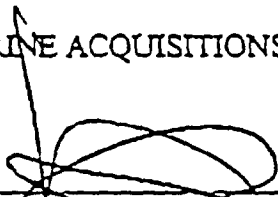
WHETHER EXPRESSED OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OR REPRESENTATION OR MERCHANTABILITY OR WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE, ALL OF WHICH ARE EXPRESSLY WAIVED BY MARINE.

5. Further Assurances. EHAI agrees to execute and deliver to Marine any certificates, instruments, releases and other documents reasonably required to further assure Marine and provide Marine evidence of Marine's purchase of EHAI's rights, titles and interests in the Agreement.

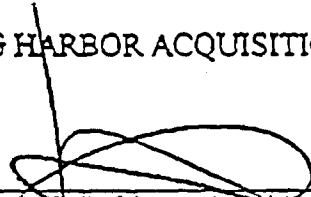
6. Consent. Egg Harbor consents to this Assignment to Marine and to the assumption by Marine of all the debts, duties, obligations and liabilities of EHAI under this Agreement.

IN WITNESS WHEREOF, this Bill of Sale has been duly executed and delivered on the 14th day of July, 1996.


MARINE ACQUISITIONS, INC.

By: 
William C. Robinson, President

EGG HARBOR ACQUISITION, INC.

By: 
William C. Robinson, President

EGG HARBOR YACHT COMPANY, INC.

By: 
Name: Walter F. Sokurac Jr.
Title: VP

ASSET PURCHASE AGREEMENT
BY AND BETWEEN
EGG HARBOR YACHT COMPANY, INC.
AS SELLER
AND
EGG HARBOR ACQUISITION, INC.
AS BUYER

DATED NOVEMBER 6, 1995

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LIST OF EXHIBITS

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- A-2 Deposits and prepaid items
- A-3 Trade accounts receivable
- A-4 Other receivables
- A-5 Inventories of raw materials
- A-6 Inventories of work-in-process
- A-7 Inventories of finished goods and all products in transit
- A-8 Demonstration models and displays wherever located
- A-9 Product plans, specifications, designs and molds
- A-10 Real property and fixtures associated therewith
- A-11 Furniture and office equipment
- A-12 Machinery, tools, dies, patterns and molds
- A-13 Vehicles and rolling stock including trailers
- A-14 Leased equipment and leasehold rights
- A-15 Customer contracts and contract rights
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- A-17 Outstanding customer bids
- A-18 Outstanding supplier bids
- A-19 Customer lists
- A-20 List of owners of boats manufactured by the Company
- A-21 Subscribers to the Company's newsletter
- A-22 General intangibles, permits, qualifications, licenses, franchises
- A-23 Patents, patents pending and proprietary rights
- A-24 The names Egg Harbor Yachts and Golden Egg Yachts, all trademarks, tradenames, servicemarks, logos and all registration and applications therefrom
- A-25 All books and records
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- B Assumption Agreement
- C Bill of Sale
- D Employment Agreements
- E Excluded Assets
- F Excluded Liabilities
- G Financial Statements
- H Liabilities
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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement") is executed and entered into as of November 6, 1995, by and between Egg Harbor Yacht Company, Inc., a New Jersey corporation (the "Company"), and Egg Harbor Acquisition, Inc., a Delaware corporation ("Buyer").

WITNESSETH:

WHEREAS, the Company desires to sell to Buyer, and Buyer desires to purchase, the business and all the Assets (as defined hereafter) and to assume the Liabilities (as defined hereafter) of the Company.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below unless the context otherwise requires:

"Agreement" means this Asset Purchase Agreement together with all Exhibits and Schedules hereto, as modified to reflect changes in the Exhibits and Schedules to reflect the facts as of the Closing.

"Assets" means all of the rights, titles and interests of the Company (excluding the Excluded Assets), which are on hand or under the control of the Company as of the Closing, including all of the following:

<u>Exhibit</u>	<u>Description</u>
A-1	Cash and cash equivalents and funds on deposit
A-2	Deposits and prepaid items
A-3	Trade accounts receivable
A-4	Other receivables
A-5	Inventories of raw materials
A-6	Inventories of work-in-process
A-7	Inventories of finished goods and all products in transit
A-8	Demonstration models and displays wherever located
A-9	Product plans, specifications, designs and molds
A-10	Real property and fixtures associated therewith
A-11	Furniture and office equipment (including computers, printers, peripherals, fax machines, telephone systems and copiers)
A-12	Machinery, tools, dies, patterns and molds
A-13	Vehicles and rolling stock including trailers
A-14	Leased equipment and leasehold rights
A-15	Customer contracts and contract rights
A-16	Supplier contracts and contract rights
A-17	Outstanding customer bids
A-18	Outstanding supplier bids
A-19	Customer lists
A-20	List of owners of boats manufactured by the Company
A-21	Subscribers to the Company's newsletter
A-22	General intangibles, permits, qualifications, licenses, franchises
A-23	Patents, patents pending and proprietary rights

- A-24 The names Egg Harbor Yachts, and Golden Egg Yachts all trademarks, trade names, service marks, logos and all registration, whether registered or not
- A-25 All books and records
- A-26 All other miscellaneous assets wherever located, whether or not listed or described herein or any exhibits hereto

"Assumption Agreement" means the agreement in the form attached hereto as Exhibit B which is executed and delivered by Buyer to the Company at the Closing.

"Basic Documents" means this Agreement, the Assumption Agreement, the Employment Agreements and the Non-Competition Agreements.

"Bill of Sale" means the Bill of Sale in the form of Exhibit C evidencing the sale and conveyance of the Assets to Buyer.

"Closing" means the consummation of the sale, purchase, transfer and conveyance of the Assets by Buyer and the assumption of the Liabilities by Buyer as contemplated by this Agreement.

"Deed" means the Bargain and Sale Deed with Covenants Against Grantor's Act attached hereto as Exhibit M by which the Company conveys to Buyer the land, real estate building and fixtures included within the Assets.

"Deposit" has the meaning set forth in paragraph 3(a) below.

"Employment Agreements" means the agreements between Buyer as employer and in the form attached as Exhibit D.

"Employee Benefit Plan" has the meaning set forth in paragraph 7(s) below.

"Environmental Regulations" has the meaning set forth in paragraph 7(q) below.

"ERISA" has the meaning set forth in paragraph 7(s) below.

"Excluded Assets" means (i) all items of Assets which are either disposed of by the Company in the ordinary course of its business prior to Closing or not on hand as of the Closing through no fault of the Company; (ii) the "Deposit" (as hereinafter defined), the balance of the Purchase Price to be paid hereunder, and the stock and other securities of Buyer; (iii) the specified assets of the Company listed in Exhibit E hereto including a cash reserve for federal and state income taxes; and (iv) proceeds from the sale or other disposition of any Excluded Assets. The reserve for federal and state income taxes shall be determined by applying the highest federal and state income tax marginal rates to the Company's taxable income, if any (without regard to the Company's net operating loss carryovers) for the period commencing October 1, 1995 and ending on the date of Closing. No reserve for taxes shall be made for any federal or state taxes payable as a result of the sale of the Assets pursuant to this Agreement or for taxes arising in any period prior to execution of this Agreement.

"Excluded Liabilities" means the liabilities of the Company arising prior to Closing relating to:

- (1) Foreign, federal and local state income taxes;

- (2) Liabilities for environmental liabilities, damages or claims and all related investigation compliance and enforcement costs with respect thereto (except that the cost of obtaining environmental consents, including the costs of any required soil testing, etc., shall be borne by Buyer under paragraph 14(c) hereafter);
- (3) Non-operating liabilities to shareholders and affiliates listed in Exhibit F; and
- (4) Other identified contingent liabilities listed in Exhibit F.

"Financial Statements" means the unaudited interim financial statements of the Company as of July 31, 1995 and interim unaudited financial statements as of the end of the month prior to Closing, which are attached hereto as Exhibit G and made a part hereof for all purposes.

"Hazardous Substance" has the meaning set forth in paragraph 7(q) below.

"Liabilities" means all liabilities of the Company at the date of Closing, a list of which are identified as of the stated date in Exhibit H hereto, as modified to reflect Liabilities of the Company at the date of Closing, but excluding the Excluded Liabilities.

"Non-Competition Agreements" means agreements with Peter Johnson, Walter Johnson, Donald Leek and Rudolf Lehnert in the form attached as Exhibit I.

"Products" means all custom designed sport fishing boats and all components thereof manufactured, assembled, installed, sold or serviced by the Company.

"Warranty Claims" means all claims by customers, users or third parties arising by reasons of alleged malfunction or use of Products or alleged defects in the design, manufacture, materials or workmanship of any Product, however characterized, whether in contract, tort or otherwise and whether for property damages, damage to business or injuries to persons, including without limitation, claims for breach of Product warranties, breach of contract or product liability or otherwise.

2. Purchase and Sale of Assets. Subject to the terms and conditions of this Agreement, the Company agrees to sell, assign, convey, transfer and deliver to Buyer at the Closing, and Buyer agrees to purchase, pay for, acquire and accept delivery at the Closing from the Company of, all the Assets, excluding the Excluded Assets. THE ASSETS ARE BEING SOLD PURSUANT TO THIS AGREEMENT "AS IS, WHERE IS" WITHOUT ANY REPRESENTATION, WARRANTY, LIABILITY OR OTHER OBLIGATION ON THE PART OF THE COMPANY WHATSOEVER, WHETHER EXPRESSED OR IMPLIED, EXCEPT AS EXPRESSLY STATED HEREIN. THIS EXPRESSED WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, WHETHER EXPRESSED OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION ANY WARRANTY OR REPRESENTATION AS TO THE CONDITION OF THE ASSETS OR AS TO THE MERCHANTABILITY OF THE ASSETS OR ANY WARRANTY OF FITNESS OF THE ASSETS FOR ANY PARTICULAR PURPOSE, ALL OF WHICH ARE EXPRESSLY WAIVED BY BUYER.

3. Purchase Price.

(a) Purchase Price for the Assets. The purchase price for the Assets shall be (i) \$1,000,000 in cash upon execution of this agreement (the "Deposit"); (ii) \$1,000,000 plus \$8,333 for each month or part thereof after October, 1995 until the Closing, payable at Closing, and (iii) the delivery by Buyer to the Company at the Closing of the executed Assumption Agreement. The Company shall have the immediate unrestricted use of the Deposit.

(b) Inventory Procedure. Immediately after the Closing, representatives of the Company and Buyer shall conduct a complete physical inventory of the Assets. A report of this physical inventory shall be prepared and signed by authorized representatives of both the Company and Buyer within 30 days after Closing, certifying the accuracy of the inventory. The report shall be as specific as possible in identifying each asset by serial number, stock number or other identifying mark. All items or categories of items of Assets shall be valued by the parties. Items of the Excluded Assets shall be identified on this report.

(c) Allocation of Purchase Price. Within 60 days after the Closing and promptly after the final purchase price is determined, the parties shall mutually agree upon the allocation of the purchase price among the various categories of the Assets. In the event the parties are unable to agree to the allocation, after good faith diligent efforts, each party shall be entitled to use its own allocation.

(d) No Adjustments. Except as otherwise expressly stated herein, there shall be no adjustments to the Purchase Price in connection with the inventory procedure or otherwise.

4. Assumption of Liabilities. Buyer agrees to assume, pay, perform and discharge all the Liabilities of the Company at the Closing, except for the Excluded Liabilities. The Liabilities assumed include, but are not limited to:

- (i) The performance of outstanding contractual obligations of the Company;
- (ii) Outstanding accounts payable of the Company at the Closing;
- (iii) Leases of office and manufacturing equipment and vehicle leases at the Closing;
- (iv) Liabilities of the Company to employees (including accrued employee vacation pay and sick leave), excluding Excluded Liabilities; and
- (v) Other liabilities of the Company identified in Exhibit H, except for the Excluded Liabilities.

In addition, Buyer agrees to administer, process and settle all Warranty Claims, whether arising before or after Closing, and pay to the extent not insured all losses, injuries, damages and claims for Liabilities where the event of loss occurs after the Closing. Buyer also agrees to pay the costs incurred by the Company in the administration of benefits under COBRA.

5. Buyer's Negotiation with the Company Employees. Buyer agrees to negotiate in good faith with the employees of the Company and to offer employment to such employees on terms that are mutually acceptable between Buyer and each such-employee. It is not a condition of Closing that Buyer successfully negotiate the employment of any employee, except for the employees covered by the Employment Agreements. The Company shall have no obligation to retain any existing employee not hired by Buyer.

6. Closing.

(a) Closing. Subject to the terms and conditions of this Agreement, the Closing shall take place at the offices of Levine, Staller, Sklar, Chan & Brodsky at Atlantic City, New Jersey at a mutually agreed time, no later than 15 days after Closing of the IPO (as defined in paragraph 14(m) hereafter), but in no event later than December 31, 1996 (with respect to which time is of the essence). If the Closing has not occurred on or before December 31, 1996, this Agreement shall terminate unless the parties mutually agree in writing to extend the time for Closing, and neither party shall have any rights or obligations hereunder. Upon execution of this agreement, Buyer and the Company shall pay the expenses required by each other in Paragraph 14(c).

(b) Title, Possession and Risk of Loss. Title to, possession of, and risk of loss with respect to the Assets shall pass to Buyer at the Closing.

(c) Deliveries by the Company at Closing. At the Closing, the Company shall deliver to Buyer:

- (i) Possession of the Assets to Buyer;
- (ii) The executed Bill of Sale, the Deed and title certificates covering the owned vehicles which are part of the Assets and such other instruments of conveyance as Buyer may reasonably request in form and substance acceptable to each party for the purpose of conveying the Assets to Buyer;
- (iii) An executed officers' certificate;
- (iv) The Employment Agreements executed by the employees;
- (v) The Non-Competition Agreements executed by the shareholders of the Company;
- (vi) Certified copies of corporate resolutions authorizing the consummation of the transactions contemplated by this Agreement;
- (vii) Certificates of valid corporate existence and good standing in New Jersey;
- (viii) Evidence of the change in the corporate name of the Company to a name that does not contain the words "Egg Harbor Yachts" and is not deceptively similar to the corporate name of Buyer;
- (ix) Any required certificates of successful compliance or other appropriate documentation with applicable New Jersey environmental laws approving the transfer;
- (x) Any required consents to the transfer by contracting parties with the Company whose material agreements require consent; and

- (xi) An opinion of its counsel reasonably satisfactory to Buyer and its counsel;
- (xii) Such other documents as shall be reasonably required or necessary to consummate the transactions contemplated by this Agreement and the Exhibits as the parties shall agree.

Company:

(d) Deliveries by Buyer at Closing. At the Closing, Buyer shall deliver to the

- (i) The balance of the cash portion of the Purchase Price and the expenses payable by Buyer;
- (ii) The Assumption Agreement executed by Buyer;
- (iii) The Employment Agreements executed by Buyer;
- (iv) The Non-Competition Agreements executed by Buyer;
- (v) An executed officers' certificate;
- (vi) Certified copies of corporate resolutions authorizing the consummation of the transactions contemplated by this Agreement;
- (vi) Certificates of valid corporate existence and good standing in Delaware and New Jersey;
- (vii) An opinion of its counsel reasonably satisfactory to the Company and its counsel;
- (viii) Releases, discharges of mortgages, satisfactions of guarantees, and other documents evidencing discharge of the indebtedness of the Company and its shareholders with respect to the City of Egg Harbor/New Jersey Economic Development Authority loan and Midlantic Bank loans, in form and substance satisfactory to the Company and its shareholders.
- (ix) Such other documents as shall be reasonably required or necessary to consummate the transactions contemplated by this Agreement and the Exhibits and as the parties shall agree (including, without limitation, the Exhibits in the form to be mutually agreed by the parties).

(e) Update of Exhibits and Schedules. To the extent reasonably possible, all Exhibits and Schedules attached hereto shall be updated to a date as near the time of Closing as reasonably possible. Within 15 days following Closing, the Exhibits will be revised by the Company as of the Closing.

7. Representations and Warranties of the Company. The Company represents and warrants to Buyer that:

(a) Organization, Good Standing and Corporate Power. The Company is a

corporation duly organized, validly existing and in good standing under the laws of the State of New Jersey duly qualified to engage in business in New Jersey and each other state where ownership of its assets or conduct of its business requires such qualification, with all requisite corporate power and authority to carry on the business of the Company as now conducted and to consummate the transactions contemplated hereby.

(b) Authorization. The execution, delivery and performance of the Basic Documents to which it is a party and the consummation by the Company of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action on the part of the Company; and the Basic Documents to which it is a party will be when executed and delivered at the Closing, valid and legally binding obligations of the Company enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium or similar laws affecting the enforcement of creditors' rights and by the availability of injunctive relief or specific performance.

(c) No Conflicting Agreements. Upon obtaining the required consents reflected in Schedule 7(d) prior to Closing (or thereafter if accepted by Buyer), neither the execution and delivery of the Basic Documents to which it is a party nor the fulfillment of or compliance by the Company with the terms or provisions thereof will result in a breach of the terms, conditions or provisions of, or constitute a default under, or result in a violation of, the corporate charter or bylaws of the Company, or any agreement, contract, instrument, order, judgment or decree to which the Company is a party or by which it or the Assets are bound, or violate any provision of any applicable law, statute, rule or regulation or any order, decree, writ or injunction of any court or governmental entity which materially affects the Assets or business of the Company.

(d) Consents. Except as set forth in Schedule 7(d), no consent from or approval of any court, governmental entity or any other person is necessary in connection with the execution and performance by the Company of the Basic Documents to which it is a party, or the transactions contemplated thereby (and the Exhibits thereto); and the consummation of the transactions contemplated by the Basic Agreements and to which it is a party will not require the approval of any entity or person in order to prevent the termination of any material right, privilege, license or agreement of the Company relating to the Company.

(e) Title to the Assets. At the Closing, the Company will convey to Buyer good and marketable title to all of the Assets (tangible and intangible), free and clear of all charges, claims, liens, mortgages, options, restrictions, security agreements and other encumbrances of every kind or nature whatsoever, except as set forth in Schedule 7(e). Notwithstanding the preceding sentence, title to the Company's land, buildings, and fixtures shall be in accordance with the marked-up title commitment of Stewart Title Insurance Company attached hereto as part of Schedule 7(e).

(f) Condition of the Tangible Assets. The tangible Assets have been operated in a businesslike manner, have been maintained and repaired in the ordinary course of business (subject to ordinary wear and tear), except as will not materially and adversely affect the Assets as a whole or the business, operations or financial condition of the Company.

(g) Financial Statements. The Financial Statements have been prepared in conformity with generally accepted accounting principles applied on a consistent basis, except that such Financial Statements do not include complete footnotes or customary year-end adjustments. The Financial Statements present fairly the financial position and the results of operations of the Company on the dates and for the periods shown therein; provided, however, that the Financial Statements are subject to customary year-end adjustments and accruals that, in the aggregate, will

not have a material adverse effect on the overall financial condition or results of operations of the Company reflected in the Financial Statements. The Company has not engaged in business not reflected in the Financial Statements. There have been no material adverse changes in the nature of the business, the prospects of the Company, the value of the Assets or the financial condition of the Company since July 31, 1995, except as set forth in Schedule 7(g).

(h) Taxes. All returns, reports, statements and other similar filings required to be filed by the Company with respect to any federal, state, local or foreign taxes, assessments, interests, penalties, deficiencies, fees and other governmental charge or impositions (including without limitation all income, unemployment compensation, social security, payroll, sales and use, excise, privilege, property, ad valorem, franchise, license, school and other tax or similar governmental charge or imposition under laws of the United States or any state or municipal or political subdivision thereof or any foreign country or political subdivision thereof) have been filed with the appropriate governmental agencies in all jurisdictions in which such tax returns are required to be filed; and all such tax returns properly reflect in all material respects the liabilities of the Company for taxes for the periods, property or events covered thereby. All taxes, whether or not reflected on those tax returns, and all taxes heretofore claimed to be due from the Company by any taxing authority, have been properly accrued or paid. The Company has not received any notice of assessment or proposed assessment in connection with any tax returns, and there are no pending tax examinations of or tax claims asserted against the Company or any of its assets or properties. Except as set forth in Schedule 7(h), the Company has not extended or waived the application of, any statute of limitations of any jurisdiction regarding the assessment or collection of any taxes. There are no tax liens (other than any lien for current taxes not yet due and payable) on any of the Assets. The Company has no knowledge of any basis for any additional assessment of taxes. The Company has made all deposits required by law to be made with respect to employees' withholding and other employment taxes, including without limitation the portion of such deposits relating to taxes imposed upon the Company.

(i) Accounts Receivable. The accounts receivables of the Company are valid and genuine, have arisen from bona fide transactions and are collectible, net of reasonable reserves for sales returns and doubtful amounts, determined in accordance with generally acceptable accounting principles applied on a consistent basis as shown in the Financial Statements, updated to the time of Closing. To the Company's knowledge, there are no defenses, set offs, counterclaims or rights to reduce any of the accounts receivable.

(j) Inventories. The Company's inventory of raw materials and supplies is usable in the ordinary course of its business and carried on the Financial Statements at the lower of the Company's FIFO cost or market. The Company's inventory of finished goods and work-in-process is merchantable and marketable in the ordinary course of its business and consistent with the Company's past business practice. The obsolescence reserve in the Financial Statements is adequate.

(k) Absence of Certain Changes or Events. Except as may be disclosed on Schedule 7(k) from July 31, 1995 to Closing, without the prior consent of Buyer (which consent or lack of consent shall not be unreasonably withheld or delayed, and in any event a response given by Buyer within 10 days or else consent shall be deemed to have been given) the Company will not have:

(i) Sold, encumbered, assigned or transferred any assets or properties which would have been included in the Assets, except for the sale of inventory in the ordinary course of business consistent with past practice;

(ii) Materially amended or terminated any material agreement, contract, commitment, lease or plan involving \$25,000 or more to which it is a party or by which

it is bound;

(iii) Suffered any damage, destruction or loss, whether or not covered by insurance, materially and adversely affecting its business, operations, Assets or prospects of the Company with regard to any item or items carried on its books of account individually or in the aggregate at more than \$5,000, or suffered any recurring or prolonged shortage, cessation or interruption of material supplies or utilities or other material services required to conduct its business and operations;

(iv) Received notice or had knowledge of any actual or threatened labor trouble, strike or other occurrence, event or condition of any similar character which has had or might have a material adverse effect on its business, operations, Assets or prospects of the Company;

(v) Made any material change in its customary operating methods which materially and adversely affects the Company's business (including its purchasing, marketing, selling and pricing practices and policies);

(vi) Made any commitments or agreements for capital expenditures or capital additions or betterment involving a commitment of \$25,000 or more, except as may be involved in ordinary repair, maintenance or replacement of its Assets;

(vii) Except in the ordinary course of business, increased the salaries or other compensation of, or made any advance (excluding advances for ordinary and necessary business expenses) or loan to, any of its employees or made any increase in, or any addition to, other benefits to which any of its employees may be entitled;

(viii) Changed any of the accounting principles followed by it or the methods of applying such principles;

(ix) Entered into any transaction relating to the Company or the Assets other than in the ordinary course of business consistent with past practice; or

(x) Agreed, whether in writing or otherwise, to take any of the actions set forth in this paragraph.

(1) Material Contracts. Schedule 7(1) contains a complete and correct copy of all material agreements, contracts and commitments (collectively, the "Material Contracts") of the following types, whether written or oral, by which any of the Assets are bound, or to which the Company is a party or is bound and which relate to the business of the Company or to the Assets:

(i) Mortgages, indentures, deeds of trust, security agreements and other agreements and instruments relating to the borrowing of money by, any extension of credit to, the Company;

(ii) Sales agency, manufacturer's representative, distributorship, employment and marketing agreements;

(iii) Licenses to or from others of any intellectual property and trade names;

(iv) Contracts or commitments to sell, lease or otherwise dispose of any of the Assets other than at market rates or other than in the ordinary course of business;

(v) Contracts or commitments limiting the freedom of the Company to compete in any line of business or in any geographic area or with any person; and

(vi) Employment, non-disclosure, confidentiality or intellectual property ownership or transfer agreements with any employees of the Company.

Schedule 7(l) contains also a summary of all oral material agreements.

(m) Leases. Schedule 7(m) contains a complete and correct list of all leases and other agreements pursuant to which the Company leases (or has purchased subject to a conditional sales or title retention agreement) from others any property used or useful in connection with the business of the Company, together with a description of the property to which each such lease, conditional sales or other title retention agreement relates.

(n) Insurance. The Company carries adequate insurance with respect to the Assets and its business. Such policies are in full force and effect on the date hereof, and the Company has not received notice of cancellation with respect to any such policy.

(o) Compliance with Laws. The Company is in compliance with all applicable laws, ordinances, statutes, rules, regulations and orders promulgated by any federal, state or local governmental body or agency relating to the business of the Company and the operation of the Assets. The Company owns, holds, possesses or lawfully uses in the operation of its business, all franchises, licenses, permits, easements, rights, applications, filings, registration and other authorizations which are necessary for it to conduct business, all of which are listed in Schedule 7(o), and all of which are valid and in full force and effect, and the Company is in full compliance therewith.

(p) Litigation. Except as set forth in Schedule 7(p) hereto, there is no suit, action or any arbitration, administrative, legal or other proceeding of any kind or character, or any governmental investigation pending or threatened against the Company affecting the Assets, the business of the Company or the employees of the Company. The Company is not in default with respect to any order, decree, writ or injunction of any court or governmental body or agency which affects the Assets or the business of the Company. There are no pending or threatened actions or proceedings before any court, arbitrator or administrative agency which would, if adversely determined, individually or in the aggregate, materially and adversely affect the Assets or the business of the Company.

(q) Environmental Matters. Except as set forth in Schedule 7(q) hereto:

(i) The Company has obtained all permits, licenses and other authorizations which are required in connection with the conduct of the business of the Company relating to pollution or protection of the environment, including regulations relating to emissions, discharges, releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes ("Hazardous Substances") into the environment (including without limitation ambient air, surface water, groundwater, or land), or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Substances ("Environmental Regulations").

(ii) To its knowledge, the Company is in full compliance in all material respects with all terms and conditions of the required permits, licenses and authorizations

and is also in full compliance in all material respects with all other material limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in the Environmental Regulations or contained in any regulation, code, plan, order, decree, judgment, injunction, notice or demand letter issued, entered, promulgated or approved thereunder.

(iii) The Company is not aware of, nor has it received notice of, any past, present or future events, conditions, circumstances, activities, practices, incidents, actions or plans which may interfere with or prevent in any material respect compliance or continued compliance with the Environmental Regulations or any regulations, code, plan, order, decree, judgment, injunction, notice or demand letter issued, entered, promulgated or approved thereunder, or which may give rise to any material common law or legal liability, or otherwise form the basis of any material claim, action, demand, suit, proceeding, hearing, study or investigation, based on or related to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling, or the emission, discharge, release or threatened release into the environment of any Hazardous Substance.

(iv) There is no civil, criminal or administrative action, suit, demand, claim, hearing, notice or demand letter, notice of violation or any investigation, or proceeding pending or threatened against the Company in connection with the conduct of its business relating in any way to the Environmental Regulations or any regulation, code, plan, order, decree, judgment, injunction, notice or demand letter issued, entered, promulgated or approved thereunder.

(v) The Company agrees to cooperate with Buyer in connection with Buyer's application for the transfer, renewal or issuance of any permits, licenses, approvals or other authorizations or to satisfy any regulatory requirements involving the business of the Company.

(vi) None of the Assets are or have been used for the generation, use, storage, manufacture, handling transportation, treatment or disposal of Hazardous Substances, except as permitted by, and in compliance with, all applicable Environmental Regulations.

(vii) Except as reflected in Schedule 7(q), there is not and there has not been any underground storage tanks located on the real property owned or leased by the Company or used in connection with the business of the Company.

(r) Employees. Schedule 7(r) sets forth a true and complete list of the name, title, current location and base salary or hourly rate of every employee of the Company, together with a statement of the basis, amount and nature of any other remuneration, whether in cash or kind, paid to each such employee during the current fiscal year or accrued for or payable to each such employee in the future, and the basis for accrual and amount of all vacation and severance benefits to which each such employee was entitled as of the signing of this Agreement and as of the Closing. Except as set forth in Schedule 7(r):

(i) The Company is not a party to or bound by any employment agreement or any collective bargaining agreement with respect to any of the employees;

(ii) There is not pending or threatened any strike, walkout or other work stoppage or any union organizing effort relating to the Company or the employees;

(iii) The Company is in full compliance with all federal and state laws in all material respects with respect to employment and employment practices, terms and conditions of employment, and wages and hours and employment health and safety and is not engaged in any unfair labor practices, and there is no unfair labor practice complaint against the company pending before the National Labor Relations Board;

(iv) The Company is not violation of any law, regulation or order relating to employment discrimination or occupational safety nor has the Company received any unresolved complaint from any federal or state agency or regulatory body alleging violations of any such laws or regulations, nor is the Company implementing any orders or consent decrees remedying any such prior violation. The Company has not entered into any written contract with any employees or made any oral or written representation, direct or implied, which would require Buyer to provide post-retirement medical benefits or post-retirement life insurance benefits. The amounts of employee-related liabilities reflect on the Financial Statements are not understated.

(s) Employee Benefit Plans and Arrangements. Schedule 7(s) contains a complete list of all Employee Benefit Plans, whether formal or informal, whether or not set forth in writing, and whether covering one person or more than one person, sponsored or maintained by the Company. For the purposes hereof, the term "Employee Benefit Plan" includes all plans, funds, programs, policies, arrangements, practices, customs and understandings providing benefits of economic value to any employee, former employee, or present or former beneficiary, dependent or assignee of any such employee or former employee other than regular salary, wages or commissions paid substantially concurrently with the performance of the services for which paid, and includes without limitation all employee welfare benefit plans within the meaning of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Each Employee Benefit Plan is fully funded, and there are no non-funded liabilities to employees. The Company does not maintain, contribute to or have any liability under any Employee Benefit Plan.

(t) Books and Records. The books and records of the Company are complete and accurate, fairly present the business of the Company, have been maintained in accordance with good business practices, and accurately reflect in all material respects the business and financial condition of the Company.

(u) No Brokers' Fees. The Company has incurred no brokers' fees, sales commissions, finders' fees, financial advisory fees or other fees or expenses for which Buyer shall be liable.

(v) No Undisclosed Liabilities. Except as set forth in Schedule 7(v) and except as shown in the Financial Statements, the Company has no debt, liability or obligation that would have a material adverse effect on the business or financial condition of the Company or the Assets.

(w) Full Disclosure. All representations or warranties are true, correct and complete in all material respects on the date hereof (or on the date made, as to updated Schedules) and shall be true, correct and complete in all material respects as of the Closing.

8. Representations and Warranties of Buyer. Buyer hereby represents and warrants to the Company that:

(a) Organization, Good Standing and Corporate Power. Buyer is a Delaware corporation duly organized, validly existing and in good standing under the laws of Delaware and is qualified to do business in the State of New Jersey, with all requisite corporate power and

authority to consummate the transactions contemplated by this Agreement and the Exhibits hereto.

(b) Authorization. The execution, delivery and performance of the Basic Agreements to which it is a party and the consummation by Buyer of the transactions contemplated thereby have been duly and validly authorized by all necessary corporate action on the part of Buyer; and each of the Basic Agreements to which it is a party will be when executed and delivered at Closing a valid and legally binding obligation of Buyer enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium or similar laws affecting the enforcement of creditors' rights and by the availability of injunctive relief or specific performance.

(c) No Conflicting Agreements. Neither the execution and delivery of the Basic Agreements to which it is a party, nor the fulfillment of or compliance by Buyer with the terms or provisions thereof, will result in a breach of the terms, conditions or provisions of, or constitute a default under, or result in a violation of, the corporate charter or bylaws of Buyer or any agreement, contract, instrument, order, judgment or decree to which Buyer is a party or by which it is bound, or violate any provision of any applicable law, statute, rule or regulation or any order, decree, writ or injunction of any court or governmental entity.

(d) Consents. No consent from or approval of any court, governmental entity or any other person is necessary in connection with the execution, delivery or performance of the Basic Agreements by Buyer other than consents and approvals which have already been obtained.

(e) No Brokers' Fees. Buyer has incurred no brokers' fees, sales commissions, finders' fees, financial advisory fees or other fees or expenses for which the Company shall be liable.

(f) No Undisclosed Liabilities. Buyer has no material debt, liability or obligation not disclosed to Egg Harbor that would have a material adverse effect on the business or financial condition of Buyer.

(g) IPO. Buyer will use its best efforts to conclude a successful IPO as contemplated by Paragraph 14(m). The Company will cooperate with and promptly supply all information reasonably requested in connection therewith. Buyer will, promptly upon receipt or delivery, provide the Company with copies of all agreements and all material correspondence in connection with, or leading up to, the IPO, including agreements with underwriters, financial advisors, and other professionals and participants, and provide the Company with copies of all documents relating to any Regulation D offering or SEC filings of securities of Buyer.

(h) Full Disclosure. All representations and warranties are true, correct and complete in all material respects on the date hereof and shall be true, correct and complete in all material respects as of the Closing as if they were made on such date.

9. Conduct of Business Prior to Closing.

(a) Affirmative Covenants. The Company covenants and agrees that, so long as this Agreement remains in full force and effect and the Closing has not occurred, the Company will use its good faith diligent efforts to:

- (i) Carry on the business of the Company in accordance with applicable law, sound business practices and in substantially the same manner as heretofore conducted;

- (ii) Maintain and preserve the business organization of the Company and its relationship with employees, customers, suppliers and others having business relationships with the Company;
- (iii) Perform all of the obligations of the Company;
- (iv) Permit, subject to the confidential nature of the transactions contemplated by the Agreement, representatives of Buyer and its lenders to have reasonable access to inspect the Assets and the books and records of the Company to enable such representatives to conduct an investigation and evaluation of the Company's business;
- (v) Maintain in full force and effect insurance in effect covering the Assets in amounts equal to or greater than now in effect;
- (vi) Promptly notify Buyer of any notice or claim, written or oral, of default or breach by the Company, or the termination or cancellation, or threat of termination or cancellation, of any material contract, lease or other instrument relating to the Assets;
- (vii) Promptly notify Buyer of any material loss of, damage to, or disposition (not in the ordinary course of business) of, any Assets;
- (viii) Promptly notify Buyer of any material claim or litigation, threatened or instituted, or any other material adverse event or occurrence involving or affecting any of the Assets;
- (ix) Make all material filings that are reasonably necessary to transfer the Assets customarily made or obtained subsequent to transfer of title and obtain all applicable waivers of preferential rights to purchase and consents to assign and transfer the Assets;
- (x) Comply with or cause to be complied with in all material respects all applicable laws, rules, regulations and orders of all federal, state and local governments or governmental agencies materially affecting or relating to the Assets;
- (xi) Provide to Buyer all schedules and exhibits which are not attached to this Agreement as of its execution within 10 business days after the date of execution, where previously supplied information may be incorporated by reference, and in any event at such specific times as are provided herein, give Buyer prompt written notice of any material change in the business of the Company or the Assets which occurs prior to the Closing; and at least 5 days before the Closing, the Company will supplement or amend the Schedules to this Agreement in order to disclose any matter hereafter arising which, if existing or occurring at or prior to the date of this Agreement, would have been required to be set forth or described in the Schedules, or which is necessary to correct or update any information in the Schedules or in any representation and warranty of the Company;

- (xii) Comply in all material respects with all the Company's obligations under all loan agreements, security instruments and related documents and agreements entered into in connection with funding the debt incurred to acquire the Assets;
- (xiii) Give prompt notice to Buyer of all events, occurrences, omissions, investigations, claims, or other facts which the Company becomes aware of and which violate any covenant of the Company, or with the passage of time, could create an event of default under the Basic Agreements to which the Company is bound, the violation of which would result in a violation of any of the foregoing covenants; and
- (xiv) Copy Buyer with all material correspondence, information, and reports given to its lenders and its shareholders generally, including periodic financial information, covenant compliance reports, requests for waivers or amendments and related matters.

(b) Negative Covenants. The Company covenants and agrees that, so long as the Agreement remains in full force and effect, the Company will not without Buyer's prior written consent:

- (i) Take or permit any action that would materially and adversely affect the business of the Company or the Assets as a whole;
- (ii) Sell or transfer any of the Assets other than in the ordinary course of business or permit or allow any of the Assets to become subject to any lien (except by operation of law where the amount is not due), mortgage, option, pledge, right of refusal, security interest or other claim or encumbrance of any kind or character, except as contemplated hereby (which includes the Company's right to finance the manufacture of its Products and the acquisition of its inventory by borrowing and granting security interests consistent with past practices and sound business judgment);
- (iii) Modify any existing material lease, contract, commitment or other agreement relating to the business of the Company or the Assets, or enter into any new material lease, contract, commitment or other agreement, except in the ordinary course of business consistent with past practices;
- (iv) Do or omit to do any act or permit any act or omission to act which would cause a material breach of any representation, warranty, agreement or covenant made by the Company herein or materially adversely affect the business of the Company or title to or condition of the Assets; and
- (v) Directly or indirectly, solicit or encourage (including by way of furnishing any non-public information) any proposal for any acquisition of any portion of the business or assets of the Company not in the ordinary course of business. If during such the Company receives any proposal for any such acquisition, the Company shall promptly notify Buyer of such proposal and the terms thereof.

10. Conditions Precedent to Closing.

(a) Conditions to Buyer's Obligations. The obligation of Buyer to complete the Closing is subject to the fulfillment (or waiver by Buyer) of each of the following conditions at or prior to the Closing, and parties shall exert good faith diligent reasonable commercial efforts to cause each such condition to be so fulfilled:

- (i) All representations and warranties of the Company contained herein shall be true and correct in all material respects when made and at the Closing as though made as of the time of Closing;
- (ii) All covenants, agreements and obligations required by the terms of this Agreement to be performed by the Company at or before the Closing shall have been duly and properly performed in all material respects;
- (iii) Since the date of this Agreement, there shall not have occurred any material adverse change in the condition of the Assets, the business of the Company, or the amount of Liabilities except as disclosed or permitted under this Agreement;
- (iv) Buyer shall have received a certificate executed by the President of the Company, dated as of the Closing Date, certifying that the conditions set forth in clauses (i), (ii) and (iii) have been fulfilled;
- (v) Buyer shall be satisfied, in its sole reasonable discretion, with the results of reasonable due diligence procedures and with any Schedules (including updates, supplements and corrections) or other information or documentation delivered by the Company after execution of this Agreement. Buyer shall notify the Company of any unsatisfactory due diligence results as soon as those results become known to the Company or within 10 days after execution of this Agreement, and shall notify the Company of any objection to any other information or documentation within 5 days after Buyer's receipt of such other information or documentation; and unless objection is made within such period of time the results, schedules, information or documentation shall be deemed satisfactory to Buyer. If Buyer is dissatisfied with such due diligence, the Company shall have a reasonable period of time to correct any facts or matters creating such dissatisfaction;
- (vi) All necessary governmental approvals and any other required approvals and consents required of any person other than Buyer shall have been duly obtained, to the extent such approvals and consents shall be necessary Buyer's material realization of the benefits of this Agreement and its future conduct of the business of the Company;
- (vii) Except for obligations assumed by Buyer, all mortgages, deeds of trust and other security interests in the Assets shall have been released, and duly executed deeds of release, terminations of any financing statements, and other necessary documents shall have been delivered to Buyer for filing;
- (viii) No action or proceeding at law or in equity (other than by Buyer) shall be pending which (a) seeks to enjoin the transactions herein contemplated, or (b) materially interferes with the right of Buyer to

conduct its operations and operate the business using the Assets subsequent to the Closing;

- (ix) The Company shall have delivered to Buyer at the Closing the Deed and bills of sale, deeds, documents, certificates and agreement necessary to transfer to Buyer title to the Assets required hereunder and to assign to Buyer the Liabilities and shall have taken such other steps as may be required to put Buyer in actual possession and operating control of the Assets;
- (x) The real property owned or leased by the Company shall, prior to Closing, have passed environmental and structural inspections to Buyer's satisfaction, such inspections and the costs of obtaining any required approvals shall be at Buyer's cost. In the event any of the inspection reports contains any findings which are unacceptable to Buyer in the exercise of its reasonable business judgment, Buyer shall within three (3) business days of receipt thereof notify the Company and have the right: (a) to terminate this Agreement and declare it void; (b) to waive its objections; or (c) to request the Company to take reasonable efforts to cure such objections, in which case if acceptable to the Company, the Closing shall be extended for a reasonable time;
- (xi) Buyer shall have received at its own cost at least ten (10) days prior to Closing, commitments from a title insurance company acceptable to Buyer, to insure title to each parcel of real property in fee simple title, subject only to such exceptions as are set forth in Schedule 7(e), and subject to the Liabilities;
- (xii) Buyer and the Company shall have resolved in a mutually satisfactory manner any questions concerning any material disputed claim or potential claim by any creditors of the Company;
- (xiii) Buyer and the Company shall have resolved in a mutually satisfactory manner any questions concerning the parties' respective liability for any sales tax payable as a result of the transfer of the Assets; and
- (xiv) All the deliveries required of the Company at the Closing shall have been made to Buyer.

(b) Conditions to the Company's Obligations. The obligations of the Company to complete the Closing are subject to the fulfillment (or waiver by the Company) of each of the following conditions at or prior to the Closing, and the parties shall exert good faith diligent reasonable commercial efforts to cause each such condition to be so fulfilled:

- (i) All representations and warranties of Buyer contained herein shall be true and correct in all material respects when made and at the Closing as through made as of the time of Closing;
- (ii) All covenants, agreements and obligations required by the terms of this Agreement to be performed by Buyer at or before the Closing shall have been duly and properly performed in all material

pects;

- (iii) Buyer's successful consummation of the IPO as contemplated by Paragraph 14(m) hereof;
- (iv) Buyer shall have delivered to the Company a certificate executed by the President to Buyer, dated as of the Closing Date, certifying that the conditions set forth in clauses (i), (ii) and (iii) have been fulfilled.
- (v) All governmental approvals and any other required approvals and consents required of any person other than the Company shall have been duly obtained in form and substance satisfactory to the parties, including the consent by the lenders to release to the shareholders of the Company \$650,000 of the cash portion of the purchase price and the shares of Common Stock and other securities of Buyer;
- (vi) No action or proceeding at law or in equity (other than by the Company) shall be pending which seeks to enjoin the transactions herein contemplated; and
- (vii) Buyer shall have delivered to the Company at the Closing all agreements of assumption and other agreements necessary for Buyer to assume the Liabilities;
- (viii) All deliveries required of Buyer to the Company shall have been made;
- (ix) The liabilities of the Company to the City of Egg Harbor, the New Jersey Economic Development Authority (the "Authority"), Midlantic Bank (or their successors or assigns) shall have been fully satisfied, discharged and/or released along with the personal guarantees of the existing shareholders of the Company for such loans. Buyer shall use its good faith best efforts to release the liabilities of the Company, and the personal guarantees of the existing shareholders with respect to the Company's loans from Deere Credit, Inc., Detroit Diesel Corporation, Caterpillar Financial Services Corporation, and DDC-MTU Financial Services.
- (x) The Company and Buyer agree for the benefit of the Authority and Egg Harbor City, jointly and severally, that they shall apply the Purchase Price proceeds to be used in connection with the satisfaction of the Company's liabilities to Egg Harbor City and the Authority in accordance with the terms of any indenture applicable to the funding of the Company's promissory notes, so as to defease the indenture (or applicable portion thereof). The foregoing shall not be a condition to closing that may be waived by either party.

11. Indemnification.

(a) By the Company. The Company agrees to indemnify, defend and hold harmless Buyer (and its successors or assigns) and its shareholders, directors, officers, employees, agents and representatives against and in respect of any cost, damage, expense (including reasonable legal fees and actual expenses), liability or loss incurred or suffered by any of them during the period that the Company's representations, warranties, or covenants survive the Closing, resulting from or arising out of the (i) breach, inaccuracy, misrepresentation or untruth of any of its representations or warranties which survive the Closing, or the nonfulfillment of any agreement or covenant of the Company contained in this Agreement or in any document delivered

by the Company to Buyer pursuant hereto; (ii) any Excluded Liability; (iii) any action, assessment, claim, demand, proceeding or suit incident to any of the foregoing, and (iv) any damages or losses suffered by Buyer or its officers, directors, or shareholders by reason of any violation of state or federal securities laws in connection with the IPO resulting from information supplied to Buyer in writing by the Company, which information is contrary to the representations made by the Company herein. Notwithstanding the foregoing and notwithstanding anything elsewhere to the contrary, the Company shall not be liable for any misrepresentation or warranty resulting from a change to any representation or warranty made as of the date of the signing of this Agreement unless such initial representation or warranty was false; provided further, however, that in such event Buyer shall not be required to close hereunder and Buyer's receipt of 15.66% of the stock of the Company in exchange for the Deposit pursuant to the Egg Harbor Yacht Company, Inc. Stock Purchase Agreement shall be its sole remedy.

(b) By Buyer. Buyer agrees to indemnify, defend and hold harmless the Company (including its successors or assigns) and its shareholders, directors, officers, employees, agents and representatives against and in respect of any cost, damage, expense (including reasonable legal fees and actual expenses), liability or loss incurred or suffered by any of them resulting from or arising out of: (i) the breach, inaccuracy, misrepresentation or untruth of any of its representations or warranties which survive the Closing, or the nonfulfillment of any agreement or covenant of Buyer contained in this Agreement or in any document delivered by Buyer to the Company pursuant hereto; (ii) any Liability of the Company assumed by Buyer; (iii) any action, assessment, claim, demand, proceeding or suit incident to any of the foregoing and (iv) any damages or losses resulting from Buyer's or its shareholders, directors, officers, or agents, for violations of any state or federal securities laws or regulations in connection with the IPO other than damages or losses resulting from information which the Company has supplied to Buyer in writing, which information is contrary to the representations made by the Company herein.

(c) Costs. The indemnification rights and obligations of a party hereto shall include the right to receive and the duty to pay and reimburse the indemnified party all its reasonable costs and expenses incurred in the enforcement of its rights hereunder.

(d) Survival of Representations, Warranties and Covenants.

The representations, warranties and covenants made by the Company and Buyer shall survive until July 1, 1998, and thereafter all such representations, warranties and covenants shall be extinguished, except with respect to claims then pending prior to July 1, 1998.

(e) Limitations on Liability. Notwithstanding any other provision herein to the contrary, neither party hereto shall be liable to the other party for any cost, damage, expense, liability or loss under this indemnification provision until the sum of all amounts individually when added to all other such amounts in the aggregate exceeds \$5,000.

(f) Rights of Indemnitors. The indemnified party shall notify the indemnifying party of the assertion of commencement of such action, claim or proceeding within a reasonable period of time or, if citation or service of process has been made, within 45 days thereafter. The indemnified party may, at its option and at its sole expense, participate in the defense of and contest any such action, claim or proceeding; provided, however, the indemnified party shall at all times also have the right to participate fully therein. If the indemnifying party, within a reasonable time after receiving such notice, fails to participate, the indemnified party shall have the right, but shall not be obligated, to undertake the defense of the action, claim or proceeding for the account of and at the risk of the indemnifying party. No settlement shall be effective

without the consent of both indemnifying and indemnified parties, which consent shall not be reasonably withheld. The parties agree that any indemnified party may join any indemnifying party in any action, claim or proceeding brought by a third party, as to which any right of indemnity created by this Agreement would or might apply, for the purpose of enforcing any right of the indemnity granted to such indemnified party pursuant to this Agreement.

(g) Additional Rights. Any right of indemnity of any party pursuant to this Agreement shall be in addition to and shall not operate as a limitation on any other right to indemnity of such party pursuant to this Agreement, any document or instrument executed in connection with the consummation of the transaction contemplated hereby, or otherwise.

12. Post-Closing Events. Following Closing, the parties will continue to comply with the terms of this Agreement and all Exhibits hereto and will cause the following events, among others, to occur:

(a) Allocation of Purchase Price. The parties will mutually determine the allocation of the purchase price in accordance with the Agreement.

(b) Inventory Reports. The parties will complete the physical inventory reports in accordance with the Agreement.

(c) Sales Taxes and Reports. Buyer will file all reports and pay all sales, use and transfer taxes, if any, payable in connection with the transactions hereby contemplated.

(d) Buyer's Obligations. Buyer will discharge all assumed Liabilities excluding the Excluded Liabilities and record all real and personal property conveyances.

(e) The Company's Obligations. The Company will discharge all Excluded Liabilities.

(f) Collection of Accounts Receivable. The Company assures Buyer of collectability of the Accounts Receivable included in the Assets, less reserves for uncollectability of those accounts set forth in the Financial Statements. Buyer covenants and agrees to use its good faith diligent efforts to collect the Accounts Receivable of the Company which are included in the Assets. The Company agrees not to attempt to collect or otherwise interfere with Buyer's efforts in the collection of the Accounts Receivable included within the Assets. The Company agrees to cooperate with Buyer to the extent requested by Buyer in the collection of all accounts receivable and in the response to all inquiries or complaints with respect thereto. The Company also agrees to refund to Buyer all amounts the Company receives against Accounts Receivable included in the Assets, and the Company agrees that all such amounts are held in trust for the benefit of Buyer and remitted to Buyer promptly after the receipt thereof.

(g) Change of Corporate Name. The Company will cause its corporate name to change to a name not confusingly similar to "Egg Harbor Yacht Company, Inc.", and Buyer will consent and cooperate therein.

13. Notices. Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given on the date of receipt, if served personally on the party to whom notice is to be given by actual in person delivery, telephone, facsimile (confirmed in writing), telegraph or similar means of communication, or on the 4th day after mailing, if mailed to the party to whom notice is to be given, by first class mail, return receipt requested, postage prepaid and properly addressed as follows:

To the Company: Peter Johnson or Rudolf Lehnert
Egg Harbor Yacht Company, Inc.
101 Adams Drive
Princeton, NJ 08540

Telephone: (609) 965-2300, Ext. 18
FAX: (609) 965-2870

With a copy to: Paul Chan, Esq.
Levine, Staller, Sklar, Chan & Brodsky, P.A.
3030 Atlantic Avenue
Atlantic City, New Jersey 08401-6380
Telephone: (609) 348-1300
FAX: (609) 345-2473

To Buyer: William C. Robinson
6938 S. Evanston Avenue
Tulsa, Oklahoma 74136
Telephone: (918) 746-1076
FAX: (918) 493-6234

With a copy to: Frederick K. Slicker, Esq.
Sneed, Lang, Adams & Barnett, P.C.
2300 Williams Center Tower II
Tulsa, Oklahoma 74103
Telephone: (918) 583-3145
FAX: (918) 582-0410

Each party shall be entitled to specify a different person or address by giving notice as aforesaid to the other.

14. Miscellaneous.

(a) Entire Agreement; Amendments; Waivers. This Agreement, together with other Basic Agreements and the Exhibits and Schedules attached hereto, constitute the entire agreement between the parties with respect to the subject matters hereof and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the parties. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

(b) Headings. Paragraph headings are not to be considered part of this Agreement, are included solely for convenience and are not intended to be a full or accurate description of the contents thereof.

(c) Expenses. Upon execution of this Agreement (or thereafter if bills have not been presented) Buyer agrees to pay all reasonable fees and expenses incurred in connection with the negotiation and consummation of the transactions contemplated hereby, including all investment banking, financial advisory, legal (including, with the consent of both parties, \$23,753.09 of the Company's legal fees; and except that expenses of Coopers & Lybrand after September 1, 1995 relating to work performed on the Company's behalf shall be the responsibility of the Company), accounting, finders', brokers', consultants', transfer taxes, sales taxes, if any, appraisal and other fees and expenses incurred. Such expenses shall not be paid from the Assets but shall be paid out of invested funds raised by Buyer. Each party will hold the other harmless from and against any and all claims or liabilities arising in connection therewith.

(d) Exhibits and Schedules. The Exhibits and Schedules referred to in this

Agreement are incorporated by reference herein and constitute a part of this Agreement for all purposes.

(e) Binding Effect; Assignment. All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted transferees, successors and assigns; provided, however, that neither party hereto may assign its rights or obligations hereunder without the prior written consent of the other.

(f) Applicable Law. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of New Jersey. The venue for any disputes shall be in the state courts of New Jersey, Atlantic County.

(g) Parties in Interest. Notwithstanding any other provision of this Agreement, this Agreement shall not create any rights or benefits on behalf of any employee, organization, third party or other person, and this Agreement shall be effective only as to the parties hereto, their successors and permitted assigns.

(h) Counterparts. This Agreement may be executed in counterparts, all of which taken together shall constitute one and the same instrument.

(i) Waiver of Bulk Sales Compliance. Buyer waives compliance by the Company with all bulk sales laws in connection with the transactions contemplated hereby.

(j) Further Assurances. At any time and from time to time after the Closing, at the request of Buyer and without payment of any further consideration, the Company agrees to execute, acknowledge and deliver all such further assignments, conveyances, transfer documents, in form and substance reasonably acceptable to the Company, and other assurances as reasonably may be requested by Buyer for the purpose of better assigning, conveying and transferring to Buyer, or reducing to Buyer's possession, any or all of the Assets or to enable Buyer to exercise and enjoy the rights and benefits with respect thereof. Following the Closing, Buyer shall make available to the Company for examination and copying at Buyer's cost, upon the reasonable request and during regular business hours and without interfering with the business of the Company, all books and records of the Company arising prior to Closing reasonably requested by the Company for any valid corporate purpose.

(k) Allocation of Liabilities between the Parties. All costs, expenses and obligations attributable or chargeable to the Assets or the business of the Company or Buyer which accrue after the Closing shall be paid and discharged by Buyer.

(l) Modification and Severability. If a court of competent jurisdiction declares that any provision of this Agreement or any Exhibit hereto is illegal, invalid or unenforceable, then such provision shall be modified automatically to the extent necessary to make such provision fully enforceable. If such court does not modify any such provision as contemplated herein, but instead declares it to be wholly illegal, invalid or unenforceable, then such provision shall be severed from this Agreement and such declaration shall in no way affect the legality, validity and enforceability of the other provisions of this Agreement to which such declaration does not relate. In this event, this Agreement shall be construed as if it did not contain the particular provision held to be illegal, invalid or unenforceable, the rights and obligations of the parties hereto shall be construed and enforced accordingly, and this Agreement shall remain in full force and effect.

(m) Strategic Plans. Promptly after the execution of this Agreement, Buyer shall use its best efforts to commence and successfully complete a private offering of securities to raise

approximately \$1,000,000 in new capital and to commence and successfully complete the filing of an initial public offering of the common stock of Buyer in a registration statement under the Securities Act of 1993, as amended, to raise \$7,000,000 net to Buyer (the "IPO"), to use the proceeds to retire existing Egg Harbor indebtedness, to pay related expenses and for additional working capital.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered the day and year first above written.

EGG HARBOR ACQUISITION, INC.

EGG HARBOR YACHT COMPANY, INC.

By: H. D. Wall
President

By: [Signature]
Name: Walter F. Stokewich
Title: Vice President

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RECEIVER'S AGREEMENT OF SALE

AGREEMENT, made as of the 29th day of September, 1999, between David J. Weiss, in his capacity as Statutory Receiver for Marine Acquisitions, Inc., a New Jersey Corporation ("Seller"); and EH Yachts, LLC ("Purchaser"); and Ira Trocki ("Guarantor"). This Agreement is effective upon the delivery to both parties of a fully signed original Agreement ("Effective Date").

WITNESSETH:

A. Pursuant to an order entered in the matter of New Jersey Economic Development Authority v. Marine Acquisitions, Inc., Superior Court of New Jersey, Chancery Division, Atlantic County, Docket No. ATL-C-190-97E (the "Court"), Seller was appointed the Statutory Receiver for Marine Acquisitions, Inc. ("Marine") under and pursuant to N.J.S.A. 14A:14-1 et seq. A copy of the order is attached hereto as Exhibit "A".

B. Seller, by virtue of his appointment as Statutory Receiver, is the owner of the land ("Land") located in the city of Egg Harbor, county of Atlantic and state of New Jersey, more particularly described in Exhibit "B" attached hereto and made a part hereof, and all buildings, improvements and fixtures, if any ("Improvements"), located on the Land (the Improvements, together with the Land being hereinafter collectively referred to as the "Premises").

C. Seller, by virtue of his appointment as Statutory Receiver, is also the owner of certain furniture, fixtures, equipment, boat molds, inventory and work in process located in the Premises (the "Assets") more particularly described on Exhibit "C".

D. The Seller wishes to sell and the Purchaser wishes to purchase the Premises and Assets.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Sale and Purchase.

(a) Seller agrees to sell or cause to be sold to Purchaser, and Purchaser agrees to purchase from Seller, the Premises and all of Seller's right, title and interest of Seller in and to all easements, rights-of-way, privileges, appurtenances and other rights, if any, pertaining to the Premises.

(b) Seller agrees to sell or cause to be sold to Purchaser, and Purchaser agrees to purchase, pay for, and accept at the Premises upon Closing, all of Seller's right, title, and interest (if any) in the Assets.



2. **Purchase Price.**

(a) The purchase price ("Purchase Price") payable by Purchaser for the sale of the Premises and Assets shall be the sum of One Million Four Hundred Fifty Thousand (\$1,450,000.00) Dollars subject to adjustment as hereinafter provided, payable as follows:

(i) Upon execution hereof by all parties, Purchaser shall wire transfer or deliver to Seller a non-refundable deposit (except as otherwise specifically provided herein) to be held pursuant to Article 14, by bank check, attorney trust check or cashier's check made payable to Seller in the amount of One Hundred Forty-Five Thousand (\$145,000.00) Dollars (said deposit together with any additional deposit called for hereunder, hereinafter called the "Down Payment"), and

(ii) The balance of the Purchase Price over and above the Down Payment shall be paid to Seller in immediately available funds by bank check, attorney trust check, cashier's check, or wire transfer on the Closing Date (as hereinafter defined in Article 4) net of all prorations and other credits provided for in this Agreement.

3. **Title to Premises.**

(a) The Premises shall be conveyed subject to, and Purchaser hereby approves, the matters set forth on Exhibit "D" hereto ("Permitted Encumbrances").

(b) Upon execution hereof by all parties, Purchaser shall order and promptly deliver to Seller a copy of a title insurance commitment (the "Title Commitment") to issue an ALTA 1992 owner's title policy issued by a reputable title insurance company with offices in Atlantic County, New Jersey ("Title Company"), reflecting the status of title to the Land and Improvements. Purchaser shall be solely responsible for the costs of obtaining such Title Commitment and for the cost of obtaining any owner's title policy and any lender's title policy.

(c) Purchaser shall have until five (5) business days following receipt of the Title Commitment, but in no event later than October 20, 1999, to notify Seller in writing of any reasonable objection which Purchaser may have to any exception reported in the Title Commitment and which is not a Permitted Encumbrance. If Purchaser fails to make such objection within the aforesaid five (5) day period, all items shown on the Title Commitment shall be deemed to be Permitted Encumbrances and Purchaser shall take title to the Premises subject thereto.

(d) Seller may, at its sole option, undertake to eliminate from Purchaser's final title policy any exception or encumbrance to title appearing in the Title Commitment which is not a Permitted Encumbrance and which is not reasonably acceptable to Purchaser. If Seller elects to eliminate any such exception or encumbrance to title, Seller may extend the Closing Date for an additional reasonable period of time, which period shall not exceed thirty (30) days from the then existing Closing Date. If Seller is unable or does not desire to eliminate any one or more of such exceptions or encumbrances to title matters with respect to the Premises, Seller shall so notify

Purchaser. Upon receipt of such notice, Purchaser shall have the option to either waive such matters in writing and consummate the transaction contemplated herein or terminate this Agreement at any time within five (5) business days after receipt of Seller's notice. If no election to terminate is made in writing by Purchaser within such five (5) day period, Purchaser shall be deemed to have waived all objections to such matters, and shall take title to the Premises subject thereto.

(e) In the event of termination under this Article, this Agreement shall be deemed null and void, Seller shall return the Down Payment to Purchaser and the parties hereto shall have no further obligations to or recourse against each other with regard to the matters provided for in this Agreement, except for rights and obligations which expressly survive the termination hereof.

4. Closing Date.

The closing of the transaction contemplated hereby ("Closing") shall take place at the offices of the Fox, Rothschild, O'Brien & Frankel, 1300 Atlantic Avenue, Suite 500, Atlantic City, New Jersey (5th Floor) at 11:00 a.m. on the Closing Date. The date of the Closing ("Closing Date") shall be on the fifth (5th) business day following the entry of the Order (defined below) by the Court approving the within transaction in accordance with the motion made for said approval by Seller pursuant to paragraph 19, below.

5. Time of Essence.

TIME SHALL BE OF THE ESSENCE IN THE PAYMENT OF ALL SUMS, PERFORMANCE OF ALL OBLIGATIONS, GIVING OF ALL NOTICES AND THE EXERCISE OF ALL RIGHTS UNDER THIS AGREEMENT.

6. Representations and Warranties of Seller.

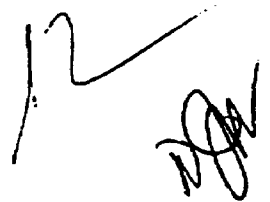
Seller represents, warrants and agrees that:

(a) There are no third party service or maintenance contracts related to the ownership, operation, maintenance or management of the Premises ("Service Contracts") other than those which may be terminated without penalty upon thirty (30) calendar days prior written notice; and

(b) No tenants occupy the Premises and the Premises shall be conveyed free of all tenancies.

7. Apportionments.

(a) The following items shall be apportioned as of 11:59 P.M. of the day immediately preceding the Closing Date:



(i) Real estate taxes shall be prorated in the manner normally prorated in the city of Egg Harbor where the Premises are located. If Closing occurs before the tax rate is fixed for the year in which Closing occurs, real estate taxes shall be based upon the tax rate for the preceding year applied to the latest assessed valuation;

(ii) Charges, if any, for water, sewer, gas, and alarm system; provided that if the consumption of any of the utilities is measured by meters, Seller at the Closing shall furnish a current reading of each meter; and provided, further, that if there is not a meter or if the final meter reading or current bill for any of such utilities has not been issued prior to the Closing Date, the charges therefor shall be adjusted at the Closing on the basis of the charges for the prior period for which bills were issued and shall be further adjusted when the bills for the current period are issued. Seller shall be entitled to recover any and all deposits held by any utility company as of the date of Closing. To the extent Purchaser fails to provide, where required, deposits to any such utility company(s) so as to prevent the timely release of Seller's deposit(s) by the utility company(s) on the Closing Date, the amount of such deposit(s) shall be credited to Seller and the Purchase Price shall be adjusted accordingly. In such event, the deposit(s) will be assigned to Purchaser who shall have rights to have the deposit (s) released to it upon satisfaction of the conditions imposed by the utility company.

(iii) Fuel, if any, at Seller's cost therefor.

(b) If on the Closing Date the Premises shall be affected by any special or other assessment for public improvements or otherwise which is or may become payable by Seller in annual installments, of which the first installment is then a charge or lien, then, for purposes of this Agreement, all the unpaid installments of such assessment, which are to become due and payable after the Closing, shall be paid and discharged by Purchaser.

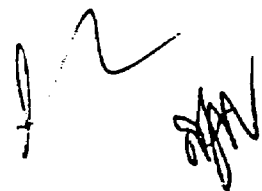
(c) Seller shall pay for the preparation of the Deed. Purchaser shall pay the New Jersey Realty Transfer Fee. Purchaser shall pay recording fees due in connection with the recording of the Deed, survey expenses, title examination and search costs, title insurance premiums and any other charges imposed by the Title Company, and all other closing costs. Each party shall bear the costs of their own legal fees.

(d) The provisions of this Article 7 shall survive the Closing.

8. Closing Documents.

(a) At the Closing, Seller, at its sole cost and expense, shall deliver or cause to be delivered to Purchaser the following, each of which shall be in form and substance in reasonable conformity with this Agreement:

(i) A bargain and sale deed with covenants against grantor's acts ("Deed"), conveying to Purchaser title to the Premises, free and clear of all liens and encumbrances other than Permitted Encumbrances and those set forth in the Title Commitment



and not objected to by Purchaser or otherwise permitted hereunder, which Deed shall be in recordable form, duly executed by Seller and acknowledged;

(ii) A certification in order to establish that Seller is not a foreign person, as defined in Internal Revenue Code Section 1445(b)(2), as amended;

(iii) A duly executed copy of a HUD-1 RESPA settlement statement (the "Settlement Statement");

(iv) A duly executed affidavit of title provided that same shall state that it is presented upon the knowledge, information and belief of Seller, be subject to such facts as an accurate and complete search of the public records and survey of the Premises would reveal, and, provided further, that such affidavit shall not expand the obligations or liabilities of Seller under this Agreement; and

(v) A bill of sale in the form of Exhibit "E" attached hereto.

(b) At the Closing, Purchaser, at its sole cost and expense, shall deliver to Seller the following, each of which shall be in form and substance satisfactory to Seller's attorneys:

(i) The consideration required pursuant to Article 2, in the amount and form required thereby;

(ii) A duly executed copy of the Settlement Statement.

9. **Brokerage.**

(a) Seller and Purchaser each represent and warrant to the other that other than NAI Mertz Corporation (Merrill Freedman), no real estate brokerage commission is payable to any person or entity in connection with the transaction contemplated hereby, and each agrees to and does hereby indemnify and hold the other harmless against the payment of any commission to any person or entity (other than NAI Mertz Corporation) claiming by, through or under Seller or Purchaser, as applicable. This indemnification shall extend to any and all claims, liabilities, costs and expenses (including reasonable attorneys' fees and litigation costs) arising as a result of such claims and shall survive the Closing. Seller shall pay NAI Mertz Corporation a real estate commission pursuant to the terms of a separate agreement if said agreement obligates Seller to pay same.

(b) The representations set forth above shall survive the Closing.

10. **Condemnation and Destruction.**

(a) Risk of loss to the Premises from fire or other casualty shall be borne by Seller until Closing. If the Premises or any portion thereof is damaged or destroyed by fire or

other casualty prior to the Closing, which damage in either party's reasonable judgment materially affects the value of the Premises, and if Seller is unable or chooses not to restore within ninety (90) calendar days following such casualty, the damaged portion of the Premises to a condition substantially equivalent to that which existed immediately prior to such casualty, either party may elect to terminate this Agreement. If either party elects to terminate this Agreement, it shall notify the other in writing within thirty (30) calendar days after Purchaser has received written notice of such damage or destruction from Seller (unless within such thirty (30) day period Seller shall have advised Purchaser of its intention to restore the damaged portion of the Premises as provided in the preceding sentence) and Seller shall return the Down Payment to Purchaser, and this Agreement shall be deemed null and void and the parties hereto shall have no further obligations to or recourse against each other with regard to the matters provided for herein. If Seller does not restore the damaged portion of the Premises as provided above, and if neither party elects to terminate this Agreement as provided in this paragraph, then the transaction shall proceed as contemplated herein, in which event Seller shall assign to Purchaser all of Seller's right, title and interest in the proceeds to be paid on the claim of loss.

(b) If prior to the Closing all or any material portion of the Premises becomes the subject of a condemnation proceeding by a public or quasi-public authority having the power of eminent domain, Seller shall immediately notify Purchaser thereof in writing and either party may elect to terminate this Agreement. If either party elects to terminate this Agreement, it shall so notify the other within thirty (30) calendar days after Purchaser has received written notice of such proceedings from Seller, and Seller shall return the Down Payment to Purchaser, and this Agreement shall be deemed null and void and the parties hereto shall have no further obligations to or recourse against each other with regard to the matters provided for herein. If neither party shall elect to terminate this Agreement as provided in this paragraph, the transaction shall proceed as contemplated herein, in which event Purchaser shall be entitled to receive all proceeds of any award or payment in lieu thereof.

11. Representations and Warranties and Covenants of Purchaser.

(a) Purchaser Represented by Counsel.

Purchaser represents and warrants to Seller that:

(i) Purchaser is not in a significantly disparate bargaining position in relation to Seller;

(ii) Purchaser is represented by experienced legal counsel, including experienced intellectual property counsel, in connection with the transaction contemplated by this Agreement; and

(iii) Purchaser is purchasing the Premises for business, commercial, investment or other similar purpose and not for use as Purchaser's residence. Purchaser further acknowledges that it is a sophisticated business owner, operator and real estate investor, experienced in transactions contemplated by this Agreement.



12. **Seller's Default.**

If Seller shall default in performance of its obligations under this Agreement, then, Purchaser's sole and exclusive remedies shall be either to (i) receive the return of the Down Payment, without interest or (ii) seek specific performance without money damages. Purchaser shall not seek or obtain any money or other judgment, except for the Down Payment against Seller, and Purchaser's sole recourse for payment of said amounts shall be to the Down Payment.

13. **Purchaser's Default.**

If Purchaser shall default in performance of its obligations under this Agreement, the sole right of Seller shall be to recover and the sole liability of Purchaser shall be to pay liquidated damages in the amount of the Down Payment, such amount being fixed as such by reason of the unusual and inherent difficulties in receivership sale and the fact that the actual damages to be suffered by Seller in such event are in their nature uncertain and unascertainable with exactness. Seller shall not seek or obtain any money or other judgment, except for Down Payment, against Purchaser. Seller's sole recourse for payment of said amounts shall be to the Down Payment.

14. **Down Payment.**

The Down Payment shall be held by Seller on the terms and conditions hereinafter set forth:

(a) The Down Payment shall be held in a federally insured non-interest bearing account with Summit Bank.

(b) Seller will retain the Down Payment or deliver the Down Payment to Purchaser, as the case may be, in accordance with the terms of this Agreement.

15. **Basis of Purchase; Sale "As Is".**

15.1 **Premises**

(a) Purchaser acknowledges that Seller, its agents or employees, or any of their respective affiliates and their respective agents or employees, have not made and are not now making, and they hereby expressly disclaim any and all warranties, representations, or guaranties, express or implied, oral or written, present or future, relating in any way to the Premises, including, without limitation, any warranty provided for under statutory or common law or the uniform commercial code, including but not limited to: (i) the presence of Hazardous Substances (hereinafter defined) in or on, under or in the vicinity of the Premises; (ii) matters of title and transferability to the Premises (other than Seller's warranty of title, if any, set forth in the Deed or Affidavit of Title (to be delivered at Closing), (iii) geological conditions, including, without limitation, subsurface conditions, water table, underground water reservoirs, limitations regarding the withdrawal of water (iv) whether, and to the extent to which the Premises, or any

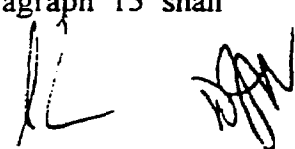
portion thereof is affected by any stream (surface or underground), body of water, flood prone area, flood plain, floodway or special flood hazard, (v) drainage, (vi) soil conditions, including the existence of instability, past soil repairs, soil additions or conditions of soil fill, or susceptibility to landslides, or the sufficiency of any undershoring, (vii) zoning to which the Premises or any portion thereof may be subject, (viii) the availability of any utilities to the Premises or any portion thereof including, without limitation, water, sewage, gas and electric, (ix) usages of adjoining Premises, (x) access to the Premises or any portion thereof, (xi) the value, compliance with the plans and specifications, size, location, age, use, design, quality, description, suitability, structural integrity, operation, title to, or physical or financial condition of the Premises or any portion thereof, including without limitation the roof, sub-roof and decking, or any income, expenses, charges, liens, encumbrances, rights or claims on or affecting or pertaining to the Premises or any part thereof, (xii) the condition or use of the Premises or compliance of the Premises with any or all past, present or future federal, state or local ordinances, rules, regulations or laws, building, fire or zoning ordinances, codes or other similar laws, (xiii) any other matter affecting the stability or integrity of the Premises, (xiv) the potential for further development of the Premises, (xv) the existence of vested land use, zoning or building entitlements affecting the Premises, (xvi) the merchantability of the Premises or fitness of the Premises for any particular purpose (Purchaser affirming that Purchaser has not relied on Seller's, his agents or employees or any of their respective affiliates and their respective agents and employees, skill or judgment to select or purchase the Premises for any particular purpose, and that Seller makes no warranty that the Premises is fit for any particular purpose). Both Purchaser and Seller are acting at arm's length to protect their own interests, and both Purchaser and Seller shall use their own independent business judgment concerning the sale and purchase of the Premises.

(b) Purchaser has not relied upon and will not rely upon, either directly or indirectly, any representation or warranty of Seller, its agents or employees or any of their respective affiliates and their respective agents and employees and acknowledges that no such representations have been made. Purchaser represents that it is a knowledgeable, experienced and sophisticated purchaser of real estate and that it is relying solely on its own expertise and that of Purchaser's environmental and other consultants in purchasing the Premises. Purchaser acknowledges that it has had the opportunity to conduct such inspections, investigations, and tests of the Premises as it deems necessary (if any) including, but not limited to, the physical, environmental, geological and hydrological conditions of the Premises and their vicinity. Upon Closing, Purchaser shall assume the risk that adverse matters, including, but not limited to, adverse physical, environmental, geological and hydrological conditions, may not have been revealed by Purchaser's inspections, investigations, and tests. Without limiting the generality of the foregoing, **PURCHASER ACKNOWLEDGES AND AGREES WITH SELLER THAT PURCHASER IS PURCHASING THE PREMISES IN "AS IS" AND "WITH ALL FAULTS" CONDITION ON THE CLOSING DATE, INCLUDING ANY LATENT DEFECT OR NON-DISCOVERABLE DEFECT, SPECIFICALLY AND EXPRESSLY WITHOUT ANY WARRANTIES, REPRESENTATIONS OR GUARANTEES, EITHER EXPRESS OR IMPLIED, OF ANY KIND, NATURE, OR TYPE WHATSOEVER FROM OR ON BEHALF OF SELLER AND SELLER DISCLAIMS AND PURCHASER WAIVES ANY AND ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS OR AS TO ANY ENVIRONMENTAL MATTERS.**

The terms and conditions of this section shall expressly survive the Closing and not merge with the provisions of any closing documents. Purchaser acknowledges that the Purchase Price reflects the "AS IS, WHERE IS" nature of this sale and any faults, liabilities, defects or other adverse matters that may be associated with the Premises. Purchaser has fully reviewed the disclaimers and waivers set forth in this Agreement with its counsel and environmental consultants and understands the significance and effect thereof.

(c) For purposes hereof, "Hazardous Substances" means any hazardous, toxic or dangerous waste, substance or material, pollutant or contaminant, as defined for purposes of the Comprehensive Environmental Response, Compensation and Liability Act Of 1980 (42 U.S.C. Sections 9601 et seq.), as amended ("CERCLA"), or the Resource Conservation and Recovery Act (42 U.S.C. Sections 6901 et seq.), as amended ("RCRA"), or any other federal, state or local law, ordinance, rule or regulation applicable to the Premises, or any substance which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous, or any substance which contains gasoline, diesel fuel or other petroleum hydrocarbons, polychlorinated biphenyls (pcb's), radon gas, urea formaldehyde, asbestos, lead or electromagnetic waves.

15.2 Assets. The Assets are being sold "AS IS, WHERE IS AND WITH ALL FAULTS" ON THE CLOSING DATE, INCLUDING ANY LATENT DEFECT OR NON-DISCOVERABLE DEFECT, WITHOUT ANY REPRESENTATION, WARRANTY, LIABILITY OR OTHER OBLIGATION ON THE PART OF SELLER WHATSOEVER, WHETHER EXPRESS OR IMPLIED. THIS AGREEMENT IS INTENDED TO EXCLUDE ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR REPRESENTATION AS TO TITLE OR TO THE CONDITION OF THE ASSETS OR AS TO THE MERCHANTABILITY OF THE ASSETS OR ANY WARRANTY OF FITNESS OF THE ASSETS FOR ANY PARTICULAR PURPOSE, ALL OF WHICH ARE HEREBY EXPRESSLY WAIVED BY PURCHASER. Purchaser has not relied upon and will not rely upon, either directly or indirectly, any representation or warranty of Seller or Seller's agents and acknowledges that no such representations or warranties have been made. Purchaser represents that it is a knowledgeable, experienced and sophisticated purchaser and user of the type, nature and condition of the items which comprise the Assets, and is an expert in all phases of the design, manufacture, use, sale, and promotion of boats and boating equipment, materials, components and supplies related thereto. Purchaser is relying solely on its own expertise and that of Purchasers' consultants in purchasing the Assets. Purchaser has conducted or had the opportunity to conduct such tests, inspections and investigations of the Assets as Purchaser deemed necessary and shall rely upon same. Purchaser hereby assumes the risk that adverse matters, including but not limited to adverse physical conditions of the Assets, may not have been revealed by Purchaser's tests, inspections and investigations. Purchaser acknowledges that the Purchase Price reflects the "AS IS, WHERE IS AND WITH ALL FAULTS" nature of this sale and any known or unknown faults, liabilities, defects (including latent and non-discoverable defects) or other adverse matters that may be associated with the Assets. Purchaser has fully reviewed the disclaimers and waivers set forth in this Agreement with its counsel and understands the full significance and effect thereof. The terms and conditions of this paragraph 15 shall



expressly survive the Closing, not merge with the provisions of any closing documents and shall be incorporated into the Bill of Sale.

16. Access to Premises.

DJW filing the motion seeking the order *12*

16.1 Purchaser's Access. Upon ~~entry of the Order~~ approving this Agreement, the Seller shall permit Purchaser and its authorized agents and representatives to enter upon the Premises to conduct a land title survey; provided, however, Purchaser shall notify Seller, in writing, of its intention, or the intention of its agents or representatives, to enter the Premises at least seven (7) business days prior to such intended entry, and obtain Seller's prior written consent.

16.2 Document Review.

(a) Documents. Purchaser acknowledges that Seller has allowed Purchaser, its authorized agents or representatives to inspect and make copies of environmental reports relating exclusively to the Premises (collectively, with the remaining items made available pursuant to Section 16.2(b), below, the "Documents"), if any. Purchaser acknowledges that the Documents were prepared by third parties other than Seller, and in some instances, may have been prepared prior to Seller's ownership of the Premises.

(b) List of Documents to be Reviewed. The Documents made available by Seller to Purchaser at or prior to the execution of this Agreement receipt of which is hereby acknowledged by Purchaser are more particularly described on Exhibit "F" hereto.

(c) Proprietary Information. Purchaser acknowledges that any and all of the Documents are proprietary and confidential in nature and are made available to Purchaser solely to assist Purchaser in determining the feasibility of purchasing the Premises. Purchaser agrees not to disclose the contents of the Documents to any party outside of Purchaser's organization except to certain of its attorneys, environmental consultants, accountants, lenders, or material and bona fide investors (collectively, the "Permitted Outside Parties"). Purchaser further agrees that within its organization, or as to the Permitted Outside Parties, the Documents shall be disclosed and exhibited only to those persons within Purchaser's organization or to those Permitted Outside Parties who are responsible for determining the feasibility of Purchaser's acquisition of the Premises and who have agreed in writing to preserve the confidentiality of such information as required herein. Purchase agrees not to divulge the contents of such Documents and other information except in strict accordance with the confidentiality standards set forth in this Section 16.2(c). In permitting the Permitted Outside Parties to review the Documents or information to assist Purchaser, Seller has not waived any privilege or claim of confidentiality with respect thereto, and no third party benefits or relationships of any kind, either express or implied, have been offered, intended or created by Seller and any such claims are expressly rejected by Seller and waived by Purchaser and the Permitted Outside Parties, for whom, by its execution of this Agreement, Purchaser is acting as an agent with regard to such waiver.

[Handwritten signature]

(d) **Return of Documents.** Purchaser shall return all of the Documents and any and all copies Purchaser has made of the Documents, at such time as this Agreement is terminated for any reason.

(e) **No Representation or Warranty by Seller.** Purchaser hereby acknowledges that neither Seller nor its agents or employees, or any of their respective affiliates and their respective agents or employees have made and does not make any warranty or representation regarding the truth, accuracy or completeness of the Documents or the source(s) thereof. Neither Seller nor its agents or employees, or any of their respective affiliates and their respective agents or employees have undertaken any independent investigation as to the truth, accuracy or completeness of the Documents and are providing the Documents solely as an accommodation to Purchaser.

16.3 **Access Obligations.**

(a) **Purchaser's Responsibilities.** In conducting the land title survey or any other inspections which Seller permits to be made of the Premises and/or Documents, Purchaser and its agents and representatives shall: (i) not interfere with the operation and maintenance of the Premises; (ii) not damage any part of the Premises or any personal property; (iii) not injure or otherwise cause bodily harm to Seller or its respective agents, guests, invitees, contractors and employees; (iv) maintain comprehensive general liability (occurrence) insurance in terms and amounts satisfactory to Seller covering any accident arising in connection with the presence of Purchaser, its agents and representatives on the Premises and shall deliver a certificate of insurance verifying such coverage to Seller prior to entry upon the Premises; (v) not reveal or disclose any information obtained concerning the Premises and the Documents to anyone outside Purchaser's organization, except in accordance with the confidentiality standards set forth in Section 16.2(c) hereof.

(b) **Purchaser's Agreement to Indemnify.** Purchaser hereby agrees to indemnify and hold Seller and its agents or employees or any of their respective affiliates and their respective agents and employees, harmless from and against any and all liens, claims, causes of action, damages, liabilities and expenses (including reasonable attorneys' fees) arising out of Purchaser's access permitted hereunder or any violation of the provisions of this Section 16. The Down Payment shall secure the indemnification and Purchaser grants to Seller a security interest in the Down Payment. The security interest granted by Purchaser to Seller hereby shall be superior to any interest in, or claim to, the Down Payment that Purchaser may have. To that extent, any claims that Seller may seek to satisfy from the Down Payment due to a breach by Purchaser of any of its obligations in Section 16 shall precede any claim that Purchaser may have to the return of the Down Payment. In the event Seller draws on the Down Payment to cure any violations of Purchaser under Section 16, then Purchaser shall be required to replace such sums within five (5) days of receiving written notice from Seller that it has drawn funds from the Down Payment. The failure by Purchaser to timely replace such funds shall be deemed a default hereunder by Purchaser resulting in Seller having the right to exercise any of its remedies arising out of a default by Purchaser. Notwithstanding any provision of this Agreement, no termination hereof shall terminate Purchaser's obligations pursuant to this section, and the limitation of

damages as set forth in this Section 16 shall not be applicable to any cause of action arising pursuant hereto.

17. **Purchaser's Acknowledgments.**

(a) Purchaser shall not, under any circumstances, bring or implead, cross-claim or otherwise interpose any action, claim or lawsuit against Seller or any of Seller's successors in interest or assignees; or any of Seller's employees or attorneys if such claim, action or lawsuit arises out of, is the result of, or is in any way connected to: (i) the existence of any underground or above-ground storage tanks or the registration or lack of registration thereof; (ii) the presence of any Hazardous Substances at or in the vicinity of the Premises; or (iii) the exposure of any person or persons to such Hazardous Substances, whether such claim, action or lawsuit arises under common law or by virtue of any local, state or federal statute, rule, ordinance, regulation and/or the like including, without limitation, the Brownfield and Contaminated Site Remediation Act, P.L. 1997, c.h. 278 et. seq., the New Jersey Sanitary Landfill Closure and Contingency Fund Act, N.J.S.A. 13:1E-100 et. seq., the New Jersey Solid Waste Management Act, N.J.S.A. 13:1E et. seq., the New Jersey Safe Drinking Water Act, N.J.S.A. 58:12A et. seq., the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. section 9601 et. seq.), the Resource Conversation and Recovery Act (42 U.S.C. section 6901 et. seq.), the Toxic Substances Control Act (15 U.S.C. section 2601 et. seq.), the Federal Insecticide Fungicide and Rodenticide Control Act (7 U.S.C. section 136 et. seq.), the Occupational Safety and Health Act of 1970 (29 U.S.C. section 651 et. seq.), the Emergency Planning and Community Right to Know Act of 1986 (42 U.S.C. section 11001 et. seq.), the Clean Water Act (33 U.S.C. section 1251 et. seq.) the United States Safe Drinking Water Act (42 U.S.C. section 300f et. seq.), the Hazardous Materials Transportation Act (49 U.S.C. section 1801 et. seq.), the Federal Clean Air Act (42 U.S.C. section 7401 et. seq.), the Industrial Site Recovery Act (N.J.S.A. 13:1K-6, et. seq.), the Underground Storage of Hazardous Substances Act (N.J.S.A. 58:10-A-21, et. seq.), the New Jersey Spill Compensation and Control Act (N.J.S.A. 58:10A-23.11 et. seq.), and the Water Pollution Control Act (N.J.S.A. 58:10A.11. et. seq.).

(b) From and after the Closing Date, Purchaser shall indemnify Seller and its respective agents, lawyers, environmental consultants, affiliates and employees, heirs, executors, administrators, successors and assigns against any loss, damage or expense, including reasonable attorneys' fees and expenses, arising out of or related to any liability or claim of liability related to Environmental Matters or for any Remediation, including the costs of environmental investigations and developments of plans, which are required by, or appropriate to comply with the requirements of, any governmental authority having jurisdiction with respect thereto, relating in any way to Environmental Matters. As used in this Agreement, the term "Environmental Matters" means all conditions or circumstances occurring or existing as of, prior to or after the Closing Date in any way related to or emanating from the Premises, including without limitation:

(i) releases and discharges into the environment at or from the Premises;



(ii) the presence (permanent or temporary) of Hazardous Substances, at, on or under the Premises;

(iii) the storage, disposal or treatment of Hazardous Substances at sites other than the Premises;

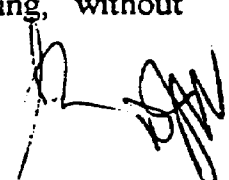
(iv) releases or discharges to the environment whenever or wherever occurring, including, without limitation, any migration or any release from one environmental medium to another environmental medium, if the release or migration involves substances initially released to the environment from the Premises, or involves substances generated or which are or were otherwise present upon the Premises and removed for recycle, treatment, storage, disposal, use or reuse, or for any other purpose, by Seller, its predecessors in interest, Purchaser, or by any other person whatsoever whether on, prior to or after the Closing Date.

(c) Purchaser represents, warrants and covenants with Seller that in entering into this Agreement and purchasing the Premises:

(i) Purchaser waives, releases and discharges any claims it has, might have had or may have against Seller or its affiliates with respect to the condition of the Premises, either patent or latent; its ability or inability to obtain or maintain either temporary or final certificates of occupancy or compliance for the Premises, and the actual or potential income or profits to be derived from the Premises;

(ii) the existence of any note or notice of violation (or any lien imposed in connection therewith) from any governmental authority having jurisdiction over the Premises noted or issued before, on or after the date hereof shall not affect the obligations of Purchaser hereunder but the same shall be Permitted Exceptions and Seller shall have no obligation to take steps to cure the same;

(iii) prior to the date hereof, Purchaser conducted or had the opportunity to conduct its own investigation, analysis, and evaluation of Environmental Matters, (the "Environmental Investigation") with respect to the Premises and past operations thereon, including invasive tests, and any property adjacent to the Premises which it deems relevant, through representatives solely selected, employed and supervised by Purchaser. In conducting the Environmental Investigation, Purchaser has used information independently sought and obtained by Purchaser and its consultants, and Purchaser and its consultants have independently analyzed and evaluated or had the opportunity to independently analyze and evaluate all such information and have formed their own independent interpretations and conclusions regarding the nature, extent and costs of remediating the Hazardous Substances which may exist at or derive from the Premises. Prior to the date hereof, Purchaser has conducted or had the opportunity to conduct such other tests and inspections of the Premises to test the structural and mechanical systems of the Improvements including, without



limitation, the roof, sub-roof, decking, and HVAC system, and to review all files and materials in Seller's possession, or otherwise available to Purchaser to enable Purchaser to analyze and evaluate the advisability of purchasing the Premises and undertaking the obligations contained herein.

(iv) the scope, content and manner of the Environmental Investigation and all other inspections have been of Purchaser's own choosing and, in its sole judgment, have been and are sufficient for Purchaser to make the representations, waivers, releases and agreements made by it in this Agreement and to accept the disclaimers of warranties on the part of Seller contained in this Agreement;

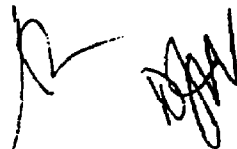
(v) that, in executing this Agreement and consummating the transaction contemplated hereby, Purchaser will rely solely upon its own Environmental Investigation and inspections and not upon any information or document supplied by Seller or any statement made by Seller, or any of Seller's consultants or other representatives;

(vi) without limitation of any representation, waiver, release, or agreement made by Purchaser, or disclaimer of warranty by Seller, that Purchaser will be chargeable with knowledge of all information obtained, or which could have been obtained, through or in the course of the Environmental Investigation and inspections;

(vii) Purchaser hereby waives and releases and, as of the Closing, shall be deemed to have waived and released all claims it may now have, or hereafter can, shall, or may have, against Seller, including claims which are presently or as of the Closing, unknown, under any environmental law, or by reason of any Environmental Matter, with respect to the Premises;

(viii) Purchase hereby agrees, effective as of the Closing Date, to assume all costs and liabilities, known or unknown, foreseeable or unforeseeable, arising out of or in the any way connected to the existence of Hazardous Substances on, at, under or in the vicinity of the Premises, including conditions existing prior to the Closing Date;

(ix) Purchaser agrees that (A) Seller shall have no obligation to perform any removal abatement or mitigation of any Hazardous Substances from the Premises prior to or following the Closing, and that, (B) Seller shall have no liability or obligation to Purchaser whatsoever on account of, in connection with or arising out of, the existence of any Environmental Matter (including, without limitation, any condition which may constitute a violation of any applicable legal requirements, whether or not such violation is noted of record), nor shall same constitute an excuse for failure of performance by Purchaser under this Agreement;

Handwritten signatures in black ink, appearing to be initials or names, located in the bottom right corner of the page.

(x) Purchaser acknowledges that Seller has relied upon the representations and warranties contained in this Agreement, in entering into this Agreement, and that it will continue to rely upon the continued validity of such representations, warranties and agreements and upon the indemnity set forth in Sections 16.3(b) in consummating the transaction contemplated hereby;

18. ISRA.

Purchaser acknowledges having received and reviewed a letter issued by the state of New Jersey, Department of Environmental Protection, Bureau of Field Operations, dated September 20, 1999, together with the covenant not to sue attached thereto and agrees to accept title subject to the terms and conditions therein contained. In no event shall Seller have any obligation to produce to Purchaser any other consents, approvals or other documents if and to the extent same may be necessary in order to qualify with the provisions of the Industrial Site Remediation Act, N.J.S.A. 58:10B-13.1, et seq., and the rules and regulations promulgated pursuant thereto. A copy of the foregoing letter and covenant not to sue is attached hereto as Exhibit "G".

19. Prior Court Approval; Condition Precedent.

Within fourteen (14) days after execution of this Agreement and receipt by Seller of the Down Payment, Seller shall file a motion with the Court pursuant to N.J.S.A. 14A:14-1 et seq. seeking an order approving this Agreement and the sale of the Premises and Assets free and clear of all monetary liens with the liens to attach to the proceeds (the "Order"), which motion Purchaser acknowledges shall seek approval of this Agreement subject to any higher and/or better offer for the sale of the Premises and/or Assets presented to Seller prior to the entry of the Order. Purchaser acknowledges that Seller shall have no obligation under the terms of this Agreement, or otherwise, unless and until Seller shall have received the Order approving this Agreement. If Seller is unable to obtain the said Order, irrespective of the reasons for the Court's decision in denying said Order, ~~or Seller receives, accepts, and signs a contract for a higher and/or better offer in Seller's sole discretion prior to the entry of the Order,~~ this Agreement shall be deemed null and void, Seller shall refund to Purchaser the Down Payment without interest, and thereafter neither party shall have any further rights or obligations hereunder, or at law or in equity. Purchaser understands and agrees that the Seller may seek the authority, permission and guidance of the Court as a prerequisite to any actions, grant of approvals, consents, acceptances or directions with respect to this Agreement.

20. Limitation of Seller's Liability.

In addition to Purchaser's waivers of any rights or remedies against Seller in the event of Seller's default hereunder, in no event shall Seller, either individually, in Seller's capacity as Statutory Receiver, or otherwise, be liable under this Agreement to Purchaser for any damages. Purchaser agrees to look solely to the Statutory Receiver's interest in the assets of Marine Acquisitions, Inc. for the collection of any judgment or order arising out of any claim by Purchaser, and, in entering any such judgment or order, the person or entity entering same shall

request the Clerk of the Superior Court of New Jersey, or such other court as is applicable, to mark the judgment index in order that it be made clear that any such judgment or order shall not constitute nor appear to constitute a judgment, lien, or encumbrance against the Seller, individually, or as Statutory Receiver. In the event Purchaser fails to comply with the foregoing, Seller, individually and in Seller's capacity as Statutory Receiver, shall have the right to seek specific performance and money damages against Purchaser and Purchaser shall be liable for all legal fees and costs incurred in connection therewith.

21. Intellectual Property, Trademarks, Etc.

(a) In addition to the sale, assignment and transfer to Purchaser of the Assets as described on Exhibit "C", Seller hereby further agrees to sell, assign, and transfer to Purchaser the intellectual property, including, without limitation, trade secrets, customer lists, copyrights, goodwill, trademarks, and tradenames of Marine (exclusive of those associated with or related to the Revenge molds) if and to the extent Seller has title or any interest in the foregoing and any of same exists and are in possession of Seller, and can be legally transferred or assigned. Seller makes no representations or warranties that any of the foregoing exist and, if so, whether Seller has title or any interest in any of the foregoing or whether Seller's title or interest is assignable or transferable to Purchaser. The intellectual property of Marine is being sold "AS IS, WHERE IS, AND WITH ALL FAULTS" as of the Closing, including any latent defect or non-discoverable defect, without any representation, warranty, liability or other obligation on the part of Seller whatsoever, whether express or implied. **THIS AGREEMENT IS INTENDED TO EXCLUDE ALL WARRANTIES WHETHER EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR REPRESENTATION AS TO TITLE OR TO THE CONDITION OF THE FOREGOING ASSETS OR TO THE MERCHANTABILITY OF SAME OR ANY WARRANTY OF THEIR FITNESS FOR ANY PARTICULAR PURPOSE, ALL OF WHICH ARE HEREBY EXPRESSLY WAIVED BY PURCHASER.** Purchaser has not relied upon and will not rely upon, either directly or indirectly, any representation or warranty of Seller or Seller's agents and acknowledges that no such representations or warranties have been made. Purchaser represents that it is a knowledgeable, experienced and sophisticated purchaser of items similar to the intellectual property of Marine, and is an expert in all phases of these types of assets. Purchaser is relying solely on its own expertise and that of Purchaser's intellectual property counsel in purchasing these assets. Purchaser acknowledges that the Purchase Price reflects the "AS IS, WHERE IS, AND WITH ALL FAULTS" nature of the sale of these assets and any known and unknown faults, liabilities, defects (including latent and non-discoverable defects) or other adverse matters that may be associated with these assets.

(b) With respect to the intellectual property described in subparagraph (a), above, Purchaser acknowledges that it has fully and completely investigated the extent, nature, validity, and status of the legal and factual claims and assertions made by Egg Harbor LLC, John DiDonato and Gigi DiDonato (the "Claimants") and has reviewed the claims and assertions with counsel specializing in intellectual property law. Purchaser further acknowledges that it is aware that Seller had initiated litigation against the Claimants in Court and has reviewed or has had the opportunity to review all of the pleadings filed in said action including the order of dismissal,

DJW 21(a) *[Signature]*

[Signature]

without prejudice. Purchaser acknowledges that Seller has refiled in its sole discretion (without any obligation to do so) similar litigation against the Claimants and others in the United States District Court for the District of New Jersey. If the within transaction is consummated in accordance with this Agreement, Seller shall assign to Purchaser, without representation by or recourse to Seller, the Seller's rights (if any) in the litigation and Purchaser shall be substituted for Seller as plaintiff therein. If Purchaser fails or refuses to be substituted for Seller as plaintiff in said litigation and execute and return to Seller an appropriate court pleading evidencing the substitution within five (5) days of Seller's request, Seller shall have the sole right to pursue the litigation for its own benefit, assign its rights therein, or to dismiss same with or without prejudice. In no event has Seller made any representations or warranties to Purchaser with respect to the outcome or likely outcome of the litigation against the Claimants and Purchaser acknowledges that if and to the extent it undertakes the litigation filed by Seller by being substituted as plaintiff therein, or Purchaser files an independent lawsuit against Claimants and/or others, in no event shall Purchaser have any rights or claims if any exist against Seller all of which rights or claims (known or unknown) Purchaser hereby intentionally and knowingly waives and relinquishes. In the event Purchaser is substituted for Seller as plaintiff in the litigation, or Purchaser independently initiates litigation against the Claimants, Purchaser and Guarantor shall indemnify and save harmless the Seller from and against any and all claims, counterclaims, suits, actions, causes of actions, judgments, awards and reasonable attorneys' fees and experts' fees arising out of or occasioned by said litigation. Purchaser has fully reviewed the disclaimers and waivers set forth in this Agreement with its counsel and understands the full significance and effect thereof. The terms and conditions of this paragraph 21 shall expressly survive the Closing, not merge with the provisions of any closing documents and shall be incorporated into the Bill of Sale.

(c) Purchaser further acknowledges that it has fully and completely investigated the extent, nature, validity, and status of the legal and factual claims and assertions made by Egg Harbor LLC as to Registration No 1,835,359 issued May 10, 1994 for the trademark described therein, in the Petition for Cancellation filed in the United States Patent and Trademark Office, before the Trademark Trial and Appeal Board, captioned *Egg Harbor, LLC v. Egg Harbor Yacht Co., Inc.*, Cancellation No. 28,399 and as to Registration No. 2,002,266, for the mark "Egg Harbor" registered September 24, 1996, in the Petition for Cancellation filed in the United States Patent and Trademark Office before the Trademark Trial and Appeal Board, captioned *Egg Harbor, LLC v. Egg Harbor Yacht Co., Inc.*, Cancellation No. 28,332 (hereafter collectively, the "Petitions for Cancellation"), and has reviewed the claims and assertions with counsel specializing in intellectual property law. Purchaser further acknowledges that it has been advised and is aware that Seller filed an Answer to Petition for Cancellation No. 28,332, but that Seller may have inadvertently failed to file an Answer to Petition for Cancellation No. 28,399. Purchaser acknowledges that it is aware that Seller's counsel has been in communication with the Trademark Trial and Appeal Board, having received a notice of default with respect to Cancellation No. 28,399, to have the notice of default vacated, believing that it had filed the Answer under the incorrect cancellation number, unaware that, in fact, two separate Petitions for Cancellation had been filed by Egg Harbor LLC, and that the trademark Trial and Appeal Board did not advise Seller's counsel that, in fact, two different Petitions for Cancellation had been filed. Purchaser further acknowledges that no representations have been made by Seller as to the potential to have the default vacated. Purchaser further acknowledges that it has reviewed or has had the

opportunity to review all of the pleadings filed in both actions, including the notice of default. In no event has Seller made any representations or warranties to Purchaser with respect to the outcome or likely outcome of either cancellation action or whether the current notice of default will be vacated. Purchaser acknowledges that in no event shall Purchaser have any rights or claims if any exist against Seller with respect to the subject matter of either cancellation action or the notice of default and, in any event, Purchaser hereby intentionally and knowingly waives and relinquishes any such rights or claims (known or unknown) should any exist. Purchaser further agrees to indemnify and hold harmless the Seller from and against any and all claims, counterclaims, suits, actions, causes of action, judgments, awards and reasonable attorneys' fees arising out of or occasioned by the litigation of ~~Cancellation Nos. 28,332 or 28,399~~. Purchaser further acknowledges that Purchaser has assumed full responsibility to determine if there are any further actions pending before the Trademark Trial and Appeal Board of the Patent and Trademark Office which may be applicable to the intellectual property of Marine which is the subject of this Agreement and that Purchaser acknowledges that Seller makes no representations or warranties with respect to the existence of or the possible outcome of any such actions. Purchaser acknowledges that in no event shall Purchaser have any rights or claims if any exist against Seller with respect to the subject matter of any such action and, in any event, Purchaser hereby intentionally and knowingly waives and relinquishes any such rights or claims (known or unknown) should any exist. Purchaser further agrees to indemnify and hold harmless the Seller from and against any and all claims, counterclaims, suits, actions, causes of action, judgments, awards and reasonable attorneys' fees arising out of or occasioned by the litigation of any such actions (known or unknown) before the Trademark Trial and Appeal Board. Purchaser has fully reviewed the disclaimers and waivers set forth in this Agreement with its counsel and understands the full significance and effect thereof. The terms and conditions of this paragraph shall expressly survive the Closings and not merge with the provisions of any closing documents.

(d) Purchaser shall not, under any circumstances, bring or implead, cross-claim or otherwise interpose any action, claim or lawsuit against Seller or any of Seller's successors in interest or assignees, or any of Seller's employees or attorneys, as such claim, action, or lawsuit arises out of, or is the result of, or is in any way connected, directly or indirectly, to any facts, legal issues, assertions, rights, or other subject matter of the litigation described in paragraphs 21(b) and 21(c), above, or any similar or related litigation. Purchaser acknowledges and agrees that this clause is to be liberally construed in favor of the Seller. Purchaser has fully reviewed the foregoing representation and covenant with its counsel and understands the full significance and effect thereof. The terms and conditions of this paragraph shall expressly survive the Closing and not merge with the provisions of any closing documents.

22. Guaranty.

The Guarantor does hereby absolutely and unconditionally guaranty performance of all obligations of the Purchaser under this Agreement including without limitation the Purchaser's indemnifications as set forth in this Agreement, without any defense or set-off of any kind. In the event of a default by Purchaser hereunder, Seller shall have the right to sue the Guarantor and to seek all remedies against Guarantor which are available to Seller against Purchaser pursuant to this Agreement and law and equity, without first having to pursue said remedies against the

Provided Purchaser enters an appearance in any of the matters enumerated in this subparagraph 21(c),

Petitions of

DJW

DJW

DJW

Purchaser. Seller shall have the option of pursuing Purchaser and Guarantor individually, jointly, and in any order. Seller's rights and remedies in this Agreement are distinct, separate and cumulative remedies; and no one of them, whether or not exercised by Seller against Purchaser and/or Guarantor, shall be deemed to be in exclusion of any of the others.

23. Calendar Days.

All references in this Agreement to a certain number of days shall be deemed to mean calendar days, unless otherwise expressly stated. If the commencement of or due date for the performance of any party hereto falls on a calendar day which is a Saturday, Sunday or federal holiday, then the commencement or performance shall be deemed to be required on the next calendar day.

24. Amendments.

This Agreement may not be changed, modified or terminated except by an instrument executed by the parties hereto.

25. Waiver.

No waiver by either party of any failure or refusal of the other party to comply with any of its obligations shall be deemed a waiver of any other or subsequent failure or refusal so to comply.

26. Successors and Assigns.

(a) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

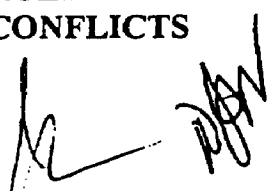
(b) Purchaser may not assign this Agreement or all or any part of its rights and obligations hereunder without the prior written consent of Seller which consent may be withheld or given in Seller's sole discretion.

27. Article Headings.

The headings of the various Articles of this Agreement have been inserted only for the purpose of convenience, and are not part of this Agreement and shall not be deemed in any manner to modify, explain, qualify or restrict any of the provisions of this Agreement.

28. Governing Law.

THIS AGREEMENT HAS BEEN DELIVERED AT AND SHALL BE DEEMED TO HAVE BEEN MADE AT ATLANTIC CITY, NEW JERSEY AND SHALL BE INTERPRETED, AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO SHALL FOR ALL PURPOSES BE GOVERNED BY AND CONSTRUED AND ENFORCED WITHOUT GIVING EFFECT TO THE PRINCIPLES AND CONFLICTS

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OF LAW, IN ACCORDANCE WITH THE LAWS OF NEW JERSEY APPLICABLE TO AGREEMENTS EXECUTED, DELIVERED AND PERFORMED WITHIN SUCH STATE. AS PART OF THE CONSIDERATION THIS DAY RECEIVED, PURCHASER HEREBY CONSENTS TO AND AGREES TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE STATE OF NEW JERSEY OVER ANY CLAIMS OR DISPUTES AS TO MATTERS PERTAINING TO THIS AGREEMENT OR ARISING THEREFROM. PURCHASER WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON PURCHASER, AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS BE MADE BY REGISTERED MAIL DIRECTED TO PURCHASER AT THE ADDRESS STATED HEREIN AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED UPON ACTUAL RECEIPT THEREOF. PURCHASER WAIVES ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY THE COURT.

29. Waiver of Jury Trial.

IT IS MUTUALLY AGREED BY AND BETWEEN SELLER AND PURCHASER THAT THE RESPECTIVE PARTIES HERETO SHALL AND DO HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT. EACH PARTY ACKNOWLEDGES THAT IT HAS READ AND UNDERSTANDS THIS WAIVER AND HAS BEEN ADVISED BY COUNSEL AS NECESSARY OR APPROPRIATE. THIS WAIVER IS MADE KNOWINGLY AND VOLUNTARILY BY THE PARTIES HERETO.

30. Waiver of Formal Tender.

The requirement for formal tender of payment and deed is hereby waived.


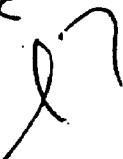
31. Notices.

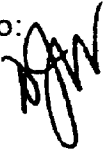

All notices, requests, or other communications desired or required to be given under this Agreement shall be in writing and shall be sent by (a) certified or registered mail, return receipt requested, postage prepaid, (b) national prepaid overnight delivery service, (c) telecopy or other facsimile transmission (following with hard copies to be sent by national prepaid overnight delivery service) or (d) personal delivery with receipt acknowledged in writing, as follows:



If to Seller: David J. Weiss, Statutory Receiver
c/o Fox, Rothschild, O'Brien & Frankel
1300 Atlantic Avenue, Suite 500
Atlantic City, New Jersey 08401
Telephone: (609) 348-4515
Telecopier: (609) 348-6834

With a copy to: Fox, Rothschild, O'Brien & Frankel, LLP
1300 Atlantic Avenue
Atlantic City, New Jersey 08401
Telephone: (609) 572-2201
Telecopier: (609) 348-6834
Attention: Mark Soifer, Esquire

If to Purchaser:  ~~Ira Trocki, M.D. EIT YACHTS, LLC~~
~~The Trocki Plastic Surgery Center, P.A.~~ 
631 Tilton Road
Northfield, NJ 08225

With a copy to:  Robert Grossman
Edward DeMareo, Esquire
Mesirov, Gelman, Jaffe, Cramer & Jamieson
1735 Market Street
Philadelphia, PA 19103
(215) 994-1077 phone
(215) 994-1111 FAX 

All notices shall be deemed given when actually received or refused by the party to whom the same is directed (except to the extent sent by certified or registered mail, return receipt requested, postage prepaid, in which event such notice shall be deemed given three (3) business days after the date of mailing). Each party may designate a change of address or supplemental addressee(s) by notice to the other parties, given at least fifteen (15) business days before such change of address is to become effective.

32. No Recording.

Neither party shall record this Agreement or any memorandum thereof without the prior written consent of the other party, which consent may be withheld in such party's sole discretion.

33. **Counterpart.**

This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

34. **Entire Agreement.**

This Agreement contains all of the terms agreed upon between the parties with respect to the subject matter hereof and supersedes any and all prior written or oral understandings.

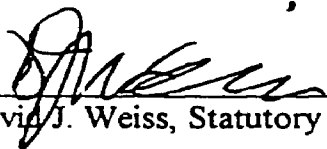
35. **Purchase Price.**

The parties agree that the Purchase Price shall be allocated as follows:

Building	\$ 400,000.00
Assets	\$1,050,000.00

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement as of the day and year first above written.

SELLER:
MARINE ACQUISITIONS, INC.,
a Delaware Corporation

By: 
David J. Weiss, Statutory Receiver

PURCHASER:
EH Yachts, LLC

By: 

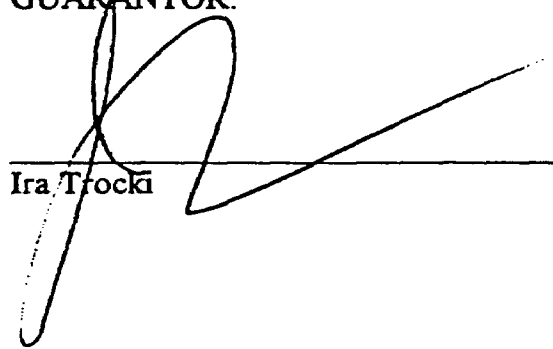
[SIGNATURES CONTINUED ON NEXT PAGE]



[SIGNATURES CONTINUED FROM PERVIOUS PAGE]

GUARANTOR:

Ira Trocki

A handwritten signature in black ink, appearing to be 'Ira Trocki', is written over a horizontal line. The signature is stylized with a large loop and a long horizontal stroke extending to the right.

EXHIBITS

- A. Order
- B. Legal Description
- C. Assets
- D. Permitted Encumbrances
- E. Bill of Sale
- F. Documents
- G. No Further Action Letter and Covenant Not to Sue

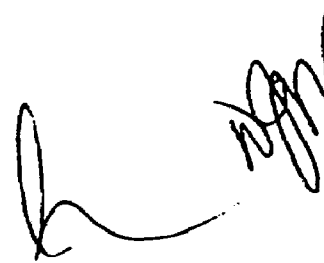
A handwritten signature in black ink, appearing to be a stylized name or set of initials, located in the bottom right corner of the page.

Exhibit "A"

Order



TRADEMARK
REEL: 002130 FRAME: 0450

PETER VERNIERO
Attorney General of New Jersey
Attorney for Plaintiff
R.J. Hughes Justice Complex
P.O. Box 106
Trenton, New Jersey 08625
By: Joan M. Weidner
Deputy Attorney General
(609) 292-2986

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION - GENERAL
EQUITY PART
ATLANTIC COUNTY
DOCKET NO. ATL-C-190-97E

NEW JERSEY ECONOMIC DEVELOPMENT
AUTHORITY, an instrumentality of
the State of New Jersey,

Plaintiff,

v.

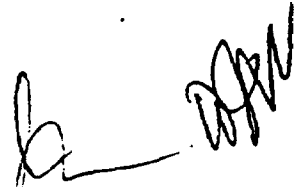
MARINE ACQUISITIONS, INC., a New
Jersey Corporation,

Defendants.

Civil Action

ORDER FOR ENTRY OF JUDGMENT
OF INSOLVENCY AND FOR THE
APPOINTMENT OF A STATUTORY
RECEIVER OF MARINE
ACQUISITIONS, INC.

This matter being opened to the Court by Peter Verniero,
Attorney General of New Jersey, Attorney for the Plaintiff, the New
Jersey Economic Development Authority (the "Authority") by Joan M.
Weidner, Deputy Attorney General, and it appearing that the
defendant corporation, Marine Acquisitions, Inc. ("Marine"), is
insolvent within the meaning of the statute in such case made and
provided and that the business is unable to meet its obligations as
they mature by means of its available assets or by an honest use of
credit, and it further appearing that the Authority is a creditor



of Marine and the Authority's claim is for a sum which can by computation be made certain; it is on this 21 day of December, 1998,

ORDERED, that the defendant corporation, Marine, is insolvent within the meaning of the statute in such case made and provided and that the business is unable to meet its obligations as they mature by means of its available assets or by an honest use of credit; and it is further

ORDERED, that the Authority is a creditor of Marine and the Authority's claim is for a sum which can by computation be made certain; and it is further

ORDERED, that Marine, its officers, servants and agents, absolutely desist and refrain and they are hereby enjoined and restrained from exercising any of its privileges or franchises or from holding any corporate meetings and from collecting or receiving any debts or paying out, selling, assigning or transferring any of its estate, moneys, funds, lands, tenements or effects, except to a Receiver appointed by this Court; and it is further

ORDERED, that David J. Weiss, Esquire, of Atlantic City, New Jersey, be and he is hereby appointed Statutory Receiver of Marine, the above named defendant corporation, with all powers incident thereto, and that he perform all the duties imposed upon him by the Statutes of the State of New Jersey in such case made and provided; and it is further

ORDERED, that said Receiver, before entering upon his

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duties as such Receiver, take oath prescribed by law and given bond to the Superior Court of New Jersey in the sum of \$25,000⁰⁰ conditioned for the faithful performance of his duties, to be approved as to form and sufficiency thereof in accordance with the Rules of this Court; and it is further

ORDERED, that Summit Bank, a Bank located in Atlantic City, New Jersey, be and it is hereby designated as the depository for the funds of the trust estate in which all funds coming into the hands of such Receiver shall be deposited, and which said funds shall be withdrawn therefrom only by check or warrant, serially numbered, to be signed by the said Receiver, and ~~countersigned by _____, who is hereby designated for that purpose;~~ and it is further

ORDERED, that the period within which the Receiver may provide the notice to creditors of Marine, the defendant corporation, as required by N.J.S.A. 14A:14-14 is hereby extended until thirty (30) days after the Receiver is in receipt of the list of creditors.

L. Anthony Gibson
L. Anthony Gibson, J.S.C.

A copy of this Order shall be served on all parties within seven (7) days of the date of receipt hereof in accordance with R. 4:43-1.

Opposed
A

Unopposed

The within order is in accordance with the court's written/bench opinion of 12/18/98

It is further ordered that the drafter of this order submit a copy to all adversaries.

[Handwritten initials]

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION
ATLANTIC & CAPE MAY COUNTIES

oral if app
TT

ANTHONY GIBSON
Judge

COURT HOUSE
ATLANTIC CITY, N.J. 08401



MEMORANDUM OF DECISION ON MOTION
Pursuant to Rule 1:6-2(f)

TO: see attached list of attys Joan Anderson

RE: N.J. Eco Develop Auth vs Marine DOCKET NO. C-190-97E

NATURE OF MOTION(S): Enter Judgment / Appoint Statutory Receiver

Having carefully reviewed the moving papers and any response filed, I have ruled on the above motion(s) as follows:

This application is meritorious on its face & is
unopposed. It will be granted essentially for the
reasons set forth in the moving papers. See
NJSA 14A:14-2(2)

DATE OF DECISION: 12/18/98

L. A. Gibson
L. ANTHONY GIBSON, J. S. C.

Order is attached.
Proposed form of order and envelopes to be submitted pursuant to R.4:42-1 by

h
[Signature]

Exhibit "B"

Legal Description

A handwritten signature in black ink, consisting of a stylized, cursive script that is difficult to decipher. It appears to be a name or initials, possibly 'W. J. ...'.

ALL THAT CERTAIN lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Egg Harbor, County of Atlantic and State of New Jersey:

TRACT #1:

BEGINNING at the intersection of the Northwesterly line of Philadelphia Avenue (100 feet wide) with the Northeasterly line of Duerer Street (60.00 feet wide) and extending thence

1. Northwestwardly along the Northeasterly line of Duerer Street a distance of 550.00 feet to a point; thence
2. Northeastwardly parallel with Philadelphia Avenue a distance of 928.33 feet to a point; thence
3. Southeastwardly parallel with Duerer Street a distance of 550.00 feet to a point in the Northwesterly line of Philadelphia Avenue; thence
4. Southwestwardly along said Philadelphia Avenue a distance of 928.33 feet to the point and place of BEGINNING.

Excepting thereout and therefrom Lots 16 and 17, Block 196 and the portions of Liverpool Avenue (now vacated) and Egmont Street (now vacated) which abut said lots.

Premises herein are formerly known as a portion of Lot 10, all of Lots 11 and 12 in Block 195, Lots 18 to 30 in Block 196, Lots 1 to 12 in Block 213 and Lots 1 to 7 and 24 to 30 in Block 214 as shown on the official tax map of Egg Harbor City, New Jersey.

TRACT #2:

Being the remainder of the parcel of land known as Lot 10 in Block 195.

TRACT #3:

The land is now designated as Lots 16 and 17 in Block 196 on the municipal tax map.

In compliance with Chapter 157, Laws of 1977 premises herein (Tracts 1, 2 and 3) are known as Lot 13 in Block 213 on the official tax map of Egg Harbor City, New Jersey.

Exhibit "C"

Assets

Handwritten signature or initials in black ink, consisting of a stylized 'R' followed by a more complex scribble.

A. ATKINS APPRAISAL CORPORATION
91 Clinton Road, Suite 2B
Fairfield, New Jersey 07004
(973) 227-1900

June 1, 1999

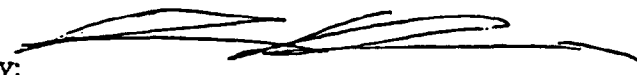
Inventory & Appraisal
In the Matter of:

MARINE ACQUISITIONS, INC. t/a EGG HARBOR YACHT CO., INC.

801 Philadelphia Avenue
Egg Harbor City, New Jersey

Personally appeared ALAN ATKINS, who has fully and fairly appraised the enclosed mentioned physical assets, in the above captioned at Forced Sale Value.

Respectfully submitted,
A. ATKINS APPRAISAL CORPORATION

By: 
ALAN ATKINS, For the Firm


TRADEMARK
REEL: 002130 FRAME: 0458

SCHEDULE A

LOCATED AT: 801 PHILADELPHIA AVENUE
EGG HARBOR CITY, NEW JERSEY

OFFICE FURNITURE & EQUIPMENT

QTY.	DESCRIPTION
<u>OFFICES</u>	
1	Upholstered sofa, w/ 2- Matching upholstered arm chairs
1	Artificial tree
1	Glass top wood end table, 30" x 30"
1	Picture, Sailfish
1	3 drawer metal pedestal
1	IBM WheelWriter 30 Series II electronic typewriter
1	Custom built L shape formica top wood reception desk, 26" x 94", with over shelf
1	Single door wood cabinet
1	Wood credenza with glass top
1	Metal upholstered swivel arm chair
1	Formica top metal table
1	Single pedestal wood desk, 36" x 72", w/ Side return w/ Glass tops
1	Metal upholstered swivel arm chair
2	2 door wood lateral file cabinets, 36" wide, w/ Glass tops

EGG HARBOR YACHT COMPANY, INC.



TRADEMARK
REEL: 002130 FRAME: 0459

- 1 Aluminum framed wipe-off board
- 2 Wood upholstered arm chairs
- 1 Wood end table, 22" x 27", with glass top
- 2 Assorted aluminum framed wipe-off boards
- 1 Formica top wood conference table, 40" x 124",
w/ 8- metal upholstered swivel chairs
- 1 Custom built formica top wood 6 door cabinet,
(built into real estate)
- 1 3M model 4400 RJR overhead projector
- 1 Metal upholstered chair
- 1 Wood upholstered swivel arm chair
- 1 Wood literature rack
- 2 5 drawer metal lateral file cabinets, 36" wide
- 1 Wood upholstered arm chair
- 1 Double pedestal formica top metal desk, 30" x 72"
- 1 Metal upholstered swivel arm chair
- 1 Double pedestal wood desk, 30" x 60"
- 1 2 drawer wood lateral file cabinet, 36" wide
- 2 Wood upholstered arm chairs
- 1 Aluminum framed wipe-off board
- 1 Metal upholstered swivel arm chair
- 1 Single pedestal wood desk, 36" x 66",
w/ Side return
w/ Glass tops

- 1 Double pedestal formica desk, 30" x 60"
- 1 Metal upholstered chair
- 1 2 door wood lateral file cabinet, 36" wide,
w/ Glass top
- 1 Wood credenza, 20" x 66", with glass top
- 1 Single pedestal wood desk, 36" x 72",
w/ Side return
w/ Glass top
- 2 Wood upholstered arm chairs
- 1 Wood end table, 22" x 28", with glass top
- 1 Formica bookcase, 36" high
- 2 2 drawer wood lateral file cabinets, 36" wide,
w/ Glass tops
- 1 Metal upholstered swivel arm chair
- 1 Upholstered arm chair, (poor condition)
- 1 Double pedestal wood executive desk, 36" x 72",
w/ Matching credenza, 20" x 72"
w/ Matching 2 drawer wood lateral file cabinet, 36" wide,
w/ Glass tops
- 1 Leather upholstered swivel arm chair
- 1 Leather upholstered love seat,
w/ 2- Matching leather upholstered arm chairs
- 2 Wood end tables, 18" x 28",
w/ Glass tops
- 1 Table lamp with shade
- 1 Sharp 19" color television

EGG HARBOR YACHT COMPANY, INC.

TRADEMARK

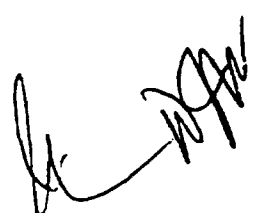
REEL: 002130 FRAME: 0461



- 1 G.E. model 9-7115 VHS video cassette recorder
- 1 Single pedestal wood desk, 30" x 66",
w/ Side return
w/ Glass tops
- 1 Metal upholstered swivel arm chair
- 1 2 drawer wood lateral file cabinet, 36" wide
- 1 Wood upholstered arm chair
- 1 Metal upholstered swivel arm chair
- 1 Olympia model 3801A paper shredder
- 8 5 drawer metal lateral file cabinets, 36" wide
- 1 Water cooler

- 1 Panafax model UF-550 facsimile machine
- 1 Pitney Bowes model 6200 postage machine,
w/ model 5820 electronic scale
- 2 Formica bookcases, 65" wide x 28" high
- 1 Canon model AP500 electronic typewriter
- 1 Centronics 122 graphics printer, (not connected)
- 1 Metal upholstered swivel arm chair
- 1 Wood upholstered swivel arm chair
- 1 Metal upholstered chair
- 1 4 station modular office consisting of:
22- Metal framed fabric covered office partitions, 66" high

Cont...



- 3- Formica printer stands
- 4- Assorted overhead shelves
- 4- Single pedestal formica work surfaces
- 2- Assorted formica work surfaces
- 1- Wood hutch

- 1 Detex Guardsman time recorder
- 1 Nokia cellular telephone
- 1 Sony compact stereo system
- 1 Formica top wood counter,
w/ Marvel single door office refrigerator
- 1 Formica top wood 2 door cabinet
- 1 Bunn Pour-O-Matic coffee maker
- 1 G.E. microwave oven
- 1 AT&T Legend telephone system consisting of:
 - 3- MLX-10DP telephones
 - 1- MLX-20L with 50 button DSS
 - 1- BIS-10 telephone
 - 4- 10 button telephones
 - 2- 5 button telephones
 - w/ KSU
- 1 Computer system consisting of:
 - 1- Hewlett Packard Sure Store Tape 2000 tape back-up
 - 7- Compaq DeskPro 286 computers with monitors
 - 1- Sabre MPF+LB computer,
w/ CD rom drive
w/ DFI color monitor
 - 1- DFI Pentium 75 computer,
w/ Espirit 14 monitor
 - 1- DFI monitor

Cont...

- 1- DFI Pentium 75 computer,
w/ Acer Acerview 34T monitor
- 1- DFI Pentium 100 computer,
w/ Espirit 14i monitor
- 1- Vivitron monitor
- 1- APC 1250 Back-Ups uninterruptable power source
- 1- Okidata Microline 591 printer
- 2- Okidata Microline 393 printers
- 1- Hewlett Packard LaserJet Series II laser printer
- 2- Electronic time clocks (located in shop area)

FIRST FLOOR SHOP AREA

- 4 5 drawer metal lateral file cabinets, 36" wide
- 11 Assorted 4 drawer metal file cabinets
- 1 Double pedestal formica desk, 30" x 60"
- 2 Metal upholstered swivel arm chairs
- 3 Formica bookcases, 30" high
- 1 Single pedestal formica desk with hutch
- 1 Formica top wood credenza, (poor condition)
- 2 Wood upholstered arm chairs
- 1 Aluminum framed wipe-off board
- 2 Vertical steel resin storage tanks,
Each approximately 5,000 gallon capacity,
Each with side entering manhole, with pump and motor
- 1 Lot of ductwork, related to exhaust system,
(located through-out production area)

PARTS ROOM

- 1 Savin model 7500 copy machine,
w/ Automatic document feeder
w/ Sorter

OUTSIDE AREAS

- 3 40'-0 steel storage containers with rear swing doors



SCHEDULE B

LOCATED AT: 801 PHILADELPHIA AVENUE
EGG HARBOR CITY, NEW JERSEY

OFFICE FURNITURE, MACHINERY, EQUIPMENT & INVENTORY

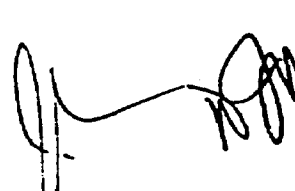
QTY. DESCRIPTION

OFFICES

- 1 Wood framed wall map
- 8 Assorted framed pictures and magazine covers
- 5 Framed magazine covers
- 1 Wood framed map
- 1 Wall picture

FIRST FLOOR SHOP AREA

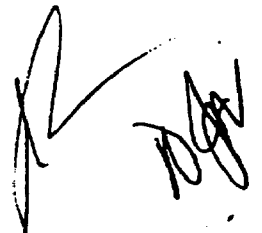
- 1 Hyster model H80XL riding forklift truck, s/n F005A05198H,
8,000 lb. capacity, 145" lift height,
w/ 3- stage mast
w/ Dual pneumatic front tires
w/ Gas engine
- 31 Assorted electric hand drills and screw guns
- 2 Assorted electric heat guns
- 5 Globe fire fighter suits complete with jackets, pants, boots,
And helmets
- 7 Assorted saber saws
- 3 Belt sanders
- 2 Assorted pneumatic nail guns



- 3 Assorted Craftsman & Porter Cable routers
- 1 Black & Decker model 6138, 9" sander/polisher
- 1 4" hand grinder
- 1 Black & Decker ½" electric drill, (old)
- 5 Pneumatic palm sanders
- 1 Pressure pot, 5 gallon capacity with hose
- 2 Assorted double pedestal desks, (poor condition)
- 1 Metal upholstered chair
- 1 Formica computer table
- 1 Metal upholstered swivel chair
- 2 Assorted metal upholstered swivel arm chairs, (poor condition)
- 1 4 drawer metal file cabinet
- 1 Wood work table
- 1 Dayton model 4Z577 refrigeration vacuum pump
- 1 Metal upholstered chair
- 1 Metal upholstered stool
- 1 Wood top metal drafting table, 38" x 60",
w/ Drafter LM drafting machine
w/ Adjustable arm lamp
- 1 Bruning model PD-101 blue printer copier
- 1 Workforce model XLT CAT 23 electric 5 stage elevating
Work platform, s/n C.A.T. 23-0473, 300 lb. capacity
- 4 Sections of metal pallet rack, 42" deep x 9'-0 wide x 8'-0 high



- 2 Sections of metal pallet rack, 48" deep x 57" wide x 10'-0 high,
(poor condition)
- 1 Large wood dolly
- 1 Stromab radial arm saw, model and s/n not visible,
(not connected, poor condition)
- 1 Black & Decker model 1703 cut-off saw
- 1 Craftsman pedestal drill press
- 3 Wood platform trucks
- 1 Lot of assorted bar clamps
- 1 Shaper, no name visible, (poor condition)
- 1 Rockwell model 43-361 heavy duty wood shaper, s/n LK2605
- 1 Max vertical spindle sander
- 1 Ekstrom Carlson No. 18 double end drum sander
- 2 Delta model 34-761 table saws, s/n's 83114580, 83114562
- 1 Rockwell model 43-340 shaper, s/n DF-9063
- 1 Rockwell shaper, no model or s/n visible. (poor condition)
- 1 Rockwell model 37-220 jointer, s/n 300001, 6"
- 1 Stetson Ross XL moulder, s/n 4827,
w/ 1- 5 H.P. motor
1- 1.5 H.P. motor
1- 10 H.P. motor
- 1 Delta model 28-243S vertical bandsaw, s/n 88H58492,
14" throat
- 1 Delta model 28-203 vertical bandsaw, s/n 83J00072, 14" throat
- 3 Portable metal tilting dumpsters



- 1 Portable tool cabinet
- 2 4 drawer metal file cabinets, (poor condition)
- 1 Wood upholstered swivel arm chair, (poor condition)
- 1 2 drawer metal file cabinet, (poor condition)
- 1 Formica work surface
- 1 Rockwell table saw, s/n CL-697
- 1 Horizontal belt sander, no name or s/n visible,
4" wide x 36" long
- 1 Powermatic model 81 vertical band saw, s/n 8381124,
20" throat
- 2 Rockwell model 43-361 heavy duty wood shapers,
s/n's LJ3357, LJ3361
- 1 Buffalo No. 18 pedestal drill press
- 1 Smith Machine Co. model C505C, 3 roll sander,
s/n R1273, 48" wide, with 3- 10 H.P. motors
- 3 Wood platform trucks
- 6 Assorted metal frame dollies
- 1 Whitney model 105 planer, s/n 341, 24" wide,
w/ 10 H.P. motor
- 1 DeWalt model GE radial arm saw with wood side tables
- 1 Box fan, 36" diameter with portable stand
- 1 Ekstrom Carlson model V-84 double arm router,
s/n 65-461, 65-462,
w/ 2- steel work tables, 60" x 158"
- 2 Steel dollies
- 1 Rockwell Delta Unisaw table saw, s/n CI-7763



TRADEMARK

REEL: 002130 FRAME: 0469

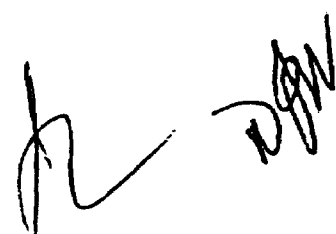
- 1 Custom built electric heat seal machine, 7'-0 wide,
w/ Chromalox control
w/ 2 steel frame work tables
- 1 Master portable heater, 110,000 BTU
- 2 Binks/Poly-Craft avenger fiberglass lay-up machines,
Model and s/n not visible
- 1 Wood hand truck
- 1 Lot of assorted metal lockers
- 1 4 drawer metal file cabinets, (poor condition)
- 1 3 drawer metal file cabinet
- 1 Shop Vac 5 gallon shop vacuum
- 2 2 drawer metal file cabinets with formica work surface
- 1 Metal bookcase, 48" high
- 1 Wood upholstered swivel arm chair

SECOND FLOOR SHOP AREA

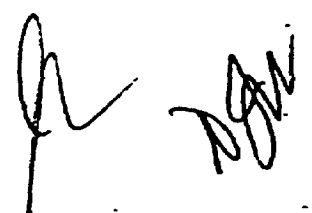
- 1 Double pedestal formica top metal desk, 36" x 72"
- 3 Assorted multi-drawer metal flat file cabinets
- 1 Pistorius model ST notcher, s/n 39598
- 1 Pistorius model MN-200 double miter saw, s/n 39597
- 1 Wood platform truck
- 1 Pistorius model S-CN pneumatic clip inserter, s/n 39599
- 1 Lot of bar clamps

Two handwritten signatures in black ink, one on the left and one on the right, appearing to be initials or names.

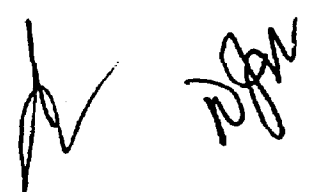
- 1 Blum Euro model M51N1004 hinge machine,
s/n CF3475 (1995)
- 1 Wood platform truck
- 1 Toastmaster model 19A11-A electric deck oven (old,
Poor condition),
w/ Custom built electric Plexiglas heating with manual
Plexiglas benders
- 2 Wood carts
- 2 Wood A frame carts
- 1 Pedestal fan
- 1 Nilfisk model GS-83 shop vacuum with 3-GSE 115 motors
- 1 Sanyo single door office refrigerator, (not connected,
Poor condition)
- 1 Box fan
- 1 Wood top metal layout table, 15'-0 long
- 3 Portable wood A frame racks, (poor condition)
- 1 A frame wood rack, (poor condition)
- 3 Metal lockers
- 1 Marvel single door office refrigerator, (poor condition)
- 1 Double pedestal metal desk
- 3 Justrite 2 door metal flammable storage cabinets
- 2 Porter Cable electric palm sanders
- 5 Assorted paint spray guns, (poor condition)
- 2 Paint spray guns with pots
- 1 Bench top pneumatic paint can shaker

Handwritten signatures in black ink, appearing to be initials or names, located in the bottom right corner of the page.

- 1 Binks walk-in paint spray booth, approximately 14'-0 wide x
24'-0 long x 9'-0 high,
w/ Double doors, lights, filters, and exhaust
- 1 Wood work bench with vise
- 1 Portable tool chest
- 1 Pedestal fan
- 5 Wood platform trucks
- 4 Metal lockers
- 1 5 step metal safety ladder
- 1 Delta model 28-350 vertical bandsaw, s/n 1355321, 20" throat
- 1 Craftsman shop vacuum
- 5 Wood dollies, (poor condition, old)
- 4 Wood work benches with vises
- 1 Rockwell model 43-340 shaper, s/n DF8950
- 1 Craftsman pedestal drill press
- 1 Portable tilting metal dumpster
- 1 2 door metal storage cabinet, (poor condition)
- 1 Wood top metal work table with heavy duty vise
- 1 Formica top metal router table with Porter Cable router
- 1 Rockwell model 34-450 table saw, s/n DA-2378
- 1 Makita model LS-1030, 10" miter saw
- 1 Boice Crane jointer, 6"



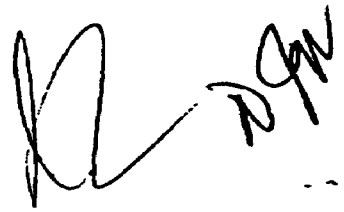
- 1 Craftsman combination, 6" belt/9" disc grinder,
Pedestal mounted
- 1 Custom built 2 spindle horizontal boring machine with
Automatic feed
- 1 Delta table saw, s/n 122-6566
- 1 Metal router table with Porter Cable router
- 1 Delta model 28-653 vertical bandsaw, s/n 88G49686,
20" throat
- 1 West System resin mixing system
- 1 Delta model 15-270 pedestal drill press,
s/n 87F70550, with automatic feed
- 2 Rol-Lift hydraulic pallet jacks
- 1 Craftsman shop vacuum
- 1 Delta model 34-450 table saw, s/n DE-7338
- 1 Portable wood frame light table, 60" x 144",
w/ vacuum pump
- 5 Assorted wire reel stands
- 1 Custom built wood wire rack
- 2 Metal work benches with over shelf
- 1 Black & Decker cordless drill, (poor condition)
- 1 Baldor double end bench grinder/buffer, (poor condition)
- 1 4 drawer metal file cabinet, legal size
- 1 Metal work bench with vise
- 1 Craftsman shop vacuum
- 1 NRP Refrigerant recovery unit

Two handwritten signatures in black ink, one on the left and one on the right, appearing to be initials or names.

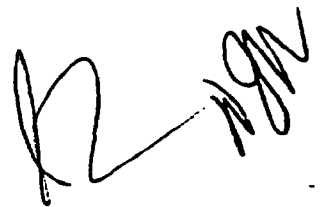
- 1 2 drawer metal lateral file cabinet, 30" wide
- 3 Allegro fans
- 1 Double pedestal formica top metal desk, 36" x 72"
- 1 Portable tool chest
- 2 Metal upholstered swivel chairs
- 1 Yacht Corrosion Consultants corrosion test meter
- 2 Wood top metal work benches
- 6 Wood lunch tables with benches
- 2 Portable folding lunch tables with attached benches

FIRST FLOOR WORK AREA

- 1 Rockwell model 34-450 table saw, s/n DD5723
- 1 Flack & Decker model 1703 chop saw
- 1 Delta vertical bandsaw, 14" throat, (partially dismantled)
- 5 Assorted Saber saws
- 8 Assorted electric drills
- 1 Double end pedestal grinder/buffer
- 1 Rockwell model 28-203 vertical bandsaw, 14" throat,
(missing blade)
- 1 Rockwell table saw, s/n C1-7657, (poor condition)
- 12 Assorted manual chain hoists, 1-5 ton capacity



- 3 Assorted manual chain hoists, 1-5 ton capacity,
(poor condition)
- 5 Double chain hoists
- 1 2 door flammable storage cabinet
- 12 Assorted stands and ladders
- 1 2 tier metal cart
- 1 Double end paint mixer, with pedestal stand
- 1 Metal hand truck
- 1 Hydraulic transmission jack, (poor condition)
- 1 2 door flammable storage cabinet, (poor condition)
- 1 Glass Craft fiberglass lay-up system, no model or s/n visible
- 1 Magnum fiberglass lay-up system, no model or s/n visible
- 1 12'-0 step ladder
- 1 Portable metal work platform
- 3 Fiberglass lay-up systems, no name, model or s/n visible,
(poor condition)
- 1 Hydraulic pallet jack, (poor condition)
- 1 Ridgid model 535 pipe threader, s/n 393901, with accessories
- 1 Lincoln Idealarc model T1G300/300 welding machine,
s/n AC280187
- 1 Portable steel work bench with vise
- 3 Assorted hydraulic bottle jacks
- 1 Delta pedestal press drill



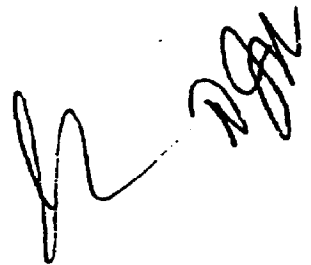
- 1 Oxygen/Acetylene welding outfit consisting of: hose, gauges,
Torch, and cart
- 1 Buffalo double end bench grinder, ½ H.P.
- 1 Carolina horizontal bandsaw
- 1 Wood work bench with vise
- 1 Double pedestal metal desk
- 1 Waber Zip-Cup abrasive cut-off saw
- 1 Wood work bench with vise
- 1 Whitney Jensen hand punch
- 1 Disc grinder, 10" diameter, with pedestal stand
- 1 Roll-In All Purpose vertical bandsaw, s/n not visible
- 1 Powermatic model 81 vertical bandsaw, s/n 8381069
- 1 Single end wall mounted sander
- 1 Aluminum step ladder

PARTS ROOM

- 1 8 step metal safety ladder
- 1 Metal upholstered swivel arm chair
- 1 Wood upholstered arm chair
- 1 Double pedestal formica top wood desk, 30" x 60"
- 1 Metal upholstered swivel chair
- 1 Wood upholstered arm chair
- 1 PanaFax model PX-350 facsimile machine



- 1 Aluminum framed corkboard
- 1 Aluminum framed wipe-off board
- 1 Formica top metal credenza
- 2 5 drawer metal lateral file cabinets, 36" wide
- 1 Wood bookcase
- 1 Metal upholstered swivel arm chair
- 1 Double pedestal wood desk, 30" x 60"
- 1 L shape formica printer stand
- 1 Aluminum coat tree
- 1 RCA audio/video receiver with 1- pair of Sony speakers
- 1 Contents of 2 door metal storage cabinet containing assorted
Power tools, (poor condition, not operable)
- 1 Hoover upright vacuum
- 42 Sections of metal shelving
- 24 Sections of Dexion shelving
- 1 Plastic mop bucket with wringer
- 1 Howe Richardson XL portable platform scale
- 3 Assorted 2 door metal storage cabinets
- 77 Metal parts bins
- 1 Raw material and parts inventory consisting of:
Assorted wood board, molding, plywood, aluminum bar,
Fasteners, fittings, pumps, valves, paint, props, and etc.



OUTSIDE AREAS

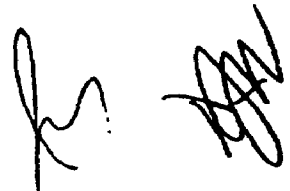
- 1 40'-0 steel storage container with rear swing doors
- 1 Forklift drum attachment
- 1 Set of forklift fork extensions
- 1 Dust collection unit, no name, model or s/n visible
- 1 Show booth with related wood platforms, and etc.
- 1 Horizontal hydraulic trash compactor
- 1 Billy Goat yard vacuum with gas engine
- 1 Craftsman lawn mower with 5.5 H.P. gas engine
- 1 Airless paint sprayer
- 1 Lawn trimmer, gas powered
- 1 Lot balance of 40'-0 storage container consisting of:
Gas cans, assorted hose, shovels, rakes, brooms,
Electrical supplies, and etc.
- 7 Tilting metal dumpsters
- 1 Sullair Sulliscrew 24 KT. rotary screw air compressor,
Model 20-125L, s/n 24247-13GF, with 125 H.P. motor,
w/ Hankison model E700A refrigerated air dryer,
s/n 0312A-3-75018
- 1 4'-0 fiberglass step ladder
- 1 Pettibone model DA-120 forklift truck, s/n 0699,
12,000 lb. capacity, 144" lift height,
Right rear wheel assembly missing,
(unit rusted, very poor condition)
- 1 Steel diesel fuel tank, approximately 250 gallon capacity,
With Gasboy manual pump
- 1 Shop Crane with 3 ton hydraulic jack



- 1 Metal hand truck
- 1 Speedaire air compressor,
w/ 15 H.P. motor
w/ Horizontal tank
- 1 Marine Travel Lift model 35BFM mobile boat hoist,
s/n 2149/787 (1987), 35 ton capacity with gas engine
- 1 Lot of assorted old molds and debris (located outside building)

THE FOLLOWING MACHINERY AND EQUIPMENT IS CONTAINED
IN THE 3- STORAGE CONTAINERS, LOCATED OUTSIDE THE BUILDING

- 1 Lagun Republic vertical milling machine,
w/ 9" x 48" power feed table
w/ Milling vise
w/ Bausch & Lomb Acurite II digital read-out
- 1 Small paint pressure pot
- 1 Platform truck
- 1 Refrigerated air dryer, (poor condition)
- 1 Kalamazoo model K-10 abrasive cut-off saw
- 1 Clausing model 2276 pedestal drill press, s/n 525428
- 1 United model TM10 tensile tester, s/n 987122 (dismantled)
- 1 Bugit 1 ton manual chain hoist
- 1 SCMI model S52 planer, s/n AB19704, 24" wide
- 1 SCMI model T130 heavy duty shaper, s/n not visible,
w/ Steff 34, 3 roll power feed
- 1 SCMI jointer, 10", no model or s/n visible
- 1 Wood frame exhaust fan



EGG HARBOR YACHT COMPANY, INC.

TRADEMARK
REEL: 002130 FRAME: 0479

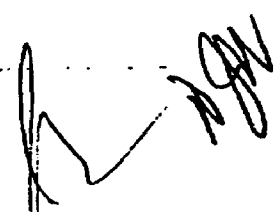
- 1 Clausing model 1690 pedestal drill press, s/n 530552
- 1 Powermatic model 60 jointer, s/n 8561132, 8"
- 1 Lot balance of container 1 consisting of assorted parts, hoses, Motors, and etc.
- 1 Rockwell model 34-761 table saw, s/n 83I14577 (rusted)
- 1 Dust Control model DC-3500 portable dust collector
- 1 Baldor model 1458 double end buffing machine, 5 H.P.
- 1 Delta-Rockwell model 28-205 vertical bandsaw, 83-J00068
- 1 Delta jointer, 6", (very poor condition)
- 1 Rockwell jointer, 6", (poor condition)
- 1 Delta model 20 vertical bandsaw, s/n not visible, 20" throat
- 1 Powermatic vertical bandsaw, s/n not visible, (switch out)
- 1 Engine lathe, name, model, and s/n not visible, w/ Mitutoyo X-Y digital read-out
- 1 Disc grinder, 9" diameter
- 1 Electric cable hoist, (poor condition)
- 1 Oster model 502NF pipe threading machine, s/n 2023, (poor condition)
- 1 Miller model 330A/BP constant current AC/DC arc welding Power source, s/n JD706873 with accessories
- 1 DeWalt radial arm saw, (very poor condition)
- 1 Disc grinder, (dismantled)
- 4 Assorted Delta table saws, (very poor condition)
- 1 Transformer

- 1 2 post hydraulic shop press, no name visible
- 1 Shaper, no name visible
- 2 Delta vertical bandsaws, (dismantled, very poor condition)
- 1 Horizontal bandsaw, no name visible, (poor condition)
- 1 Carolina 40 ton, 2 post hydraulic shop press, s/n 026171
- 2 Miller model MP-30E DC arc welders, s/n's JD730978,
JE745393
- 1 Air compressor,
w/ 10 H.P. motor
w/ Horizontal tank
- 1 Table saw, (dismantled)
- 1 Delta Rockwell model 28-290 vertical bandsaw, (poor condition)
- 1 Planer, no name visible, 24" wide, (dismantled, poor condition)
- 1 Lot of assorted manual and electric chain hoists
- 1 Surface grinder, no name visible, (dismantled, poor condition)
- 1 Powermatic table saw, model and s/n not visible
- 1 Econoline model RA42-24 abrasive blast cabinet
- 1 Custom built groover/edger with chain in-feed drive
- 1 Drafting table base
- 1 Manual/hydraulic pipe bender with portable table
- 4 Formica top metal work benches
- 1 Onlin urethane system consisting of 2- tanks,
w/ Dispensing gun and hose
w/ Pressure pot with hose and gauges
w/ Portable cart



- 1 Air compressor,
w/ 10 H.P. motor
w/ Horizontal tank
(poor condition)
- 1 Portable platform scale
- 1 Steel portable work table

EGG HARBOR YACHT COMPANY, INC.



TRADEMARK
REEL: 002130 FRAME: 0482

LOCATED AT; 801 PHILADELPHIA AVENUE
EGG HARBOR CITY, NEW JERSEY

VEHICLES

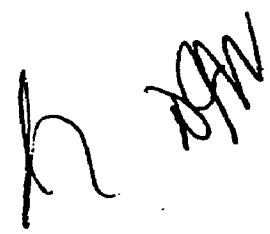
QTY.	DESCRIPTION
1	1988 Ford E150 cargo van, V.I.N. 1FTEE14Y7KHA22658, High mileage, 11,314 miles indicated on odometer, With automatic transmission Front bumper damaged Tires good condition
1	1986 Ford E150 cargo van, V.I.N. 1FTES14N8GHB93750, High mileage, 54,515 miles indicated on odometer, With automatic transmission Body rotted, rusted, and dented in numerous places
1	1985 Ford F350 single axle rack truck, V.I.N. 2FDJF3718FCB35498, 48,201 miles indicated on odometer, w/ Automatic transmission w/ Diesel engine w/ Rack body, 9'-0 long
1	1976 International Cargo Star single axle truck tractor, V.I.N. D1035FCA13857, 92,068 miles indicated on odometer, Unit not operable, poor condition
1	1956 Lawson 40'-0 tandem axle boat trailer, V.I.N. STF10108, 30'-0 bottom deck (unit old, poor condition) 2- left rear tires flat



LOCATED AT: 801 PHILADELPHIA AVENUE
EGG HARBOR CITY, NEW JERSEY

INCOMPLETE BOATS, (NOT EVALUATED)

QTY.	DESCRIPTION
1	52'-0 boat, incomplete hull only, #52-DW1, with cradle, (Photo No. 1)
1	37'-0 boat, approximately 60% complete, #37-401, w/ Onan generator w/ 2- Volvo diesel engines w/ Cradle (Photo No. 2)
1	37'-0 boat, incomplete hull only, #37-402, with cradle (Photo No. 3)



EGG HARBOR YACHT COMPANY INC

TRADEMARK
REEL: 002130 FRAME: 0484

LOCATED AT: 801 PHILADELPHIA AVENUE
EGG HARBOR CITY, NEW JERSEY

MOLDS & PATTERNS, (NOT EVALUATED)

QTY.

DESCRIPTION

-
- | | |
|---|--|
| 1 | Hull mold for 52'-0, #52-DW5H, (Photo No. 4) |
| 1 | Cockpit/deck mold for 52'-0, #52-DW4D, (Photo No. 5) |
| 1 | Flybridge mold for 52'-0, #52-DW2FB, (Photo No. 6) |
| 1 | Eyebrow mold for 52'-0, #52-DW3EB, (Photo No. 7) |
| 1 | Hull mold for 42'-0, #42-DW1H, (Photo No. 8) |
| 1 | Deck mold for 42'-0, #42-DW2D, (Photo No. 9) |
| 1 | Hull mold for 37'-0, #37-DW1H, (Photo No. 10) |
| 1 | Deck mold for 37'-0, #37-DW2D, (Photo No. 11) |
| 1 | Hull mold for 58'-0, #58-DW1H, (Photo No. 12)
(Located outside building) |
| 1 | Cockpit mold for 58'-0, #DW58-DW2CP, (Photo No. 13)
(Located outside building) |
| 1 | Deck mold for 58'-0, #58-DW3D, (Photo No. 13)
(Located outside building) |
| 1 | Stringers mold for 58'-0, #58-DW4S, (Photo No. 14)
(Located outside building) |
| 1 | Lot of assorted wood patterns,
(Located in production area) |
| 1 | Lot of assorted small molds, (Photo No's 15, 16, 17, 18, 19)
(Located inside and outside building) |
| 1 | Lot of assorted marketing material consisting of: brochures,
pictures, engineering drawings, and etc.,
to extent available on the premises |

Exhibit "D"

Permitted Encumbrances

1. Subject to such facts as an accurate survey and physical inspection of the Premises would reveal.

AW ~~2. Subject to all restrictions, easements and encumbrances of record.~~ *27*

3. Subject to all federal, state, county, and local statutes, laws, regulations, rules and ordinances regarding the use, management, ownership and operation of the Premises including, but not limited to, fire codes, building codes, zoning laws, environmental laws and health codes.

4. Sight Easement from Egg Harbor Yacht Company, Inc. to County of Atlantic dated October 31, 1988 and recorded on December 9, 1988, in Deed Book 4810, Page 70.

AW ~~5. Rights public and private in any portion of premises lying within the lines of Deurer Court and Philadelphia Avenue.~~ *27*

EXHIBIT "E"

BILL OF SALE
AND
QUIT CLAIM GENERAL ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS:

This Bill of Sale and Quit Claim General Assignment ("Bill of Sale") is executed and delivered effective this _____ day of _____, 1999, by David J. Weiss, Statutory Receiver of Marine Acquisitions, Inc. ("Seller") in favor of _____ ("Purchaser")

WHEREAS, Seller and Purchaser have entered into an Agreement pursuant to which Seller will quitclaim to Purchaser certain assets identified on Exhibit "C" of the Agreement. For the purposes of this Bill of Sale, the assets described in the Agreement shall be referred to collectively as the "Assets".

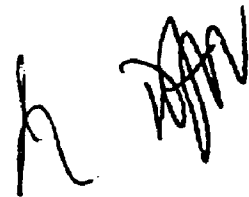
WHEREAS, all terms and conditions of the Agreement are incorporated herein and all defined terms of the Agreement shall have the same meaning in this Bill of Sale.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Conveyance. Seller has quitclaimed, transferred, setover, assigned and released upon Purchaser and by these presents does quitclaim, transfer, setover, assign and release unto Purchaser to have and hold forever, all of Seller's rights, titles and interest, if any, in and to the Assets, as defined in the Agreement.

2. Condition of the Assets. The rights, titles and interest of Seller in the Assets are being sold "AS IS, WHERE IS AND WITH ALL FAULTS" including any latent defect or non-discoverable defect, without any representation, warranty, liability or other obligation on the part of Seller whatsoever. **THIS AGREEMENT IS INTENDED TO EXCLUDE ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR REPRESENTATION AS TO TITLE TO OR THE CONDITION OF THE ASSETS OR AS TO THE MERCHANTABILITY OF THE ASSETS OR ANY WARRANTY OF FITNESS OF THE ASSETS FOR ANY PARTICULAR PURPOSE, ALL OF WHICH ARE EXPRESSLY WAIVED BY PURCHASER.**

3. Effective Date. This conveyance is effective this _____ day of _____, 1999.

Handwritten signatures in black ink, appearing to be initials or names, located in the lower right quadrant of the page.

IN WITNESS WHEREOF, this Bill of Sale has been duly executed and delivered on the
__ day of _____, 1999.

SELLER:
MARINE ACQUISITIONS, INC.
a Delaware Corporation

By: _____
David J. Weiss, Statutory Receiver

A handwritten signature in black ink, appearing to read 'D. J. Weiss', is written over a horizontal line.

Exhibit "F"

Documents

1. Preliminary Assessment Report prepared by Roux Associated dated April 6, 1998;
2. Preliminary Assessment Report prepared by Roux Associates dated June 30, 1998;
3. Roof Inspection Report prepared by Thomas Roofing dated January 18, 1999;
4. Inventory dated June 1, 1999, prepared by A. Atkins Appraisal Corporation;
5. Amended Verified Complaint filed in the United States District Court for the District of New Jersey;
6. Notice of Motion to Dismiss filed on behalf of Egg Harbor, LLC;
7. Notice of Motion to Dismiss filed on behalf of Rudolph Lehnert;
8. Notice of Motion to Dismiss filed on behalf of John and Gigi DiDonato;
9. Answer filed on behalf of Robert Hazard;
10. Defendant's Memorandum for Case Management Conference;
11. Petitions for Cancellation filed in the United States Department of Commerce, Patent and Trademark Office;
12. Answer to Petition for Cancellation No. 28, 332;
13. Notice of Default for Cancellation No. 28,399;
14. Petitioner's First Set of Interrogatories;
15. Answers to Petitioner's First Set of Interrogatories; and
16. Equipment Lease between The New Jersey Economic Development Authority and Vision Properties, LLC, dated September 1998.

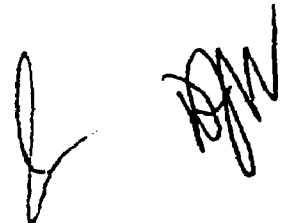


Exhibit "G"

No Further Action Letter and Covenant Not to Sue

A handwritten signature in black ink, consisting of a stylized 'R' followed by a series of loops and a final flourish.



State of New Jersey

Department of Environmental Protection

Bureau of Field Operations
P.O. Box 435
401 East State Street
Trenton, N.J. 08625-0435

Christine Todd Whitman
Governor

Robert C. Shinn, Jr.
Commissioner

SEP 20 1999

Mr. David J. Weiss, Statutory Receiver
1300 Atlantic Avenue, Suite 500
Atlantic City, NJ 08401

Re:Entire Site, Unrestricted Use, No Further Action Letter and Covenant Not to Sue
Industrial Establishment: Marine Acquisitions, Inc.
Address: 801 Philadelphia Avenue
Egg Harbor City, Atlantic County
Block 213 Lot 13
ISRA Case #E99354
ISRA Transaction: Sale of Assets and Sale of Property
Expedited Review Affidavit dated: 9/1/99

Dear Mr. Weiss:

Pursuant to N.J.S.A. 58:10B-13.1 and N.J.A.C. 7:26C, the New Jersey Department of Environmental Protection (Department) makes a determination that no further action is necessary for the remediation of the industrial establishment as specifically referenced above, except as noted below, so long as Marine Acquisitions, Inc. did not withhold any information from the Department. This action is based upon information in the Department's case file and Marine Acquisitions, Inc.'s final certified affidavit dated 9/1/99. In issuing this No Further Action Determination and Covenant Not to Sue, the Department has relied upon the certified representations and information provided to the Department.

By issuance of this No Further Action Determination, the Department acknowledges the certification by Marine Acquisitions, Inc. that a Preliminary Assessment and as applicable a Site Investigation has been completed pursuant to the Technical Requirements for Site Remediation (N.J.A.C. 7:26E) for the industrial establishment.

NO FURTHER ACTION CONDITIONS

As a condition of this No Further Action Determination Marine Acquisitions, Inc. as well as each subsequent owner, lessee and operator (collectively Successors) shall comply with each of the following:

Name and Address Changes

Pursuant to N.J.S.A. 58:10B-12, Marine Acquisitions, Inc. and the Successors shall inform the Department in writing whenever its name or address changes, within 14 calendar days after the change.

New Jersey is an Equal Opportunity Employer
Recycled Paper

Handwritten signature

COVENANT NOT TO SUE

The Department issues this Covenant Not to Sue pursuant to N.J.S.A. 58:10B-13.1. That statute requires a covenant not to sue with each no further action letter. However, in accordance with N.J.S.A. 58:10B-13.1, nothing in this Covenant shall benefit any person who is liable, pursuant to the Spill Compensation and Control Act (Spill Act), N.J.S.A. 58:10- 23.11, for cleanup and removal costs and the Department makes no representation by the issuance of this Covenant, either express or implied, as to the Spill Act liability of any person.

The Department covenants, except as provided in the preceding paragraph, that it will not bring any civil action against the following:

- (a) the person who undertook the remediation;
- (b) subsequent owners of the subject property;
- (c) subsequent lessees of the subject property; and
- (d) subsequent operators at the subject property.

for the purposes of requiring remediation to address contamination which existed prior to the date of the final certified affidavit for the real property at the industrial establishment identified above, or payment of cleanup and removal costs for such additional remediation.

The Department may revoke this Covenant at any time after providing notice upon its determination that either:

- (a) any person with the legal obligation to comply with any condition in this No Further Action Letter has failed to do so; or
- (b) any person with the legal obligation to maintain or monitor any engineering or institutional control has failed to do so.

This Covenant Not to Sue, which the Department has executed in duplicate, shall take effect immediately once the person ~~who undertook the remediation~~ has signed and dated the Covenant Not to Sue in the lines supplied below and the Department has received one copy of this document with original signatures of the Department and the person who undertook the remediation.

Name: David J. Weiss,

Signature: *DJ Weiss*

Title: Statutory Receiver for Marine Acquisitions, Inc

Dated: 9-27-99

[Handwritten signature]

[Handwritten signature]

NEW JERSEY DEPARTMENT OF
ENVIRONMENTAL PROTECTION

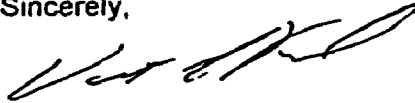
Name: Vincent S. Krisak, Section Chief
Bureau of Field Operations

Signature: 

Dated: 9-17-99

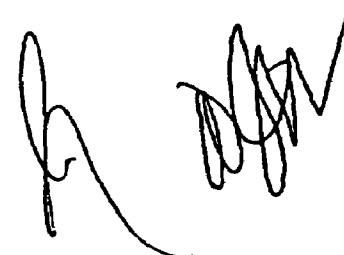
Thank you for your attention to these matters. If you have any questions, please contact Charles Salter case manager at (609)633-0708.

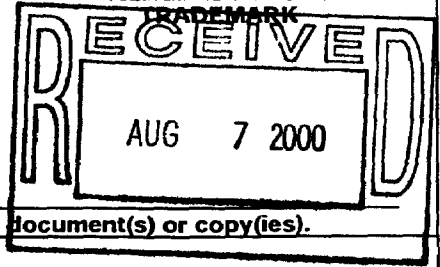
Sincerely,



Vincent S. Krisak, Section Chief
Bureau of Field Operations

c: County Health Department
Charles Salter, BFO Case Manager





RECORDATION FORM COVER SHEET TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
 - Security Agreement Nunc Pro Tunc Assignment
 - Merger Change of Name
 - Other
- Effective Date
Month Day Year

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

- Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

- Individual General Partnership Limited Partnership

Corporation Association

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

FOR OFFICE USE ONLY

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

<input type="text" value="1835359"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

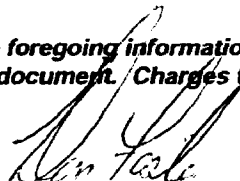
Yes

No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Don P. Foster



8/4 /00

Name of Person Signing

Signature

Date Signed

GENERAL ASSIGNMENT AND
ASSUMPTION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This General Assignment is executed and delivered effective this 1st day of July, 1996 by Egg Harbor Acquisition, Inc. ("EHAI") in favor of its affiliated entity, Marine Acquisitions, Inc. ("Marine").

WHEREAS, EHAI has agreed to purchase the assets and assume certain liabilities of Egg Harbor Yacht Company, Inc. ("Egg Harbor") pursuant to that certain Asset Purchase Agreement dated November 6, 1995, as amended June 30, 1996 ("Agreement"); and

WHEREAS, EHAI desires to assign to Marine and Marine has agreed to purchase from EHAI all of EHAI's rights, titles and interests under the Agreement and to assume, pay, perform and discharge all of EHAI's duties and obligations under the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged:

1. Conveyance and Delivery. EHAI has conveyed, granted, bargained, sold, transferred, set over, assigned, delivered and released unto Marine and by the presents does hereby convey, grant, bargain, sell, transfer, set over, assign, delivery and release unto Marine and Marine's successors and assigns to have and hold forever, good and marketable title to all EHAI's rights, titles and interests in and under the Agreement.

2. Assumption. Marine hereby agrees to assume, pay, perform and discharge all of EHAI's obligations, duties, debts and liabilities under the Agreement and to hold EHAI harmless from all such obligation, duties, debts, and liabilities.

3. Title. EHAI represents and warrants that:

(i) EHAI has good and marketable title to all its rights, titles and interests in the Agreement, free and clear of all liens, claims, charges, encumbrances, mortgages, options, restrictions, security agreements or any other encumbrance of any kind, character or description whatsoever, except as described in the Agreement;

(ii) EHAI has all requisite power and authority to sell, transfer, convey and deliver its rights, titles and interests in the Agreement under the Agreement to Marine pursuant to this instrument of Conveyance; and

(iii) EHAI will defend good and marketable title to its rights, titles and interests against any and all adverse claims whatsoever.

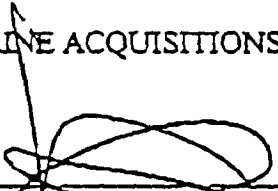
4. Condition of the Assets. The rights, titles and interests in the Agreement are being sold "as is, where is" without any representation, warranty, liability or other obligation on the part of EHAI whatsoever, whether expressed or implied, except as set forth in the Agreement. THIS EXPRESS WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES,

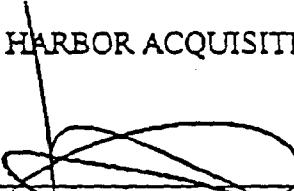
WHETHER EXPRESSED OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OR REPRESENTATION OR MERCHANTABILITY OR WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE, ALL OF WHICH ARE EXPRESSLY WAIVED BY MARINE.


5. Further Assurances. EHAI agrees to execute and deliver to Marine any certificates, instruments, releases and other documents reasonably required to further assure Marine and provide Marine evidence of Marine's purchase of EHAI's rights, titles and interests in the Agreement.

6. Consent. Egg Harbor consents to this Assignment to Marine and to the assumption by Marine of all the debts, duties, obligations and liabilities of EHAI under this Agreement.

IN WITNESS WHEREOF, this Bill of Sale has been duly executed and delivered on the 1st day of July, 1996.

MARINE ACQUISITIONS, INC.
By: 
William C. Robinson, President

EGG HARBOR ACQUISITION, INC.
By: 
William C. Robinson, President

EGG HARBOR YACHT COMPANY, INC.
By: 
Name: Walter F. Joluras
Title: VP

ASSET PURCHASE AGREEMENT
BY AND BETWEEN
EGG HARBOR YACHT COMPANY, INC.
AS SELLER
AND
EGG HARBOR ACQUISITION, INC.
AS BUYER

DATED NOVEMBER 6, 1995

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LIST OF EXHIBITS

- A-1 Cash and cash equivalents and funds on deposit
- A-2 Deposits and prepaid items
- A-3 Trade accounts receivable
- A-4 Other receivables
- A-5 Inventories of raw materials
- A-6 Inventories of work-in-process
- A-7 Inventories of finished goods and all products in transit
- A-8 Demonstration models and displays wherever located
- A-9 Product plans, specifications, designs and molds
- A-10 Real property and fixtures associated therewith
- A-11 Furniture and office equipment
- A-12 Machinery, tools, dies, patterns and molds
- A-13 Vehicles and rolling stock including trailers
- A-14 Leased equipment and leasehold rights
- A-15 Customer contracts and contract rights
- A-16 Supplier contracts and contract rights
- A-17 Outstanding customer bids
- A-18 Outstanding supplier bids
- A-19 Customer lists
- A-20 List of owners of boats manufactured by the Company
- A-21 Subscribers to the Company's newsletter
- A-22 General intangibles, permits, qualifications, licenses, franchises
- A-23 Patents, patents pending and proprietary rights
- A-24 The names Egg Harbor Yachts and Golden Egg Yachts, all trademarks, tradenames, servicemarks, logos and all registration and applications therefrom
- A-25 All books and records
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- C Bill of Sale
- D Employment Agreements
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- F Excluded Liabilities
- G Financial Statements
- H Liabilities
- I Non-Competition Agreements

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement") is executed and entered into as of November 6, 1995, by and between Egg Harbor Yacht Company, Inc., a New Jersey corporation (the "Company"), and Egg Harbor Acquisition, Inc., a Delaware corporation ("Buyer").

WITNESSETH:

WHEREAS, the Company desires to sell to Buyer, and Buyer desires to purchase, the business and all the Assets (as defined hereafter) and to assume the Liabilities (as defined hereafter) of the Company.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Definitions.** As used in this Agreement, the following terms shall have the meanings set forth below unless the context otherwise requires:

"Agreement" means this Asset Purchase Agreement together with all Exhibits and Schedules hereto, as modified to reflect changes in the Exhibits and Schedules to reflect the facts as of the Closing.

"Assets" means all of the rights, titles and interests of the Company (excluding the Excluded Assets), which are on hand or under the control of the Company as of the Closing, including all of the following:

<u>Exhibit</u>	<u>Description</u>
A-1	Cash and cash equivalents and funds on deposit
A-2	Deposits and prepaid items
A-3	Trade accounts receivable
A-4	Other receivables
A-5	Inventories of raw materials
A-6	Inventories of work-in-process
A-7	Inventories of finished goods and all products in transit
A-8	Demonstration models and displays wherever located
A-9	Product plans, specifications, designs and molds
A-10	Real property and fixtures associated therewith
A-11	Furniture and office equipment (including computers, printers, peripherals, fax machines, telephone systems and copiers)
A-12	Machinery, tools, dies, patterns and molds
A-13	Vehicles and rolling stock including trailers
A-14	Leased equipment and leasehold rights
A-15	Customer contracts and contract rights
A-16	Supplier contracts and contract rights
A-17	Outstanding customer bids
A-18	Outstanding supplier bids
A-19	Customer lists
A-20	List of owners of boats manufactured by the Company
A-21	Subscribers to the Company's newsletter
A-22	General intangibles, permits, qualifications, licenses, franchises
A-23	Patents, patents pending and proprietary rights

- A-24 The names Egg Harbor Yachts, and Golden Egg Yachts all trademarks, trade names, service marks, logos and all registration, whether registered or not
- A-25 All books and records
- A-26 All other miscellaneous assets wherever located, whether or not listed or described herein or any exhibits hereto

"Assumption Agreement" means the agreement in the form attached hereto as Exhibit B which is executed and delivered by Buyer to the Company at the Closing.

"Basic Documents" means this Agreement, the Assumption Agreement, the Employment Agreements and the Non-Competition Agreements.

"Bill of Sale" means the Bill of Sale in the form of Exhibit C evidencing the sale and conveyance of the Assets to Buyer.

"Closing" means the consummation of the sale, purchase, transfer and conveyance of the Assets by Buyer and the assumption of the Liabilities by Buyer as contemplated by this Agreement.

"Deed" means the Bargain and Sale Deed with Covenants Against Grantor's Act attached hereto as Exhibit M by which the Company conveys to Buyer the land, real estate building and fixtures included within the Assets.

"Deposit" has the meaning set forth in paragraph 3(a) below.

"Employment Agreements" means the agreements between Buyer as employer and in the form attached as Exhibit D.

"Employee Benefit Plan" has the meaning set forth in paragraph 7(s) below.

"Environmental Regulations" has the meaning set forth in paragraph 7(q) below.

"ERISA" has the meaning set forth in paragraph 7(s) below.

"Excluded Assets" means (i) all items of Assets which are either disposed of by the Company in the ordinary course of its business prior to Closing or not on hand as of the Closing through no fault of the Company; (ii) the "Deposit" (as hereinafter defined), the balance of the Purchase Price to be paid hereunder, and the stock and other securities of Buyer; (iii) the specified assets of the Company listed in Exhibit E hereto including a cash reserve for federal and state income taxes; and (iv) proceeds from the sale or other disposition of any Excluded Assets. The reserve for federal and state income taxes shall be determined by applying the highest federal and state income tax marginal rates to the Company's taxable income, if any (without regard to the Company's net operating loss carryovers) for the period commencing October 1, 1995 and ending on the date of Closing. No reserve for taxes shall be made for any federal or state taxes payable as a result of the sale of the Assets pursuant to this Agreement or for taxes arising in any period prior to execution of this Agreement.

"Excluded Liabilities" means the liabilities of the Company arising prior to Closing relating to:

- (1) Foreign, federal and local state income taxes;

- (2) Liabilities for environmental liabilities, damages or claims and all related investigation compliance and enforcement costs with respect thereto (except that the cost of obtaining environmental consents, including the costs of any required soil testing, etc., shall be borne by Buyer under paragraph 14(c) hereafter);
- (3) Non-operating liabilities to shareholders and affiliates listed in Exhibit F; and
- (4) Other identified contingent liabilities listed in Exhibit F.

"Financial Statements" means the unaudited interim financial statements of the Company as of July 31, 1995 and interim unaudited financial statements as of the end of the month prior to Closing, which are attached hereto as Exhibit G and made a part hereof for all purposes.

"Hazardous Substance" has the meaning set forth in paragraph 7(q) below.

"Liabilities" means all liabilities of the Company at the date of Closing, a list of which are identified as of the stated date in Exhibit H hereto, as modified to reflect Liabilities of the Company at the date of Closing, but excluding the Excluded Liabilities.

"Non-Competition Agreements" means agreements with Peter Johnson, Walter Johnson, Donald Leek and Rudolf Lehnert in the form attached as Exhibit I.

"Products" means all custom designed sport fishing boats and all components thereof manufactured, assembled, installed, sold or serviced by the Company.

"Warranty Claims" means all claims by customers, users or third parties arising by reasons of alleged malfunction or use of Products or alleged defects in the design, manufacture, materials or workmanship of any Product, however characterized, whether in contract, tort or otherwise and whether for property damages, damage to business or injuries to persons, including without limitation, claims for breach of Product warranties, breach of contract or product liability or otherwise.

2. Purchase and Sale of Assets. Subject to the terms and conditions of this Agreement, the Company agrees to sell, assign, convey, transfer and deliver to Buyer at the Closing, and Buyer agrees to purchase, pay for, acquire and accept delivery at the Closing from the Company of, all the Assets, excluding the Excluded Assets. THE ASSETS ARE BEING SOLD PURSUANT TO THIS AGREEMENT "AS IS, WHERE IS" WITHOUT ANY REPRESENTATION, WARRANTY, LIABILITY OR OTHER OBLIGATION ON THE PART OF THE COMPANY WHATSOEVER, WHETHER EXPRESSED OR IMPLIED, EXCEPT AS EXPRESSLY STATED HEREIN. THIS EXPRESSED WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, WHETHER EXPRESSED OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION ANY WARRANTY OR REPRESENTATION AS TO THE CONDITION OF THE ASSETS OR AS TO THE MERCHANTABILITY OF THE ASSETS OR ANY WARRANTY OF FITNESS OF THE ASSETS FOR ANY PARTICULAR PURPOSE, ALL OF WHICH ARE EXPRESSLY WAIVED BY BUYER.

3. Purchase Price.

(a) Purchase Price for the Assets. The purchase price for the Assets shall be (i) \$1,000,000 in cash upon execution of this agreement (the "Deposit"); (ii) \$1,000,000 plus \$8,353 for each month or part thereof after October, 1995 until the Closing, payable at Closing, and (iii) the delivery by Buyer to the Company at the Closing of the executed Assumption Agreement. The Company shall have the immediate unrestricted use of the Deposit.

(b) Inventory Procedure. Immediately after the Closing, representatives of the Company and Buyer shall conduct a complete physical inventory of the Assets. A report of this physical inventory shall be prepared and signed by authorized representatives of both the Company and Buyer within 30 days after Closing, certifying the accuracy of the inventory. The report shall be as specific as possible in identifying each asset by serial number, stock number or other identifying mark. All items or categories of items of Assets shall be valued by the parties. Items of the Excluded Assets shall be identified on this report.

(c) Allocation of Purchase Price. Within 60 days after the Closing and promptly after the final purchase price is determined, the parties shall mutually agree upon the allocation of the purchase price among the various categories of the Assets. In the event the parties are unable to agree to the allocation, after good faith diligent efforts, each party shall be entitled to use its own allocation.

(d) No Adjustments. Except as otherwise expressly stated herein, there shall be no adjustments to the Purchase Price in connection with the inventory procedure or otherwise.

4. Assumption of Liabilities. Buyer agrees to assume, pay, perform and discharge all the Liabilities of the Company at the Closing, except for the Excluded Liabilities. The Liabilities assumed include, but are not limited to:

- (i) The performance of outstanding contractual obligations of the Company;
- (ii) Outstanding accounts payable of the Company at the Closing;
- (iii) Leases of office and manufacturing equipment and vehicle leases at the Closing;
- (iv) Liabilities of the Company to employees (including accrued employee vacation pay and sick leave), excluding Excluded Liabilities; and
- (v) Other liabilities of the Company identified in Exhibit H, except for the Excluded Liabilities.

In addition, Buyer agrees to administer, process and settle all Warranty Claims, whether arising before or after Closing, and pay to the extent not insured all losses, injuries, damages and claims for Liabilities where the event of loss occurs after the Closing. Buyer also agrees to pay the costs incurred by the Company in the administration of benefits under COBRA.

5. Buyer's Negotiation with the Company Employees. Buyer agrees to negotiate in good faith with the employees of the Company and to offer employment to such employees on terms that are mutually acceptable between Buyer and each such employee. It is not a condition of Closing that Buyer successfully negotiate the employment of any employee, except for the employees covered by the Employment Agreements. The Company shall have no obligation to retain any existing employee not hired by Buyer.

6. Closing.

(a) Closing. Subject to the terms and conditions of this Agreement, the Closing shall take place at the offices of Levine, Staller, Sklar, Chan & Brodsky at Atlantic City, New Jersey at a mutually agreed time, no later than 15 days after Closing of the IPO (as defined in paragraph 14(m) hereafter), but in no event later than December 31, 1996 (with respect to which time is of the essence). If the Closing has not occurred on or before December 31, 1996, this Agreement shall terminate unless the parties mutually agree in writing to extend the time for Closing, and neither party shall have any rights or obligations hereunder. Upon execution of this agreement, Buyer and the Company shall pay the expenses required by each other in Paragraph 14(c).

(b) Title, Possession and Risk of Loss. Title to, possession of, and risk of loss with respect to the Assets shall pass to Buyer at the Closing.

(c) Deliveries by the Company at Closing. At the Closing, the Company shall deliver to Buyer:

- (i) Possession of the Assets to Buyer;
- (ii) The executed Bill of Sale, the Deed and title certificates covering the owned vehicles which are part of the Assets and such other instruments of conveyance as Buyer may reasonably request in form and substance acceptable to each party for the purpose of conveying the Assets to Buyer;
- (iii) An executed officers' certificate;
- (iv) The Employment Agreements executed by the employees;
- (v) The Non-Competition Agreements executed by the shareholders of the Company;
- (vi) Certified copies of corporate resolutions authorizing the consummation of the transactions contemplated by this Agreement;
- (vii) Certificates of valid corporate existence and good standing in New Jersey;
- (viii) Evidence of the change in the corporate name of the Company to a name that does not contain the words "Egg Harbor Yachts" and is not deceptively similar to the corporate name of Buyer;
- (ix) Any required certificates of successful compliance or other appropriate documentation with applicable New Jersey environmental laws approving the transfer;
- (x) Any required consents to the transfer by contracting parties with the Company whose material agreements require consent; and

- (xi) An opinion of its counsel reasonably satisfactory to Buyer and its counsel;
- (xii) Such other documents as shall be reasonably required or necessary to consummate the transactions contemplated by this Agreement and the Exhibits as the parties shall agree.

Company:

- (d) Deliveries by Buyer at Closing. At the Closing, Buyer shall deliver to the
 - (i) The balance of the cash portion of the Purchase Price and the expenses payable by Buyer;
 - (ii) The Assumption Agreement executed by Buyer;
 - (iii) The Employment Agreements executed by Buyer;
 - (iv) The Non-Competition Agreements executed by Buyer;
 - (v) An executed officers' certificate;
 - (vi) Certified copies of corporate resolutions authorizing the consummation of the transactions contemplated by this Agreement;
 - (vi) Certificates of valid corporate existence and good standing in Delaware and New Jersey;
 - (vii) An opinion of its counsel reasonably satisfactory to the Company and its counsel;
 - (viii) Releases, discharges of mortgages, satisfactions of guarantees, and other documents evidencing discharge of the indebtedness of the Company and its shareholders with respect to the City of Egg Harbor/New Jersey Economic Development Authority loan and Midlantic Bank loans, in form and substance satisfactory to the Company and its shareholders.
 - (ix) Such other documents as shall be reasonably required or necessary to consummate the transactions contemplated by this Agreement and the Exhibits and as the parties shall agree (including, without limitation, the Exhibits in the form to be mutually agreed by the parties).

(e) Update of Exhibits and Schedules. To the extent reasonably possible, all Exhibits and Schedules attached hereto shall be updated to a date as near the time of Closing as reasonably possible. Within 15 days following Closing, the Exhibits will be revised by the Company as of the Closing.

7. Representations and Warranties of the Company. The Company represents and warrants to Buyer that:

- (a) Organization, Good Standing and Corporate Power. The Company is a

corporation duly organized, validly existing and in good standing under the laws of the State of New Jersey duly qualified to engage in business in New Jersey and each other state where ownership of its assets or conduct of its business requires such qualification, with all requisite corporate power and authority to carry on the business of the Company as now conducted and to consummate the transactions contemplated hereby.

(b) Authorization. The execution, delivery and performance of the Basic Documents to which it is a party and the consummation by the Company of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action on the part of the Company; and the Basic Documents to which it is a party will be when executed and delivered at the Closing, valid and legally binding obligations of the Company enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium or similar laws affecting the enforcement of creditors' rights and by the availability of injunctive relief or specific performance.

(c) No Conflicting Agreements. Upon obtaining the required consents reflected in Schedule 7(d) prior to Closing (or thereafter if accepted by Buyer), neither the execution and delivery of the Basic Documents to which it is a party nor the fulfillment of or compliance by the Company with the terms or provisions thereof will result in a breach of the terms, conditions or provisions of, or constitute a default under, or result in a violation of, the corporate charter or bylaws of the Company, or any agreement, contract, instrument, order, judgment or decree to which the Company is a party or by which it or the Assets are bound, or violate any provision of any applicable law, statute, rule or regulation or any order, decree, writ or injunction of any court or governmental entity which materially affects the Assets or business of the Company.

(d) Consents. Except as set forth in Schedule 7(d), no consent from or approval of any court, governmental entity or any other person is necessary in connection with the execution and performance by the Company of the Basic Documents to which it is a party, or the transactions contemplated thereby (and the Exhibits thereto); and the consummation of the transactions contemplated by the Basic Agreements and to which it is a party will not require the approval of any entity or person in order to prevent the termination of any material right, privilege, license or agreement of the Company relating to the Company.

(e) Title to the Assets. At the Closing, the Company will convey to Buyer good and marketable title to all of the Assets (tangible and intangible), free and clear of all charges, claims, liens, mortgages, options, restrictions, security agreements and other encumbrances of every kind or nature whatsoever, except as set forth in Schedule 7(e). Notwithstanding the preceding sentence, title to the Company's land, buildings, and fixtures shall be in accordance with the marked-up title commitment of Stewart Title Insurance Company attached hereto as part of Schedule 7(e).

(f) Condition of the Tangible Assets. The tangible Assets have been operated in a businesslike manner, have been maintained and repaired in the ordinary course of business (subject to ordinary wear and tear), except as will not materially and adversely affect the Assets as a whole or the business, operations or financial condition of the Company.

(g) Financial Statements. The Financial Statements have been prepared in conformity with generally accepted accounting principles applied on a consistent basis, except that such Financial Statements do not include complete footnotes or customary year-end adjustments. The Financial Statements present fairly the financial position and the results of operations of the Company on the dates and for the periods shown therein; provided, however, that the Financial Statements are subject to customary year-end adjustments and accruals that, in the aggregate, will

not have a material adverse effect on the overall financial condition or results of operations of the Company reflected in the Financial Statements. The Company has not engaged in business not reflected in the Financial Statements. There have been no material adverse changes in the nature of the business, the prospects of the Company, the value of the Assets or the financial condition of the Company since July 31, 1995, except as set forth in Schedule 7(g).

(h) Taxes. All returns, reports, statements and other similar filings required to be filed by the Company with respect to any federal, state, local or foreign taxes, assessments, interests, penalties, deficiencies, fees and other governmental charge or impositions (including without limitation all income, unemployment compensation, social security, payroll, sales and use, excise, privilege, property, ad valorem, franchise, license, school and other tax or similar governmental charge or imposition under laws of the United States or any state or municipal or political subdivision thereof or any foreign country or political subdivision thereof) have been filed with the appropriate governmental agencies in all jurisdictions in which such tax returns are required to be filed; and all such tax returns properly reflect in all material respects the liabilities of the Company for taxes for the periods, property or events covered thereby. All taxes, whether or not reflected on those tax returns, and all taxes heretofore claimed to be due from the Company by any taxing authority, have been properly accrued or paid. The Company has not received any notice of assessment or proposed assessment in connection with any tax returns, and there are no pending tax examinations of or tax claims asserted against the Company or any of its assets or properties. Except as set forth in Schedule 7(h), the Company has not extended or waived the application of, any statute of limitations of any jurisdiction regarding the assessment or collection of any taxes. There are no tax liens (other than any lien for current taxes not yet due and payable) on any of the Assets. The Company has no knowledge of any basis for any additional assessment of taxes. The Company has made all deposits required by law to be made with respect to employees' withholding and other employment taxes, including without limitation the portion of such deposits relating to taxes imposed upon the Company.

(i) Accounts Receivable. The accounts receivables of the Company are valid and genuine, have arisen from bona fide transactions and are collectible, net of reasonable reserves for sales returns and doubtful amounts, determined in accordance with generally acceptable accounting principles applied on a consistent basis as shown in the Financial Statements, updated to the time of Closing. To the Company's knowledge, there are no defenses, set offs, counterclaims or rights to reduce any of the accounts receivable.

(j) Inventories. The Company's inventory of raw materials and supplies is usable in the ordinary course of its business and carried on the Financial Statements at the lower of the Company's FIFO cost or market. The Company's inventory of finished goods and work-in-process is merchantable and marketable in the ordinary course of its business and consistent with the Company's past business practice. The obsolescence reserve in the Financial Statements is adequate.

(k) Absence of Certain Changes or Events. Except as may be disclosed on Schedule 7(k) from July 31, 1995 to Closing, without the prior consent of Buyer (which consent or lack of consent shall not be unreasonably withheld or delayed, and in any event a response given by Buyer within 10 days or else consent shall be deemed to have been given) the Company will not have:

(i) Sold, encumbered, assigned or transferred any assets or properties which would have been included in the Assets, except for the sale of inventory in the ordinary course of business consistent with past practice;

(ii) Materially amended or terminated any material agreement, contract, commitment, lease or plan involving \$25,000 or more to which it is a party or by which

it is bound;

(iii) Suffered any damage, destruction or loss, whether or not covered by insurance, materially and adversely affecting its business, operations, Assets or prospects of the Company with regard to any item or items carried on its books of account individually or in the aggregate at more than \$5,000, or suffered any recurring or prolonged shortage, cessation or interruption of material supplies or utilities or other material services required to conduct its business and operations;

(iv) Received notice or had knowledge of any actual or threatened labor trouble, strike or other occurrence, event or condition of any similar character which has had or might have a material adverse effect on its business, operations, Assets or prospects of the Company;

(v) Made any material change in its customary operating methods which materially and adversely affects the Company's business (including its purchasing, marketing, selling and pricing practices and policies);

(vi) Made any commitments or agreements for capital expenditures or capital additions or betterment involving a commitment of \$25,000 or more, except as may be involved in ordinary repair, maintenance or replacement of its Assets;

(vii) Except in the ordinary course of business, increased the salaries or other compensation of, or made any advance (excluding advances for ordinary and necessary business expenses) or loan to, any of its employees or made any increase in, or any addition to, other benefits to which any of its employees may be entitled;

(viii) Changed any of the accounting principles followed by it or the methods of applying such principles;

(ix) Entered into any transaction relating to the Company or the Assets other than in the ordinary course of business consistent with past practice; or

(x) Agreed, whether in writing or otherwise, to take any of the actions set forth in this paragraph.

(1) Material Contracts. Schedule 7(1) contains a complete and correct copy of all material agreements, contracts and commitments (collectively, the "Material Contracts") of the following types, whether written or oral, by which any of the Assets are bound, or to which the Company is a party or is bound and which relate to the business of the Company or to the Assets:

(i) Mortgages, indentures, deeds of trust, security agreements and other agreements and instruments relating to the borrowing of money by, any extension of credit to, the Company;

(ii) Sales agency, manufacturer's representative, distributorship, employment and marketing agreements;

(iii) Licenses to or from others of any intellectual property and trade names;

(iv) Contracts or commitments to sell, lease or otherwise dispose of any of the Assets other than at market rates or other than in the ordinary course of business;

(v) Contracts or commitments limiting the freedom of the Company to compete in any line of business or in any geographic area or with any person; and

(vi) Employment, non-disclosure, confidentiality or intellectual property ownership or transfer agreements with any employees of the Company.

Schedule 7(l) contains also a summary of all oral material agreements.

(m) Leases. Schedule 7(m) contains a complete and correct list of all leases and other agreements pursuant to which the Company leases (or has purchased subject to a conditional sales or title retention agreement) from others any property used or useful in connection with the business of the Company, together with a description of the property to which each such lease, conditional sales or other title retention agreement relates.

(n) Insurance. The Company carries adequate insurance with respect to the Assets and its business. Such policies are in full force and effect on the date hereof, and the Company has not received notice of cancellation with respect to any such policy.

(o) Compliance with Laws. The Company is in compliance with all applicable laws, ordinances, statutes, rules, regulations and orders promulgated by any federal, state or local governmental body or agency relating to the business of the Company and the operation of the Assets. The Company owns, holds, possesses or lawfully uses in the operation of its business, all franchises, licenses, permits, easements, rights, applications, filings, registration and other authorizations which are necessary for it to conduct business, all of which are listed in Schedule 7(o), and all of which are valid and in full force and effect, and the Company is in full compliance therewith.

(p) Litigation. Except as set forth in Schedule 7(p) hereto, there is no suit, action or any arbitration, administrative, legal or other proceeding of any kind or character, or any governmental investigation pending or threatened against the Company affecting the Assets, the business of the Company or the employees of the Company. The Company is not in default with respect to any order, decree, writ or injunction of any court or governmental body or agency which affects the Assets or the business of the Company. There are no pending or threatened actions or proceedings before any court, arbitrator or administrative agency which would, if adversely determined, individually or in the aggregate, materially and adversely affect the Assets or the business of the Company.

(q) Environmental Matters. Except as set forth in Schedule 7(q) hereto:

(i) The Company has obtained all permits, licenses and other authorizations which are required in connection with the conduct of the business of the Company relating to pollution or protection of the environment, including regulations relating to emissions, discharges, releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes ("Hazardous Substances") into the environment (including without limitation ambient air, surface water, groundwater, or land), or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Substances ("Environmental Regulations").

(ii) To its knowledge, the Company is in full compliance in all material respects with all terms and conditions of the required permits, licenses and authorizations

and is also in full compliance in all material respects with all other material limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in the Environmental Regulations or contained in any regulation, code, plan, order, decree, judgment, injunction, notice or demand letter issued, entered, promulgated or approved thereunder.

(iii) The Company is not aware of, nor has it received notice of, any past, present or future events, conditions, circumstances, activities, practices, incidents, actions or plans which may interfere with or prevent in any material respect compliance or continued compliance with the Environmental Regulations or any regulations, code, plan, order, decree, judgment, injunction, notice or demand letter issued, entered, promulgated or approved thereunder, or which may give rise to any material common law or legal liability, or otherwise form the basis of any material claim, action, demand, suit, proceeding, hearing, study or investigation, based on or related to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling, or the emission, discharge, release or threatened release into the environment of any Hazardous Substance.

(iv) There is no civil, criminal or administrative action, suit, demand, claim, hearing, notice or demand letter, notice of violation or any investigation, or proceeding pending or threatened against the Company in connection with the conduct of its business relating in any way to the Environmental Regulations or any regulation, code, plan, order, decree, judgment, injunction, notice or demand letter issued, entered, promulgated or approved thereunder.

(v) The Company agrees to cooperate with Buyer in connection with Buyer's application for the transfer, renewal or issuance of any permits, licenses, approvals or other authorizations or to satisfy any regulatory requirements involving the business of the Company.

(vi) None of the Assets are or have been used for the generation, use, storage, manufacture, handling transportation, treatment or disposal of Hazardous Substances, except as permitted by, and in compliance with, all applicable Environmental Regulations.

(vii) Except as reflected in Schedule 7(q), there is not and there has not been any underground storage tanks located on the real property owned or leased by the Company or used in connection with the business of the Company.

(r) Employees. Schedule 7(r) sets forth a true and complete list of the name, title, current location and base salary or hourly rate of every employee of the Company, together with a statement of the basis, amount and nature of any other remuneration, whether in cash or kind, paid to each such employee during the current fiscal year or accrued for or payable to each such employee in the future, and the basis for accrual and amount of all vacation and severance benefits to which each such employee was entitled as of the signing of this Agreement and as of the Closing. Except as set forth in Schedule 7(r):

(i) The Company is not a party to or bound by any employment agreement or any collective bargaining agreement with respect to any of the employees;

(ii) There is not pending or threatened any strike, walkout or other work stoppage or any union organizing effort relating to the Company or the employees;

(iii) The Company is in full compliance with all federal and state laws in all material respects with respect to employment and employment practices, terms and conditions of employment, and wages and hours and employment health and safety and is not engaged in any unfair labor practices, and there is no unfair labor practice complaint against the company pending before the National Labor Relations Board;

(iv) The Company is not violation of any law, regulation or order relating to employment discrimination or occupational safety nor has the Company received any unresolved complaint from any federal or state agency or regulatory body alleging violations of any such laws or regulations, nor is the Company implementing any orders or consent decrees remedying any such prior violation. The Company has not entered into any written contract with any employees or made any oral or written representation, direct or implied, which would require Buyer to provide post-retirement medical benefits or post-retirement life insurance benefits. The amounts of employee-related liabilities reflect on the Financial Statements are not understated.

(s) Employee Benefit Plans and Arrangements. Schedule 7(s) contains a complete list of all Employee Benefit Plans, whether formal or informal, whether or not set forth in writing, and whether covering one person or more than one person, sponsored or maintained by the Company. For the purposes hereof, the term "Employee Benefit Plan" includes all plans, funds, programs, policies, arrangements, practices, customs and understandings providing benefits of economic value to any employee, former employee, or present or former beneficiary, dependent or assignee of any such employee or former employee other than regular salary, wages or commissions paid substantially concurrently with the performance of the services for which paid, and includes without limitation all employee welfare benefit plans within the meaning of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Each Employee Benefit Plan is fully funded, and there are no non-funded liabilities to employees. The Company does not maintain, contribute to or have any liability under any Employee Benefit Plan.

(t) Books and Records. The books and records of the Company are complete and accurate, fairly present the business of the Company, have been maintained in accordance with good business practices, and accurately reflect in all material respects the business and financial condition of the Company.

(u) No Brokers' Fees. The Company has incurred no brokers' fees, sales commissions, finders' fees, financial advisory fees or other fees or expenses for which Buyer shall be liable.

(v) No Undisclosed Liabilities. Except as set forth in Schedule 7(v) and except as shown in the Financial Statements, the Company has no debt, liability or obligation that would have a material adverse effect on the business or financial condition of the Company or the Assets.

(w) Full Disclosure. All representations or warranties are true, correct and complete in all material respects on the date hereof (or on the date made, as to updated Schedules) and shall be true, correct and complete in all material respects as of the Closing.

8. Representations and Warranties of Buyer. Buyer hereby represents and warrants to the Company that:

(a) Organization, Good Standing and Corporate Power. Buyer is a Delaware corporation duly organized, validly existing and in good standing under the laws of Delaware and is qualified to do business in the State of New Jersey, with all requisite corporate power and

authority to consummate the transactions contemplated by this Agreement and the Exhibits hereto.

(b) Authorization. The execution, delivery and performance of the Basic Agreements to which it is a party and the consummation by Buyer of the transactions contemplated thereby have been duly and validly authorized by all necessary corporate action on the part of Buyer; and each of the Basic Agreements to which it is a party will be when executed and delivered at Closing a valid and legally binding obligation of Buyer enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium or similar laws affecting the enforcement of creditors' rights and by the availability of injunctive relief or specific performance.

(c) No Conflicting Agreements. Neither the execution and delivery of the Basic Agreements to which it is a party, nor the fulfillment of or compliance by Buyer with the terms or provisions thereof, will result in a breach of the terms, conditions or provisions of, or constitute a default under, or result in a violation of, the corporate charter or bylaws of Buyer or any agreement, contract, instrument, order, judgment or decree to which Buyer is a party or by which it is bound, or violate any provision of any applicable law, statute, rule or regulation or any order, decree, writ or injunction of any court or governmental entity.

(d) Consents. No consent from or approval of any court, governmental entity or any other person is necessary in connection with the execution, delivery or performance of the Basic Agreements by Buyer other than consents and approvals which have already been obtained.

(e) No Brokers' Fees. Buyer has incurred no brokers' fees, sales commissions, finders' fees, financial advisory fees or other fees or expenses for which the Company shall be liable.

(f) No Undisclosed Liabilities. Buyer has no material debt, liability or obligation not disclosed to Egg Harbor that would have a material adverse effect on the business or financial condition of Buyer.

(g) IPO. Buyer will use its best efforts to conclude a successful IPO as contemplated by Paragraph 14(m). The Company will cooperate with and promptly supply all information reasonably requested in connection therewith. Buyer will, promptly upon receipt or delivery, provide the Company with copies of all agreements and all material correspondence in connection with, or leading up to, the IPO, including agreements with underwriters, financial advisors, and other professionals and participants, and provide the Company with copies of all documents relating to any Regulation D offering or SEC filings of securities of Buyer.

(h) Full Disclosure. All representations and warranties are true, correct and complete in all material respects on the date hereof and shall be true, correct and complete in all material respects as of the Closing as if they were made on such date.

9. Conduct of Business Prior to Closing.

(a) Affirmative Covenants. The Company covenants and agrees that, so long as this Agreement remains in full force and effect and the Closing has not occurred, the Company will use its good faith diligent efforts to:

- (i) Carry on the business of the Company in accordance with applicable law, sound business practices and in substantially the same manner as heretofore conducted;

- (ii) Maintain and preserve the business organization of the Company and its relationship with employees, customers, suppliers and others having business relationships with the Company;
- (iii) Perform all of the obligations of the Company;
- (iv) Permit, subject to the confidential nature of the transactions contemplated by the Agreement, representatives of Buyer and its lenders to have reasonable access to inspect the Assets and the books and records of the Company to enable such representatives to conduct an investigation and evaluation of the Company's business;
- (v) Maintain in full force and effect insurance in effect covering the Assets in amounts equal to or greater than now in effect;
- (vi) Promptly notify Buyer of any notice or claim, written or oral, of default or breach by the Company, or the termination or cancellation, or threat of termination or cancellation, of any material contract, lease or other instrument relating to the Assets;
- (vii) Promptly notify Buyer of any material loss of, damage to, or disposition (not in the ordinary course of business) of, any Assets;
- (viii) Promptly notify Buyer of any material claim or litigation, threatened or instituted, or any other material adverse event or occurrence involving or affecting any of the Assets;
- (ix) Make all material filings that are reasonably necessary to transfer the Assets customarily made or obtained subsequent to transfer of title and obtain all applicable waivers of preferential rights to purchase and consents to assign and transfer the Assets;
- (x) Comply with or cause to be complied with in all material respects all applicable laws, rules, regulations and orders of all federal, state and local governments or governmental agencies materially affecting or relating to the Assets;
- (xi) Provide to Buyer all schedules and exhibits which are not attached to this Agreement as of its execution within 10 business days after the date of execution, where previously supplied information may be incorporated by reference, and in any event at such specific times as are provided herein, give Buyer prompt written notice of any material change in the business of the Company or the Assets which occurs prior to the Closing; and at least 5 days before the Closing, the Company will supplement or amend the Schedules to this Agreement in order to disclose any matter hereafter arising which, if existing or occurring at or prior to the date of this Agreement, would have been required to be set forth or described in the Schedules, or which is necessary to correct or update any information in the Schedules or in any representation and warranty of the Company;

- (xii) Comply in all material respects with all the Company's obligations under all loan agreements, security instruments and related documents and agreements entered into in connection with funding the debt incurred to acquire the Assets;
- (xiii) Give prompt notice to Buyer of all events, occurrences, omissions, investigations, claims, or other facts which the Company becomes aware of and which violate any covenant of the Company, or with the passage of time, could create an event of default under the Basic Agreements to which the Company is bound, the violation of which would result in a violation of any of the foregoing covenants; and
- (xiv) Copy Buyer with all material correspondence, information, and reports given to its lenders and its shareholders generally, including periodic financial information, covenant compliance reports, requests for waivers or amendments and related matters.

(b) Negative Covenants. The Company covenants and agrees that, so long as the Agreement remains in full force and effect, the Company will not without Buyer's prior written consent:

- (i) Take or permit any action that would materially and adversely affect the business of the Company or the Assets as a whole;
- (ii) Sell or transfer any of the Assets other than in the ordinary course of business or permit or allow any of the Assets to become subject to any lien (except by operation of law where the amount is not due), mortgage, option, pledge, right of refusal, security interest or other claim or encumbrance of any kind or character, except as contemplated hereby (which includes the Company's right to finance the manufacture of its Products and the acquisition of its inventory by borrowing and granting security interests consistent with past practices and sound business judgment);
- (iii) Modify any existing material lease, contract, commitment or other agreement relating to the business of the Company or the Assets, or enter into any new material lease, contract, commitment or other agreement, except in the ordinary course of business consistent with past practices;
- (iv) Do or omit to do any act or permit any act or omission to act which would cause a material breach of any representation, warranty, agreement or covenant made by the Company herein or materially adversely affect the business of the Company or title to or condition of the Assets; and
- (v) Directly or indirectly, solicit or encourage (including by way of furnishing any non-public information) any proposal for any acquisition of any portion of the business or assets of the Company not in the ordinary course of business. If during such the Company receives any proposal for any such acquisition, the Company shall promptly notify Buyer of such proposal and the terms thereof.

10. Conditions Precedent to Closing.

(a) Conditions to Buyer's Obligations. The obligation of Buyer to complete the Closing is subject to the fulfillment (or waiver by Buyer) of each of the following conditions at or prior to the Closing, and parties shall exert good faith diligent reasonable commercial efforts to cause each such condition to be so fulfilled:

- (i) All representations and warranties of the Company contained herein shall be true and correct in all material respects when made and at the Closing as though made as of the time of Closing;
- (ii) All covenants, agreements and obligations required by the terms of this Agreement to be performed by the Company at or before the Closing shall have been duly and properly performed in all material respects;
- (iii) Since the date of this Agreement, there shall not have occurred any material adverse change in the condition of the Assets, the business of the Company, or the amount of Liabilities except as disclosed or permitted under this Agreement;
- (iv) Buyer shall have received a certificate executed by the President of the Company, dated as of the Closing Date, certifying that the conditions set forth in clauses (i), (ii) and (iii) have been fulfilled;
- (v) Buyer shall be satisfied, in its sole reasonable discretion, with the results of reasonable due diligence procedures and with any Schedules (including updates, supplements and corrections) or other information or documentation delivered by the Company after execution of this Agreement. Buyer shall notify the Company of any unsatisfactory due diligence results as soon as those results become known to the Company or within 10 days after execution of this Agreement, and shall notify the Company of any objection to any other information or documentation within 5 days after Buyer's receipt of such other information or documentation; and unless objection is made within such period of time the results, schedules, information or documentation shall be deemed satisfactory to Buyer. If Buyer is dissatisfied with such due diligence, the Company shall have a reasonable period of time to correct any facts or matters creating such dissatisfaction;
- (vi) All necessary governmental approvals and any other required approvals and consents required of any person other than Buyer shall have been duly obtained, to the extent such approvals and consents shall be necessary Buyer's material realization of the benefits of this Agreement and its future conduct of the business of the Company;
- (vii) Except for obligations assumed by Buyer, all mortgages, deeds of trust and other security interests in the Assets shall have been released, and duly executed deeds of release, terminations of any financing statements, and other necessary documents shall have been delivered to Buyer for filing;
- (viii) No action or proceeding at law or in equity (other than by Buyer) shall be pending which (a) seeks to enjoin the transactions herein contemplated, or (b) materially interferes with the right of Buyer to

conduct its operations and operate the business using the Assets subsequent to the Closing;

- (ix) The Company shall have delivered to Buyer at the Closing the Deed and bills of sale, deeds, documents, certificates and agreement necessary to transfer to Buyer title to the Assets required hereunder and to assign to Buyer the Liabilities and shall have taken such other steps as may be required to put Buyer in actual possession and operating control of the Assets;
- (x) The real property owned or leased by the Company shall, prior to Closing, have passed environmental and structural inspections to Buyer's satisfaction, such inspections and the costs of obtaining any required approvals shall be at Buyer's cost. In the event any of the inspection reports contains any findings which are unacceptable to Buyer in the exercise of its reasonable business judgment, Buyer shall within three (3) business days of receipt thereof notify the Company and have the right: (a) to terminate this Agreement and declare it void; (b) to waive its objections; or (c) to request the Company to take reasonable efforts to cure such objections, in which case if acceptable to the Company, the Closing shall be extended for a reasonable time;
- (xi) Buyer shall have received at its own cost at least ten (10) days prior to Closing, commitments from a title insurance company acceptable to Buyer, to insure title to each parcel of real property in fee simple title, subject only to such exceptions as are set forth in Schedule 7(e), and subject to the Liabilities;
- (xii) Buyer and the Company shall have resolved in a mutually satisfactory manner any questions concerning any material disputed claim or potential claim by any creditors of the Company;
- (xiii) Buyer and the Company shall have resolved in a mutually satisfactory manner any questions concerning the parties' respective liability for any sales tax payable as a result of the transfer of the Assets; and
- (xiv) All the deliveries required of the Company at the Closing shall have been made to Buyer.

(b) Conditions to the Company's Obligations. The obligations of the Company to complete the Closing are subject to the fulfillment (or waiver by the Company) of each of the following conditions at or prior to the Closing, and the parties shall exert good faith diligent reasonable commercial efforts to cause each such condition to be so fulfilled:

- (i) All representations and warranties of Buyer contained herein shall be true and correct in all material respects when made and at the Closing as through made as of the time of Closing;
- (ii) All covenants, agreements and obligations required by the terms of this Agreement to be performed by Buyer at or before the Closing shall have been duly and properly performed in all material

spects;

- (iii) Buyer's successful consummation of the IPO as contemplated by Paragraph 14(m) hereof;
- (iv) Buyer shall have delivered to the Company a certificate executed by ~~the President~~ Buyer, dated as of the Closing Date, certifying that the conditions set forth in clauses (i), (ii) and (iii) have been fulfilled.
- (v) All governmental approvals and any other required approvals and consents required of any person other than the Company shall have been duly obtained in form and substance satisfactory to the parties, including the consent by the lenders to release to the shareholders of the Company \$650,000 of the cash portion of the purchase price and the shares of Common Stock and other securities of Buyer;
- (vi) No action or proceeding at law or in equity (other than by the Company) shall be pending which seeks to enjoin the transactions herein contemplated; and
- (vii) Buyer shall have delivered to the Company at the Closing all agreements of assumption and other agreements necessary for Buyer to assume the Liabilities;
- (viii) All deliveries required of Buyer to the Company shall have been made;
- (ix) The liabilities of the Company to the City of Egg Harbor, the New Jersey Economic Development Authority (the "Authority"), Midlantic Bank (or their successors or assigns) shall have been fully satisfied, discharged and/or released along with the personal guarantees of the existing shareholders of the Company for such loans. Buyer shall use its good faith best efforts to release the liabilities of the Company, and the personal guarantees of the existing shareholders with respect to the Company's loans from Deere Credit, Inc., Detroit Diesel Corporation, Caterpillar Financial Services Corporation, and DDC-MTU Financial Services.
- (x) The Company and Buyer agree for the benefit of the Authority and Egg Harbor City, jointly and severally, that they shall apply the Purchase Price proceeds to be used in connection with the satisfaction of the Company's liabilities to Egg Harbor City and the Authority in accordance with the terms of any indenture applicable to the funding of the Company's promissory notes, so as to defease the indenture (or applicable portion thereof). The foregoing shall not be a condition to closing that may be waived by either party.

11. Indemnification.

(a) By the Company. The Company agrees to indemnify, defend and hold harmless Buyer (and its successors or assigns) and its shareholders, directors, officers, employees, agents and representatives against and in respect of any cost, damage, expense (including reasonable legal fees and actual expenses), liability or loss incurred or suffered by any of them during the period that the Company's representations, warranties, or covenants survive the Closing, resulting from or arising out of the (i) breach, inaccuracy, misrepresentation or untruth of any of its representations or warranties which survive the Closing, or the nonfulfillment of any agreement or covenant of the Company contained in this Agreement or in any document delivered

by the Company to Buyer pursuant hereto; (ii) any Excluded Liability; (iii) any action, assessment, claim, demand, proceeding or suit incident to any of the foregoing, and (iv) any damages or losses suffered by Buyer or its officers, directors, or shareholders by reason of any violation of state or federal securities laws in connection with the IPO resulting from information supplied to Buyer in writing by the Company, which information is contrary to the representations made by the Company herein. Notwithstanding the foregoing and notwithstanding anything elsewhere to the contrary, the Company shall not be liable for any misrepresentation or warranty resulting from a change to any representation or warranty made as of the date of the signing of this Agreement unless such initial representation or warranty was false; provided further, however, that in such event Buyer shall not be required to close hereunder and Buyer's receipt of 15.66% of the stock of the Company in exchange for the Deposit pursuant to the Egg Harbor Yacht Company, Inc. Stock Purchase Agreement shall be its sole remedy.

(b) By Buyer. Buyer agrees to indemnify, defend and hold harmless the Company (including its successors or assigns) and its shareholders, directors, officers, employees, agents and representatives against and in respect of any cost, damage, expense (including reasonable legal fees and actual expenses), liability or loss incurred or suffered by any of them resulting from or arising out of: (i) the breach, inaccuracy, misrepresentation or untruth of any of its representations or warranties which survive the Closing, or the nonfulfillment of any agreement or covenant of Buyer contained in this Agreement or in any document delivered by Buyer to the Company pursuant hereto; (ii) any Liability of the Company assumed by Buyer; (iii) any action, assessment, claim, demand, proceeding or suit incident to any of the foregoing and (iv) any damages or losses resulting from Buyer's or its shareholders, directors, officers, or agents, for violations of any state or federal securities laws or regulations in connection with the IPO other than damages or losses resulting from information which the Company has supplied to Buyer in writing, which information is contrary to the representations made by the Company herein.

(c) Costs. The indemnification rights and obligations of a party hereto shall include the right to receive and the duty to pay and reimburse the indemnified party all its reasonable costs and expenses incurred in the enforcement of its rights hereunder.

(d) Survival of Representations, Warranties and Covenants.

The representations, warranties and covenants made by the Company and Buyer shall survive until July 1, 1998, and thereafter all such representations, warranties and covenants shall be extinguished, except with respect to claims then pending prior to July 1, 1998.

(e) Limitations on Liability. Notwithstanding any other provision herein to the contrary, neither party hereto shall be liable to the other party for any cost, damage, expense, liability or loss under this indemnification provision until the sum of all amounts individually when added to all other such amounts in the aggregate exceeds \$5,000.

(f) Rights of Indemnitors. The indemnified party shall notify the indemnifying party of the assertion of commencement of such action, claim or proceeding within a reasonable period of time or, if citation or service of process has been made, within 45 days thereafter. The indemnified party may, at its option and at its sole expense, participate in the defense of and contest any such action, claim or proceeding; provided, however, the indemnified party shall at all times also have the right to participate fully therein. If the indemnifying party, within a reasonable time after receiving such notice, fails to participate, the indemnified party shall have the right, but shall not be obligated, to undertake the defense of the action, claim or proceeding for the account of and at the risk of the indemnifying party. No settlement shall be effective

without the consent of both indemnifying and indemnified parties, which consent shall not be reasonably withheld. The parties agree that any indemnified party may join any indemnifying party in any action, claim or proceeding brought by a third party, as to which any right of indemnity created by this Agreement would or might apply, for the purpose of enforcing any right of the indemnity granted to such indemnified party pursuant to this Agreement.

(g) Additional Rights. Any right of indemnity of any party pursuant to this Agreement shall be in addition to and shall not operate as a limitation on any other right to indemnity of such party pursuant to this Agreement, any document or instrument executed in connection with the consummation of the transaction contemplated hereby, or otherwise.

12. Post-Closing Events. Following Closing, the parties will continue to comply with the terms of this Agreement and all Exhibits hereto and will cause the following events, among others, to occur:

(a) Allocation of Purchase Price. The parties will mutually determine the allocation of the purchase price in accordance with the Agreement.

(b) Inventory Reports. The parties will complete the physical inventory reports in accordance with the Agreement.

(c) Sales Taxes and Reports. Buyer will file all reports and pay all sales, use and transfer taxes, if any, payable in connection with the transactions hereby contemplated.

(d) Buyer's Obligations. Buyer will discharge all assumed Liabilities excluding the Excluded Liabilities and record all real and personal property conveyances.

(e) The Company's Obligations. The Company will discharge all Excluded Liabilities.

(f) Collection of Accounts Receivable. The Company assures Buyer of collectability of the Accounts Receivable included in the Assets, less reserves for uncollectability of those accounts set forth in the Financial Statements. Buyer covenants and agrees to use its good faith diligent efforts to collect the Accounts Receivable of the Company which are included in the Assets. The Company agrees not to attempt to collect or otherwise interfere with Buyer's efforts in the collection of the Accounts Receivable included within the Assets. The Company agrees to cooperate with Buyer to the extent requested by Buyer in the collection of all accounts receivable and in the response to all inquiries or complaints with respect thereto. The Company also agrees to refund to Buyer all amounts the Company receives against Accounts Receivable included in the Assets, and the Company agrees that all such amounts are held in trust for the benefit of Buyer and remitted to Buyer promptly after the receipt thereof.

(g) Change of Corporate Name. The Company will cause its corporate name to change to a name not confusingly similar to "Egg Harbor Yacht Company, Inc.", and Buyer will consent and cooperate therein.

13. Notices. Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given on the date of receipt, if served personally on the party to whom notice is to be given by actual in person delivery, telephone, facsimile (confirmed in writing), telegraph or similar means of communication, or on the 4th day after mailing, if mailed to the party to whom notice is to be given, by first class mail, return receipt requested, postage prepaid and properly addressed as follows:

To the Company: Peter Johnson or Rudolf Lehnert
Egg Harbor Yacht Company, Inc.
101 Adams Drive
Princeton, NJ 08540

Telephone: (609) 965-2300, Ext. 18
FAX: (609) 965-2870

With a copy to: Paul Chan, Esq.
Levine, Staller, Sklar, Chan & Brodsky, P.A.
3030 Atlantic Avenue
Atlantic City, New Jersey 08401-6380
Telephone: (609) 348-1300
FAX: (609) 345-2473

To Buyer: William C. Robinson
6938 S. Evanston Avenue
Tulsa, Oklahoma 74136
Telephone: (918) 746-1076
FAX: (918) 493-6234

With a copy to: Frederick K. Slicker, Esq.
Sneed, Lang, Adams & Barnett, P.C.
2300 Williams Center Tower II
Tulsa, Oklahoma 74103
Telephone: (918) 583-3145
FAX: (918) 582-0410

Each party shall be entitled to specify a different person or address by giving notice as aforesaid to the other.

14. Miscellaneous.

(a) Entire Agreement; Amendments; Waivers. This Agreement, together with other Basic Agreements and the Exhibits and Schedules attached hereto, constitute the entire agreement between the parties with respect to the subject matters hereof and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the parties. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

(b) Headings. Paragraph headings are not to be considered part of this Agreement, are included solely for convenience and are not intended to be a full or accurate description of the contents thereof.

(c) Expenses. Upon execution of this Agreement (or thereafter if bills have not been presented) Buyer agrees to pay all reasonable fees and expenses incurred in connection with the negotiation and consummation of the transactions contemplated hereby, including all investment banking, financial advisory, legal (including, with the consent of both parties, \$23,753.09 of the Company's legal fees; and except that expenses of Coopers & Lybrand after September 1, 1995 relating to work performed on the Company's behalf shall be the responsibility of the Company), accounting, finders', brokers', consultants', transfer taxes, sales taxes, if any, appraisal and other fees and expenses incurred. Such expenses shall not be paid from the Assets but shall be paid out of invested funds raised by Buyer. Each party will hold the other harmless from and against any and all claims or liabilities arising in connection therewith.

(d) Exhibits and Schedules. The Exhibits and Schedules referred to in this

Agreement are incorporated by reference herein and constitute a part of this Agreement for all purposes.

(e) Binding Effect; Assignment. All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted transferees, successors and assigns; provided, however, that neither party hereto may assign its rights or obligations hereunder without the prior written consent of the other.

(f) Applicable Law. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of New Jersey. The venue for any disputes shall be in the state courts of New Jersey, Atlantic County.

(g) Parties in Interest. Notwithstanding any other provision of this Agreement, this Agreement shall not create any rights or benefits on behalf of any employee, organization, third party or other person, and this Agreement shall be effective only as to the parties hereto, their successors and permitted assigns.

(h) Counterparts. This Agreement may be executed in counterparts, all of which taken together shall constitute one and the same instrument.

(i) Waiver of Bulk Sales Compliance. Buyer waives compliance by the Company with all bulk sales laws in connection with the transactions contemplated hereby.

(j) Further Assurances. At any time and from time to time after the Closing, at the request of Buyer and without payment of any further consideration, the Company agrees to execute, acknowledge and deliver all such further assignments, conveyances, transfer documents, in form and substance reasonably acceptable to the Company, and other assurances as reasonably may be requested by Buyer for the purpose of better assigning, conveying and transferring to Buyer, or reducing to Buyer's possession, any or all of the Assets or to enable Buyer to exercise and enjoy the rights and benefits with respect thereof. Following the Closing, Buyer shall make available to the Company for examination and copying at Buyer's cost, upon the reasonable request and during regular business hours and without interfering with the business of the Company, all books and records of the Company arising prior to Closing reasonably requested by the Company for any valid corporate purpose.

(k) Allocation of Liabilities between the Parties. All costs, expenses and obligations attributable or chargeable to the Assets or the business of the Company or Buyer which accrue after the Closing shall be paid and discharged by Buyer.

(l) Modification and Severability. If a court of competent jurisdiction declares that any provision of this Agreement or any Exhibit hereto is illegal, invalid or unenforceable, then such provision shall be modified automatically to the extent necessary to make such provision fully enforceable. If such court does not modify any such provision as contemplated herein, but instead declares it to be wholly illegal, invalid or unenforceable, then such provision shall be severed from this Agreement and such declaration shall in no way affect the legality, validity and enforceability of the other provisions of this Agreement to which such declaration does not relate. In this event, this Agreement shall be construed as if it did not contain the particular provision held to be illegal, invalid or unenforceable, the rights and obligations of the parties hereto shall be construed and enforced accordingly, and this Agreement shall remain in full force and effect.

(m) Strategic Plans. Promptly after the execution of this Agreement, Buyer shall use its best efforts to commence and successfully complete a private offering of securities to raise

approximately \$1,000,000 in new capital and to commence and successfully complete the filing of an initial public offering of the common stock of Buyer in a registration statement under the Securities Act of 1993, as amended, to raise \$7,000,000 net to Buyer (the "IPO"), to use the proceeds to retire existing Egg Harbor indebtedness, to pay related expenses and for additional working capital.

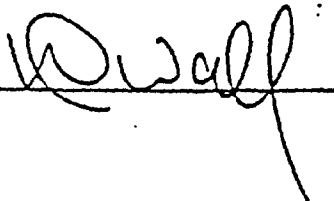
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered the day and year first above written.

EGG HARBOR ACQUISITION, INC.

EGG HARBOR YACHT COMPANY, INC.

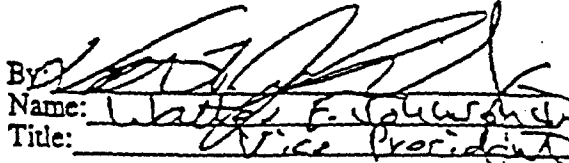
By:

H. D. Wall
President



By:

Name: Walter F. Galusha
Title: Vice President



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RECEIVER'S AGREEMENT OF SALE

AGREEMENT, made as of the 29th day of September, 1999, between David J. Weiss, in his capacity as Statutory Receiver for Marine Acquisitions, Inc., a New Jersey Corporation ("Seller"); and EH Yachts, LLC ("Purchaser"); and Ira Trocki ("Guarantor"). This Agreement is effective upon the delivery to both parties of a fully signed original Agreement ("Effective Date").

WITNESSETH:

A. Pursuant to an order entered in the matter of New Jersey Economic Development Authority v. Marine Acquisitions, Inc., Superior Court of New Jersey, Chancery Division, Atlantic County, Docket No. ATL-C-190-97E (the "Court"), Seller was appointed the Statutory Receiver for Marine Acquisitions, Inc. ("Marine") under and pursuant to N.J.S.A. 14A:14-1 et seq. A copy of the order is attached hereto as Exhibit "A".

B. Seller, by virtue of his appointment as Statutory Receiver, is the owner of the land ("Land") located in the city of Egg Harbor, county of Atlantic and state of New Jersey, more particularly described in Exhibit "B" attached hereto and made a part hereof, and all buildings, improvements and fixtures, if any ("Improvements"), located on the Land (the Improvements, together with the Land being hereinafter collectively referred to as the "Premises").

C. Seller, by virtue of his appointment as Statutory Receiver, is also the owner of certain furniture, fixtures, equipment, boat molds, inventory and work in process located in the Premises (the "Assets") more particularly described on Exhibit "C".

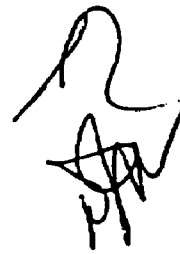
D. The Seller wishes to sell and the Purchaser wishes to purchase the Premises and Assets.

NOW, THEREFORE, is consideration of the mutual covenants and agreements herein contained, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Sale and Purchase.

(a) Seller agrees to sell or cause to be sold to Purchaser, and Purchaser agrees to purchase from Seller, the Premises and all of Seller's right, title and interest of Seller in and to all easements, rights-of-way, privileges, appurtenances and other rights, if any, pertaining to the Premises.

(b) Seller agrees to sell or cause to be sold to Purchaser, and Purchaser agrees to purchase, pay for, and accept at the Premises upon Closing, all of Seller's right, title, and interest (if any) in the Assets.



2. Purchase Price.

(a) The purchase price ("Purchase Price") payable by Purchaser for the sale of the Premises and Assets shall be the sum of One Million Four Hundred Fifty Thousand (\$1,450,000.00) Dollars subject to adjustment as hereinafter provided, payable as follows:

(i) Upon execution hereof by all parties, Purchaser shall wire transfer or deliver to Seller a non-refundable deposit (except as otherwise specifically provided herein) to be held pursuant to Article 14, by bank check, attorney trust check or cashier's check made payable to Seller in the amount of One Hundred Forty-Five Thousand (\$145,000.00) Dollars (said deposit together with any additional deposit called for hereunder, hereinafter called the "Down Payment"), and

(ii) The balance of the Purchase Price over and above the Down Payment shall be paid to Seller in immediately available funds by bank check, attorney trust check, cashier's check, or wire transfer on the Closing Date (as hereinafter defined in Article 4) net of all prorations and other credits provided for in this Agreement.

3. Title to Premises.

(a) The Premises shall be conveyed subject to, and Purchaser hereby approves, the matters set forth on Exhibit "D" hereto ("Permitted Encumbrances").

(b) Upon execution hereof by all parties, Purchaser shall order and promptly deliver to Seller a copy of a title insurance commitment (the "Title Commitment") to issue an ALTA 1992 owner's title policy issued by a reputable title insurance company with offices in Atlantic County, New Jersey ("Title Company"), reflecting the status of title to the Land and Improvements. Purchaser shall be solely responsible for the costs of obtaining such Title Commitment and for the cost of obtaining any owner's title policy and any lender's title policy.

(c) Purchaser shall have until five (5) business days following receipt of the Title Commitment, but in no event later than October 20, 1999, to notify Seller in writing of any reasonable objection which Purchaser may have to any exception reported in the Title Commitment and which is not a Permitted Encumbrance. If Purchaser fails to make such objection within the aforesaid five (5) day period, all items shown on the Title Commitment shall be deemed to be Permitted Encumbrances and Purchaser shall take title to the Premises subject thereto.

(d) Seller may, at its sole option, undertake to eliminate from Purchaser's final title policy any exception or encumbrance to title appearing in the Title Commitment which is not a Permitted Encumbrance and which is not reasonably acceptable to Purchaser. If Seller elects to eliminate any such exception or encumbrance to title, Seller may extend the Closing Date for an additional reasonable period of time, which period shall not exceed thirty (30) days from the then existing Closing Date. If Seller is unable or does not desire to eliminate any one or more of such exceptions or encumbrances to title matters with respect to the Premises, Seller shall so notify

Purchaser. Upon receipt of such notice, Purchaser shall have the option to either waive such matters in writing and consummate the transaction contemplated herein or terminate this Agreement at any time within five (5) business days after receipt of Seller's notice. If no election to terminate is made in writing by Purchaser within such five (5) day period, Purchaser shall be deemed to have waived all objections to such matters, and shall take title to the Premises subject thereto.

(e) In the event of termination under this Article, this Agreement shall be deemed null and void, Seller shall return the Down Payment to Purchaser and the parties hereto shall have no further obligations to or recourse against each other with regard to the matters provided for in this Agreement, except for rights and obligations which expressly survive the termination hereof.

4. Closing Date.

The closing of the transaction contemplated hereby ("Closing") shall take place at the offices of the Fox, Rothschild, O'Brien & Frankel, 1300 Atlantic Avenue, Suite 500, Atlantic City, New Jersey (5th Floor) at 11:00 a.m. on the Closing Date. The date of the Closing ("Closing Date") shall be on the fifth (5th) business day following the entry of the Order (defined below) by the Court approving the within transaction in accordance with the motion made for said approval by Seller pursuant to paragraph 19, below.

5. Time of Essence.

TIME SHALL BE OF THE ESSENCE IN THE PAYMENT OF ALL SUMS, PERFORMANCE OF ALL OBLIGATIONS, GIVING OF ALL NOTICES AND THE EXERCISE OF ALL RIGHTS UNDER THIS AGREEMENT.

6. Representations and Warranties of Seller.

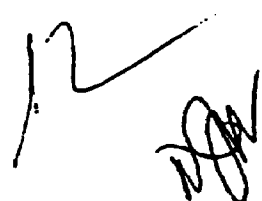
Seller represents, warrants and agrees that:

(a) There are no third party service or maintenance contracts related to the ownership, operation, maintenance or management of the Premises ("Service Contracts") other than those which may be terminated without penalty upon thirty (30) calendar days prior written notice; and

(b) No tenants occupy the Premises and the Premises shall be conveyed free of all tenancies.

7. Apportionments.

(a) The following items shall be apportioned as of 11:59 P.M. of the day immediately preceding the Closing Date:



(i) Real estate taxes shall be prorated in the manner normally prorated in the city of Egg Harbor where the Premises are located. If Closing occurs before the tax rate is fixed for the year in which Closing occurs, real estate taxes shall be based upon the tax rate for the preceding year applied to the latest assessed valuation;

(ii) Charges, if any, for water, sewer, gas, and alarm system; provided that if the consumption of any of the utilities is measured by meters, Seller at the Closing shall furnish a current reading of each meter; and provided, further, that if there is not a meter or if the final meter reading or current bill for any of such utilities has not been issued prior to the Closing Date, the charges therefor shall be adjusted at the Closing on the basis of the charges for the prior period for which bills were issued and shall be further adjusted when the bills for the current period are issued. Seller shall be entitled to recover any and all deposits held by any utility company as of the date of Closing. To the extent Purchaser fails to provide, where required, deposits to any such utility company(s) so as to prevent the timely release of Seller's deposit(s) by the utility company(s) on the Closing Date, the amount of such deposit(s) shall be credited to Seller and the Purchase Price shall be adjusted accordingly. In such event, the deposit(s) will be assigned to Purchaser who shall have rights to have the deposit (s) released to it upon satisfaction of the conditions imposed by the utility company.

(iii) Fuel, if any, at Seller's cost therefor.

(b) If on the Closing Date the Premises shall be affected by any special or other assessment for public improvements or otherwise which is or may become payable by Seller in annual installments, of which the first installment is then a charge or lien, then, for purposes of this Agreement, all the unpaid installments of such assessment, which are to become due and payable after the Closing, shall be paid and discharged by Purchaser.

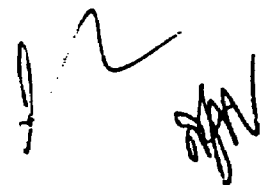
(c) Seller shall pay for the preparation of the Deed. Purchaser shall pay the New Jersey Realty Transfer Fee. Purchaser shall pay recording fees due in connection with the recording of the Deed, survey expenses, title examination and search costs, title insurance premiums and any other charges imposed by the Title Company, and all other closing costs. Each party shall bear the costs of their own legal fees.

(d) The provisions of this Article 7 shall survive the Closing.

8. Closing Documents.

(a) At the Closing, Seller, at its sole cost and expense, shall deliver or cause to be delivered to Purchaser the following, each of which shall be in form and substance in reasonable conformity with this Agreement:

(i) A bargain and sale deed with covenants against grantor's acts ("Deed"), conveying to Purchaser title to the Premises, free and clear of all liens and encumbrances other than Permitted Encumbrances and those set forth in the Title Commitment



and not objected to by Purchaser or otherwise permitted hereunder, which Deed shall be in recordable form, duly executed by Seller and acknowledged;

(ii) A certification in order to establish that Seller is not a foreign person, as defined in Internal Revenue Code Section 1445(b)(2), as amended;

(iii) A duly executed copy of a HUD-1 RESPA settlement statement (the "Settlement Statement");

(iv) A duly executed affidavit of title provided that same shall state that it is presented upon the knowledge, information and belief of Seller, be subject to such facts as an accurate and complete search of the public records and survey of the Premises would reveal, and, provided further, that such affidavit shall not expand the obligations or liabilities of Seller under this Agreement; and

(v) A bill of sale in the form of Exhibit "E" attached hereto.

(b) At the Closing, Purchaser, at its sole cost and expense, shall deliver to Seller the following, each of which shall be in form and substance satisfactory to Seller's attorneys:

(i) The consideration required pursuant to Article 2, in the amount and form required thereby;

(ii) A duly executed copy of the Settlement Statement.

9. **Brokerage.**

(a) Seller and Purchaser each represent and warrant to the other that other than NAI Mertz Corporation (Merrill Freedman), no real estate brokerage commission is payable to any person or entity in connection with the transaction contemplated hereby, and each agrees to and does hereby indemnify and hold the other harmless against the payment of any commission to any person or entity (other than NAI Mertz Corporation) claiming by, through or under Seller or Purchaser, as applicable. This indemnification shall extend to any and all claims, liabilities, costs and expenses (including reasonable attorneys' fees and litigation costs) arising as a result of such claims and shall survive the Closing. Seller shall pay NAI Mertz Corporation a real estate commission pursuant to the terms of a separate agreement if said agreement obligates Seller to pay same.

(b) The representations set forth above shall survive the Closing.

10. **Condemnation and Destruction.**

(a) Risk of loss to the Premises from fire or other casualty shall be borne by Seller until Closing. If the Premises or any portion thereof is damaged or destroyed by fire or

other casualty prior to the Closing, which damage in either party's reasonable judgment materially affects the value of the Premises, and if Seller is unable or chooses not to restore within ninety (90) calendar days following such casualty, the damaged portion of the Premises to a condition substantially equivalent to that which existed immediately prior to such casualty, either party may elect to terminate this Agreement. If either party elects to terminate this Agreement, it shall notify the other in writing within thirty (30) calendar days after Purchaser has received written notice of such damage or destruction from Seller (unless within such thirty (30) day period Seller shall have advised Purchaser of its intention to restore the damaged portion of the Premises as provided in the preceding sentence) and Seller shall return the Down Payment to Purchaser, and this Agreement shall be deemed null and void and the parties hereto shall have no further obligations to or recourse against each other with regard to the matters provided for herein. If Seller does not restore the damaged portion of the Premises as provided above, and if neither party elects to terminate this Agreement as provided in this paragraph, then the transaction shall proceed as contemplated herein, in which event Seller shall assign to Purchaser all of Seller's right, title and interest in the proceeds to be paid on the claim of loss.

(b) If prior to the Closing all or any material portion of the Premises becomes the subject of a condemnation proceeding by a public or quasi-public authority having the power of eminent domain, Seller shall immediately notify Purchaser thereof in writing and either party may elect to terminate this Agreement. If either party elects to terminate this Agreement, it shall so notify the other within thirty (30) calendar days after Purchaser has received written notice of such proceedings from Seller, and Seller shall return the Down Payment to Purchaser, and this Agreement shall be deemed null and void and the parties hereto shall have no further obligations to or recourse against each other with regard to the matters provided for herein. If neither party shall elect to terminate this Agreement as provided in this paragraph, the transaction shall proceed as contemplated herein, in which event Purchaser shall be entitled to receive all proceeds of any award or payment in lieu thereof.

11. Representations and Warranties and Covenants of Purchaser.

(a) Purchaser Represented by Counsel.

Purchaser represents and warrants to Seller that:

(i) Purchaser is not in a significantly disparate bargaining position in relation to Seller;

(ii) Purchaser is represented by experienced legal counsel, including experienced intellectual property counsel, in connection with the transaction contemplated by this Agreement; and

(iii) Purchaser is purchasing the Premises for business, commercial, investment or other similar purpose and not for use as Purchaser's residence. Purchaser further acknowledges that it is a sophisticated business owner, operator and real estate investor, experienced in transactions contemplated by this Agreement.



12. **Seller's Default.**

If Seller shall default in performance of its obligations under this Agreement, then, Purchaser's sole and exclusive remedies shall be either to (i) receive the return of the Down Payment, without interest or (ii) seek specific performance without money damages. Purchaser shall not seek or obtain any money or other judgment, except for the Down Payment against Seller, and Purchaser's sole recourse for payment of said amounts shall be to the Down Payment.

13. **Purchaser's Default.**

If Purchaser shall default in performance of its obligations under this Agreement, the sole right of Seller shall be to recover and the sole liability of Purchaser shall be to pay liquidated damages in the amount of the Down Payment, such amount being fixed as such by reason of the unusual and inherent difficulties in receivership sale and the fact that the actual damages to be suffered by Seller in such event are in their nature uncertain and unascertainable with exactness. Seller shall not seek or obtain any money or other judgment, except for Down Payment, against Purchaser. Seller's sole recourse for payment of said amounts shall be to the Down Payment.

14. **Down Payment.**

The Down Payment shall be held by Seller on the terms and conditions hereinafter set forth:

(a) The Down Payment shall be held in a federally insured non-interest bearing account with Summit Bank.

(b) Seller will retain the Down Payment or deliver the Down Payment to Purchaser, as the case may be, in accordance with the terms of this Agreement.

15. **Basis of Purchase; Sale "As Is".**

15.1 **Premises**

(a) Purchaser acknowledges that Seller, its agents or employees, or any of their respective affiliates and their respective agents or employees, have not made and are not now making, and they hereby expressly disclaim any and all warranties, representations, or guaranties, express or implied, oral or written, present or future, relating in any way to the Premises, including, without limitation, any warranty provided for under statutory or common law or the uniform commercial code, including but not limited to: (i) the presence of Hazardous Substances (hereinafter defined) in or on, under or in the vicinity of the Premises; (ii) matters of title and transferability to the Premises (other than Seller's warranty of title, if any, set forth in the Deed or Affidavit of Title (to be delivered at Closing), (iii) geological conditions, including, without limitation, subsurface conditions, water table, underground water reservoirs, limitations regarding the withdrawal of water (iv) whether, and to the extent to which the Premises, or any

portion thereof is affected by any stream (surface or underground), body of water, flood prone area, flood plain, floodway or special flood hazard, (v) drainage, (vi) soil conditions, including the existence of instability, past soil repairs, soil additions or conditions of soil fill, or susceptibility to landslides, or the sufficiency of any undershoring, (vii) zoning to which the Premises or any portion thereof may be subject, (viii) the availability of any utilities to the Premises or any portion thereof including, without limitation, water, sewage, gas and electric, (ix) usages of adjoining Premises, (x) access to the Premises or any portion thereof, (xi) the value, compliance with the plans and specifications, size, location, age, use, design, quality, description, suitability, structural integrity, operation, title to, or physical or financial condition of the Premises or any portion thereof, including without limitation the roof, sub-roof and decking, or any income, expenses, charges, liens, encumbrances, rights or claims on or affecting or pertaining to the Premises or any part thereof, (xii) the condition or use of the Premises or compliance of the Premises with any or all past, present or future federal, state or local ordinances, rules, regulations or laws, building, fire or zoning ordinances, codes or other similar laws, (xiii) any other matter affecting the stability or integrity of the Premises, (xiv) the potential for further development of the Premises, (xv) the existence of vested land use, zoning or building entitlements affecting the Premises, (xvi) the merchantability of the Premises or fitness of the Premises for any particular purpose (Purchaser affirming that Purchaser has not relied on Seller's, his agents or employees or any of their respective affiliates and their respective agents and employees, skill or judgment to select or purchase the Premises for any particular purpose, and that Seller makes no warranty that the Premises is fit for any particular purpose). Both Purchaser and Seller are acting at arm's length to protect their own interests, and both Purchaser and Seller shall use their own independent business judgment concerning the sale and purchase of the Premises.

(b) Purchaser has not relied upon and will not rely upon, either directly or indirectly, any representation or warranty of Seller, its agents or employees or any of their respective affiliates and their respective agents and employees and acknowledges that no such representations have been made. Purchaser represents that it is a knowledgeable, experienced and sophisticated purchaser of real estate and that it is relying solely on its own expertise and that of Purchaser's environmental and other consultants in purchasing the Premises. Purchaser acknowledges that it has had the opportunity to conduct such inspections, investigations, and tests of the Premises as it deems necessary (if any) including, but not limited to, the physical, environmental, geological and hydrological conditions of the Premises and their vicinity. Upon Closing, Purchaser shall assume the risk that adverse matters, including, but not limited to, adverse physical, environmental, geological and hydrological conditions, may not have been revealed by Purchaser's inspections, investigations, and tests. Without limiting the generality of the foregoing, **PURCHASER ACKNOWLEDGES AND AGREES WITH SELLER THAT PURCHASER IS PURCHASING THE PREMISES IN "AS IS" AND "WITH ALL FAULTS" CONDITION ON THE CLOSING DATE, INCLUDING ANY LATENT DEFECT OR NON-DISCOVERABLE DEFECT, SPECIFICALLY AND EXPRESSLY WITHOUT ANY WARRANTIES, REPRESENTATIONS OR GUARANTEES, EITHER EXPRESS OR IMPLIED, OF ANY KIND, NATURE, OR TYPE WHATSOEVER FROM OR ON BEHALF OF SELLER AND SELLER DISCLAIMS AND PURCHASER WAIVES ANY AND ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS OR AS TO ANY ENVIRONMENTAL MATTERS.**

The terms and conditions of this section shall expressly survive the Closing and not merge with the provisions of any closing documents. Purchaser acknowledges that the Purchase Price reflects the "AS IS, WHERE IS" nature of this sale and any faults, liabilities, defects or other adverse matters that may be associated with the Premises. Purchaser has fully reviewed the disclaimers and waivers set forth in this Agreement with its counsel and environmental consultants and understands the significance and effect thereof.

(c) For purposes hereof, "Hazardous Substances" means any hazardous, toxic or dangerous waste, substance or material, pollutant or contaminant, as defined for purposes of the Comprehensive Environmental Response, Compensation and Liability Act Of 1980 (42 U.S.C. Sections 9601 et seq.), as amended ("CERCLA"), or the Resource Conservation and Recovery Act (42 U.S.C. Sections 6901 et seq.), as amended ("RCRA"), or any other federal, state or local law, ordinance, rule or regulation applicable to the Premises, or any substance which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous, or any substance which contains gasoline, diesel fuel or other petroleum hydrocarbons, polychlorinated biphenyls (pcb's), radon gas, urea formaldehyde, asbestos, lead or electromagnetic waves.

15.2 Assets. The Assets are being sold "AS IS, WHERE IS AND WITH ALL FAULTS" ON THE CLOSING DATE, INCLUDING ANY LATENT DEFECT OR NON-DISCOVERABLE DEFECT, WITHOUT ANY REPRESENTATION, WARRANTY, LIABILITY OR OTHER OBLIGATION ON THE PART OF SELLER WHATSOEVER, WHETHER EXPRESS OR IMPLIED. THIS AGREEMENT IS INTENDED TO EXCLUDE ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR REPRESENTATION AS TO TITLE OR TO THE CONDITION OF THE ASSETS OR AS TO THE MERCHANTABILITY OF THE ASSETS OR ANY WARRANTY OF FITNESS OF THE ASSETS FOR ANY PARTICULAR PURPOSE, ALL OF WHICH ARE HEREBY EXPRESSLY WAIVED BY PURCHASER. Purchaser has not relied upon and will not rely upon, either directly or indirectly, any representation or warranty of Seller or Seller's agents and acknowledges that no such representations or warranties have been made. Purchaser represents that it is a knowledgeable, experienced and sophisticated purchaser and user of the type, nature and condition of the items which comprise the Assets, and is an expert in all phases of the design, manufacture, use, sale, and promotion of boats and boating equipment, materials, components and supplies related thereto. Purchaser is relying solely on its own expertise and that of Purchasers' consultants in purchasing the Assets. Purchaser has conducted or had the opportunity to conduct such tests, inspections and investigations of the Assets as Purchaser deemed necessary and shall rely upon same. Purchaser hereby assumes the risk that adverse matters, including but not limited to adverse physical conditions of the Assets, may not have been revealed by Purchaser's tests, inspections and investigations. Purchaser acknowledges that the Purchase Price reflects the "AS IS, WHERE IS AND WITH ALL FAULTS" nature of this sale and any known or unknown faults, liabilities, defects (including latent and non-discoverable defects) or other adverse matters that may be associated with the Assets. Purchaser has fully reviewed the disclaimers and waivers set forth in this Agreement with its counsel and understands the full significance and effect thereof. The terms and conditions of this paragraph 15 shall



expressly survive the Closing, not merge with the provisions of any closing documents and shall be incorporated into the Bill of Sale.

16. Access to Premises.

DJW filing the motion seeking the order *12*

16.1 Purchaser's Access. Upon ~~entry of the Order~~ approving this Agreement, the Seller shall permit Purchaser and its authorized agents and representatives to enter upon the Premises to conduct a land title survey; provided, however, Purchaser shall notify Seller, in writing, of its intention, or the intention of its agents or representatives, to enter the Premises at least seven (7) business days prior to such intended entry, and obtain Seller's prior written consent.

16.2 Document Review.

(a) Documents. Purchaser acknowledges that Seller has allowed Purchaser, its authorized agents or representatives to inspect and make copies of environmental reports relating exclusively to the Premises (collectively, with the remaining items made available pursuant to Section 16.2(b), below, the "Documents"), if any. Purchaser acknowledges that the Documents were prepared by third parties other than Seller, and in some instances, may have been prepared prior to Seller's ownership of the Premises.

(b) List of Documents to be Reviewed. The Documents made available by Seller to Purchaser at or prior to the execution of this Agreement receipt of which is hereby acknowledged by Purchaser are more particularly described on Exhibit "F" hereto.

(c) Proprietary Information. Purchaser acknowledges that any and all of the Documents are proprietary and confidential in nature and are made available to Purchaser solely to assist Purchaser in determining the feasibility of purchasing the Premises. Purchaser agrees not to disclose the contents of the Documents to any party outside of Purchaser's organization except to certain of its attorneys, environmental consultants, accountants, lenders, or material and bona fide investors (collectively, the "Permitted Outside Parties"). Purchaser further agrees that within its organization, or as to the Permitted Outside Parties, the Documents shall be disclosed and exhibited only to those persons within Purchaser's organization or to those Permitted Outside Parties who are responsible for determining the feasibility of Purchaser's acquisition of the Premises and who have agreed in writing to preserve the confidentiality of such information as required herein. Purchase agrees not to divulge the contents of such Documents and other information except in strict accordance with the confidentiality standards set forth in this Section 16.2(c). In permitting the Permitted Outside Parties to review the Documents or information to assist Purchaser, Seller has not waived any privilege or claim of confidentiality with respect thereto, and no third party benefits or relationships of any kind, either express or implied, have been offered, intended or created by Seller and any such claims are expressly rejected by Seller and waived by Purchaser and the Permitted Outside Parties, for whom, by its execution of this Agreement, Purchaser is acting as an agent with regard to such waiver.

[Handwritten signature]

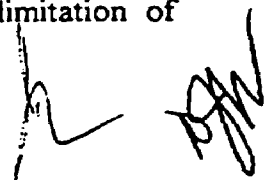
(d) **Return of Documents.** Purchaser shall return all of the Documents and any and all copies Purchaser has made of the Documents, at such time as this Agreement is terminated for any reason.

(e) **No Representation or Warranty by Seller.** Purchaser hereby acknowledges that neither Seller nor its agents or employees, or any of their respective affiliates and their respective agents or employees have made and does not make any warranty or representation regarding the truth, accuracy or completeness of the Documents or the source(s) thereof. Neither Seller nor its agents or employees, or any of their respective affiliates and their respective agents or employees have undertaken any independent investigation as to the truth, accuracy or completeness of the Documents and are providing the Documents solely as an accommodation to Purchaser.

16.3 **Access Obligations.**

(a) **Purchaser's Responsibilities.** In conducting the land title survey or any other inspections which Seller permits to be made of the Premises and/or Documents, Purchaser and its agents and representatives shall: (i) not interfere with the operation and maintenance of the Premises; (ii) not damage any part of the Premises or any personal property; (iii) not injure or otherwise cause bodily harm to Seller or its respective agents, guests, invitees, contractors and employees; (iv) maintain comprehensive general liability (occurrence) insurance in terms and amounts satisfactory to Seller covering any accident arising in connection with the presence of Purchaser, its agents and representatives on the Premises and shall deliver a certificate of insurance verifying such coverage to Seller prior to entry upon the Premises; (v) not reveal or disclose any information obtained concerning the Premises and the Documents to anyone outside Purchaser's organization, except in accordance with the confidentiality standards set forth in Section 16.2(c) hereof.

(b) **Purchaser's Agreement to Indemnify.** Purchaser hereby agrees to indemnify and hold Seller and its agents or employees or any of their respective affiliates and their respective agents and employees, harmless from and against any and all liens, claims, causes of action, damages, liabilities and expenses (including reasonable attorneys' fees) arising out of Purchaser's access permitted hereunder or any violation of the provisions of this Section 16. The Down Payment shall secure the indemnification and Purchaser grants to Seller a security interest in the Down Payment. The security interest granted by Purchaser to Seller hereby shall be superior to any interest in, or claim to, the Down Payment that Purchaser may have. To that extent, any claims that Seller may seek to satisfy from the Down Payment due to a breach by Purchaser of any of its obligations in Section 16 shall precede any claim that Purchaser may have to the return of the Down Payment. In the event Seller draws on the Down Payment to cure any violations of Purchaser under Section 16, then Purchaser shall be required to replace such sums within five (5) days of receiving written notice from Seller that it has drawn funds from the Down Payment. The failure by Purchaser to timely replace such funds shall be deemed a default hereunder by Purchaser resulting in Seller having the right to exercise any of its remedies arising out of a default by Purchaser. Notwithstanding any provision of this Agreement, no termination hereof shall terminate Purchaser's obligations pursuant to this section, and the limitation of



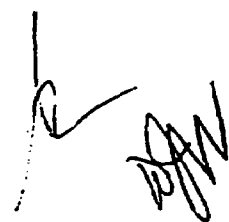
damages as set forth in this Section 16 shall not be applicable to any cause of action arising pursuant hereto.

17. **Purchaser's Acknowledgments.**

(a) Purchaser shall not, under any circumstances, bring or implead, cross-claim or otherwise interpose any action, claim or lawsuit against Seller or any of Seller's successors in interest or assignees; or any of Seller's employees or attorneys if such claim, action or lawsuit arises out of, is the result of, or is in any way connected to: (i) the existence of any underground or above-ground storage tanks or the registration or lack of registration thereof; (ii) the presence of any Hazardous Substances at or in the vicinity of the Premises; or (iii) the exposure of any person or persons to such Hazardous Substances, whether such claim, action or lawsuit arises under common law or by virtue of any local, state or federal statute, rule, ordinance, regulation and/or the like including, without limitation, the Brownfield and Contaminated Site Remediation Act, P.L. 1997, c.h. 278 et. seq., the New Jersey Sanitary Landfill Closure and Contingency Fund Act, N.J.S.A. 13:1E-100 et. seq., the New Jersey Solid Waste Management Act, N.J.S.A. 13:1E et. seq., the New Jersey Safe Drinking Water Act, N.J.S.A. 58:12A et. seq., the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. section 9601 et. seq.), the Resource Conversation and Recovery Act (42 U.S.C. section 6901 et. seq.), the Toxic Substances Control Act (15 U.S.C. section 2601 et. seq.), the Federal Insecticide Fungicide and Rodenticide Control Act (7 U.S.C. section 136 et. seq.), the Occupational Safety and Health Act of 1970 (29 U.S.C. section 651 et. seq.), the Emergency Planning and Community Right to Know Act of 1986 (42 U.S.C. section 11001 et. seq.), the Clean Water Act (33 U.S.C. section 1251 et. seq.) the United States Safe Drinking Water Act (42 U.S.C. section 300f et. seq.), the Hazardous Materials Transportation Act (49 U.S.C. section 1801 et. seq.), the Federal Clean Air Act (42 U.S.C. section 7401 et. seq.), the Industrial Site Recovery Act (N.J.S.A. 13:1K-6, et. seq.), the Underground Storage of Hazardous Substances Act (N.J.S.A. 58:10-A-21, et. seq.), the New Jersey Spill Compensation and Control Act (N.J.S.A. 58:10A-23.11 et. seq.), and the Water Pollution Control Act (N.J.S.A. 58:10A.11. et. seq.).

(b) From and after the Closing Date, Purchaser shall indemnify Seller and its respective agents, lawyers, environmental consultants, affiliates and employees, heirs, executors, administrators, successors and assigns against any loss, damage or expense, including reasonable attorneys' fees and expenses, arising out of or related to any liability or claim of liability related to Environmental Matters or for any Remediation, including the costs of environmental investigations and developments of plans, which are required by, or appropriate to comply with the requirements of, any governmental authority having jurisdiction with respect thereto, relating in any way to Environmental Matters. As used in this Agreement, the term "Environmental Matters" means all conditions or circumstances occurring or existing as of, prior to or after the Closing Date in any way related to or emanating from the Premises, including without limitation:

(i) releases and discharges into the environment at or from the Premises;



(ii) the presence (permanent or temporary) of Hazardous Substances, at, on or under the Premises;

(iii) the storage, disposal or treatment of Hazardous Substances at sites other than the Premises;

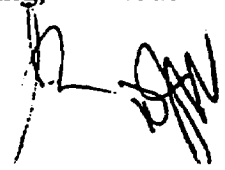
(iv) releases or discharges to the environment whenever or wherever occurring, including, without limitation, any migration or any release from one environmental medium to another environmental medium, if the release or migration involves substances initially released to the environment from the Premises, or involves substances generated or which are or were otherwise present upon the Premises and removed for recycle, treatment, storage, disposal, use or reuse, or for any other purpose, by Seller, its predecessors in interest, Purchaser, or by any other person whatsoever whether on, prior to or after the Closing Date.

(c) Purchaser represents, warrants and covenants with Seller that in entering into this Agreement and purchasing the Premises:

(i) Purchaser waives, releases and discharges any claims it has, might have had or may have against Seller or its affiliates with respect to the condition of the Premises, either patent or latent; its ability or inability to obtain or maintain either temporary or final certificates of occupancy or compliance for the Premises, and the actual or potential income or profits to be derived from the Premises;

(ii) the existence of any note or notice of violation (or any lien imposed in connection therewith) from any governmental authority having jurisdiction over the Premises noted or issued before, on or after the date hereof shall not affect the obligations of Purchaser hereunder but the same shall be Permitted Exceptions and Seller shall have no obligation to take steps to cure the same;

(iii) prior to the date hereof, Purchaser conducted or had the opportunity to conduct its own investigation, analysis, and evaluation of Environmental Matters, (the "Environmental Investigation") with respect to the Premises and past operations thereon, including invasive tests, and any property adjacent to the Premises which it deems relevant, through representatives solely selected, employed and supervised by Purchaser. In conducting the Environmental Investigation, Purchaser has used information independently sought and obtained by Purchaser and its consultants, and Purchaser and its consultants have independently analyzed and evaluated or had the opportunity to independently analyze and evaluate all such information and have formed their own independent interpretations and conclusions regarding the nature, extent and costs of remediating the Hazardous Substances which may exist at or derive from the Premises. Prior to the date hereof, Purchaser has conducted or had the opportunity to conduct such other tests and inspections of the Premises to test the structural and mechanical systems of the Improvements including, without



limitation, the roof, sub-roof, decking, and HVAC system, and to review all files and materials in Seller's possession, or otherwise available to Purchaser to enable Purchaser to analyze and evaluate the advisability of purchasing the Premises and undertaking the obligations contained herein.

(iv) the scope, content and manner of the Environmental Investigation and all other inspections have been of Purchaser's own choosing and, in its sole judgment, have been and are sufficient for Purchaser to make the representations, waivers, releases and agreements made by it in this Agreement and to accept the disclaimers of warranties on the part of Seller contained in this Agreement;

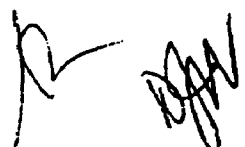
(v) that, in executing this Agreement and consummating the transaction contemplated hereby, Purchaser will rely solely upon its own Environmental Investigation and inspections and not upon any information or document supplied by Seller or any statement made by Seller, or any of Seller's consultants or other representatives;

(vi) without limitation of any representation, waiver, release, or agreement made by Purchaser, or disclaimer of warranty by Seller, that Purchaser will be chargeable with knowledge of all information obtained, or which could have been obtained, through or in the course of the Environmental Investigation and inspections;

(vii) Purchaser hereby waives and releases and, as of the Closing, shall be deemed to have waived and released all claims it may now have, or hereafter can, shall, or may have, against Seller, including claims which are presently or as of the Closing, unknown, under any environmental law, or by reason of any Environmental Matter, with respect to the Premises;

(viii) Purchase hereby agrees, effective as of the Closing Date, to assume all costs and liabilities, known or unknown, foreseeable or unforeseeable, arising out of or in the any way connected to the existence of Hazardous Substances on, at, under or in the vicinity of the Premises, including conditions existing prior to the Closing Date;

(ix) Purchaser agrees that (A) Seller shall have no obligation to perform any removal abatement or mitigation of any Hazardous Substances from the Premises prior to or following the Closing, and that, (B) Seller shall have no liability or obligation to Purchaser whatsoever on account of, in connection with or arising out of, the existence of any Environmental Matter (including, without limitation, any condition which may constitute a violation of any applicable legal requirements, whether or not such violation is noted of record), nor shall same constitute an excuse for failure of performance by Purchaser under this Agreement;

Handwritten signatures in black ink, appearing to be initials or names, located in the bottom right corner of the page.

(x) Purchaser acknowledges that Seller has relied upon the representations and warranties contained in this Agreement, in entering into this Agreement, and that it will continue to rely upon the continued validity of such representations, warranties and agreements and upon the indemnity set forth in Sections 16.3(b) in consummating the transaction contemplated hereby;

18. ISRA.

Purchaser acknowledges having received and reviewed a letter issued by the state of New Jersey, Department of Environmental Protection, Bureau of Field Operations, dated September 20, 1999, together with the covenant not to sue attached thereto and agrees to accept title subject to the terms and conditions therein contained. In no event shall Seller have any obligation to produce to Purchaser any other consents, approvals or other documents if and to the extent same may be necessary in order to qualify with the provisions of the Industrial Site Remediation Act, N.J.S.A. 58:10B-13.1, et seq., and the rules and regulations promulgated pursuant thereto. A copy of the foregoing letter and covenant not to sue is attached hereto as Exhibit "G".

19. Prior Court Approval; Condition Precedent.

Within fourteen (14) days after execution of this Agreement and receipt by Seller of the Down Payment, Seller shall file a motion with the Court pursuant to N.J.S.A. 14A:14-1 et seq. seeking an order approving this Agreement and the sale of the Premises and Assets free and clear of all monetary liens with the liens to attach to the proceeds (the "Order"), which motion Purchaser acknowledges shall seek approval of this Agreement subject to any higher and/or better offer for the sale of the Premises and/or Assets presented to Seller prior to the entry of the Order. Purchaser acknowledges that Seller shall have no obligation under the terms of this Agreement, or otherwise, unless and until Seller shall have received the Order approving this Agreement. If Seller is unable to obtain the said Order, irrespective of the reasons for the Court's decision in denying said Order, ~~or Seller receives, accepts, and signs a contract for a higher and/or better offer in Seller's sole discretion prior to the entry of the Order,~~ this Agreement shall be deemed null and void, Seller shall refund to Purchaser the Down Payment without interest, and thereafter neither party shall have any further rights or obligations hereunder, or at law or in equity. Purchaser understands and agrees that the Seller may seek the authority, permission and guidance of the Court as a prerequisite to any actions, grant of approvals, consents, acceptances or directions with respect to this Agreement.


20. Limitation of Seller's Liability.

In addition to Purchaser's waivers of any rights or remedies against Seller in the event of Seller's default hereunder, in no event shall Seller, either individually, in Seller's capacity as Statutory Receiver, or otherwise, be liable under this Agreement to Purchaser for any damages. Purchaser agrees to look solely to the Statutory Receiver's interest in the assets of Marine Acquisitions, Inc. for the collection of any judgment or order arising out of any claim by Purchaser, and, in entering any such judgment or order, the person or entity entering same shall

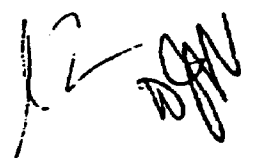
request the Clerk of the Superior Court of New Jersey, or such other court as is applicable, to mark the judgment index in order that it be made clear that any such judgment or order shall not constitute nor appear to constitute a judgment, lien, or encumbrance against the Seller, individually, or as Statutory Receiver. In the event Purchaser fails to comply with the foregoing, Seller, individually and in Seller's capacity as Statutory Receiver, shall have the right to seek specific performance and money damages against Purchaser and Purchaser shall be liable for all legal fees and costs incurred in connection therewith.

21. Intellectual Property, Trademarks, Etc.

(a) In addition to the sale, assignment and transfer to Purchaser of the Assets as described on Exhibit "C", Seller hereby further agrees to sell, assign, and transfer to Purchaser the intellectual property, including, without limitation, trade secrets, customer lists, copyrights, goodwill, trademarks, and tradenames of Marine (exclusive of those associated with or related to the Revenge molds) if and to the extent Seller has title or any interest in the foregoing and any of same exists and are in possession of Seller, and can be legally transferred or assigned. Seller makes no representations or warranties that any of the foregoing exist and, if so, whether Seller has title or any interest in any of the foregoing or whether Seller's title or interest is assignable or transferable to Purchaser. The intellectual property of Marine is being sold "AS IS, WHERE IS, AND WITH ALL FAULTS" as of the Closing, including any latent defect or non-discoverable defect, without any representation, warranty, liability or other obligation on the part of Seller whatsoever, whether express or implied. **THIS AGREEMENT IS INTENDED TO EXCLUDE ALL WARRANTIES WHETHER EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR REPRESENTATION AS TO TITLE OR TO THE CONDITION OF THE FOREGOING ASSETS OR TO THE MERCHANTABILITY OF SAME OR ANY WARRANTY OF THEIR FITNESS FOR ANY PARTICULAR PURPOSE, ALL OF WHICH ARE HEREBY EXPRESSLY WAIVED BY PURCHASER.** Purchaser has not relied upon and will not rely upon, either directly or indirectly, any representation or warranty of Seller or Seller's agents and acknowledges that no such representations or warranties have been made. Purchaser represents that it is a knowledgeable, experienced and sophisticated purchaser of items similar to the intellectual property of Marine, and is an expert in all phases of these types of assets. Purchaser is relying solely on its own expertise and that of Purchaser's intellectual property counsel in purchasing these assets. Purchaser acknowledges that the Purchase Price reflects the "AS IS, WHERE IS, AND WITH ALL FAULTS" nature of the sale of these assets and any known and unknown faults, liabilities, defects (including latent and non-discoverable defects) or other adverse matters that may be associated with these assets.

DJW 21(a) 

(b) With respect to the intellectual property described in subparagraph ^{15(a)}(a), above, Purchaser acknowledges that it has fully and completely investigated the extent, nature, validity, and status of the legal and factual claims and assertions made by Egg Harbor LLC, John DiDonato and Gigi DiDonato (the "Claimants") and has reviewed the claims and assertions with counsel specializing in intellectual property law. Purchaser further acknowledges that it is aware that Seller had initiated litigation against the Claimants in Court and has reviewed or has had the opportunity to review all of the pleadings filed in said action including the order of dismissal,



without prejudice. Purchaser acknowledges that Seller has refiled in its sole discretion (without any obligation to do so) similar litigation against the Claimants and others in the United States District Court for the District of New Jersey. If the within transaction is consummated in accordance with this Agreement, Seller shall assign to Purchaser, without representation by or recourse to Seller, the Seller's rights (if any) in the litigation and Purchaser shall be substituted for Seller as plaintiff therein. If Purchaser fails or refuses to be substituted for Seller as plaintiff in said litigation and execute and return to Seller an appropriate court pleading evidencing the substitution within five (5) days of Seller's request, Seller shall have the sole right to pursue the litigation for its own benefit, assign its rights therein, or to dismiss same with or without prejudice. In no event has Seller made any representations or warranties to Purchaser with respect to the outcome or likely outcome of the litigation against the Claimants and Purchaser acknowledges that if and to the extent it undertakes the litigation filed by Seller by being substituted as plaintiff therein, or Purchaser files an independent lawsuit against Claimants and/or others, in no event shall Purchaser have any rights or claims if any exist against Seller all of which rights or claims (known or unknown) Purchaser hereby intentionally and knowingly waives and relinquishes. In the event Purchaser is substituted for Seller as plaintiff in the litigation, or Purchaser independently initiates litigation against the Claimants, Purchaser and Guarantor shall indemnify and save harmless the Seller from and against any and all claims, counterclaims, suits, actions, causes of actions, judgments, awards and reasonable attorneys' fees and experts' fees arising out of or occasioned by said litigation. Purchaser has fully reviewed the disclaimers and waivers set forth in this Agreement with its counsel and understands the full significance and effect thereof. The terms and conditions of this paragraph 21 shall expressly survive the Closing, not merge with the provisions of any closing documents and shall be incorporated into the Bill of Sale.

(c) Purchaser further acknowledges that it has fully and completely investigated the extent, nature, validity, and status of the legal and factual claims and assertions made by Egg Harbor LLC as to Registration No 1,835,359 issued May 10, 1994 for the trademark described therein, in the Petition for Cancellation filed in the United States Patent and Trademark Office, before the Trademark Trial and Appeal Board, captioned *Egg Harbor, LLC v. Egg Harbor Yacht Co., Inc.*, Cancellation No. 28,399 and as to Registration No. 2,002,266, for the mark "Egg Harbor" registered September 24, 1996, in the Petition for Cancellation filed in the United States Patent and Trademark Office before the Trademark Trial and Appeal Board, captioned *Egg Harbor, LLC v. Egg Harbor Yacht Co., Inc.*, Cancellation No. 28,332 (hereafter collectively, the "Petitions for Cancellation"), and has reviewed the claims and assertions with counsel specializing in intellectual property law. Purchaser further acknowledges that it has been advised and is aware that Seller filed an Answer to Petition for Cancellation No. 28,332, but that Seller may have inadvertently failed to file an Answer to Petition for Cancellation No. 28,399. Purchaser acknowledges that it is aware that Seller's counsel has been in communication with the Trademark Trial and Appeal Board, having received a notice of default with respect to Cancellation No. 28,399, to have the notice of default vacated, believing that it had filed the Answer under the incorrect cancellation number, unaware that, in fact, two separate Petitions for Cancellation had been filed by Egg Harbor LLC, and that the trademark Trial and Appeal Board did not advise Seller's counsel that, in fact, two different Petitions for Cancellation had been filed. Purchaser further acknowledges that no representations have been made by Seller as to the potential to have the default vacated. Purchaser further acknowledges that it has reviewed or has had the

opportunity to review all of the pleadings filed in both actions, including the notice of default. In no event has Seller made any representations or warranties to Purchaser with respect to the outcome or likely outcome of either cancellation action or whether the current notice of default will be vacated. Purchaser acknowledges that in no event shall Purchaser have any rights or claims if any exist against Seller with respect to the subject matter of either cancellation action or the notice of default and, in any event, Purchaser hereby intentionally and knowingly waives and relinquishes any such rights or claims (known or unknown) should any exist. Purchaser further agrees to indemnify and hold harmless the Seller from and against any and all claims, counterclaims, suits, actions, causes of action, judgments, awards and reasonable attorneys' fees arising out of or occasioned by the litigation of Cancellation, Nos. 28,332 or 28,399. Purchaser further acknowledges that Purchaser has assumed full responsibility to determine if there are any further actions pending before the Trademark Trial and Appeal Board of the Patent and Trademark Office which may be applicable to the intellectual property of Marine which is the subject of this Agreement and that Purchaser acknowledges that Seller makes no representations or warranties with respect to the existence of or the possible outcome of any such actions. Purchaser acknowledges that in no event shall Purchaser have any rights or claims if any exist against Seller with respect to the subject matter of any such action and, in any event, Purchaser hereby intentionally and knowingly waives and relinquishes any such rights or claims (known or unknown) should any exist. Purchaser further agrees to indemnify and hold harmless the Seller from and against any and all claims, counterclaims, suits, actions, causes of action, judgments, awards and reasonable attorneys' fees arising out of or occasioned by the litigation of any such actions (known or unknown) before the Trademark Trial and Appeal Board. Purchaser has fully reviewed the disclaimers and waivers set forth in this Agreement with its counsel and understands the full significance and effect thereof. The terms and conditions of this paragraph shall expressly survive the Closings and not merge with the provisions of any closing documents.

17
Petitions of
DJW

Provided Purchaser enters an appearance in any of the matters enumerated in this subparagraph 21(c),

(d) Purchaser shall not, under any circumstances, bring or implead, cross-claim or otherwise interpose any action, claim or lawsuit against Seller or any of Seller's successors in interest or assignees, or any of Seller's employees or attorneys, as such claim, action, or lawsuit arises out of, or is the result of, or is in any way connected, directly or indirectly, to any facts, legal issues, assertions, rights, or other subject matter of the litigation described in paragraphs 21(b) and 21(c), above, or any similar or related litigation. Purchaser acknowledges and agrees that this clause is to be liberally construed in favor of the Seller. Purchaser has fully reviewed the foregoing representation and covenant with its counsel and understands the full significance and effect thereof. The terms and conditions of this paragraph shall expressly survive the Closing and not merge with the provisions of any closing documents.

22. Guaranty.

The Guarantor does hereby absolutely and unconditionally guaranty performance of all obligations of the Purchaser under this Agreement including without limitation the Purchaser's indemnifications as set forth in this Agreement, without any defense or set-off of any kind. In the event of a default by Purchaser hereunder, Seller shall have the right to sue the Guarantor and to seek all remedies against Guarantor which are available to Seller against Purchaser pursuant to this Agreement and law and equity, without first having to pursue said remedies against the

DJW

M
DJW

Purchaser. Seller shall have the option of pursuing Purchaser and Guarantor individually, jointly, and in any order. Seller's rights and remedies in this Agreement are distinct, separate and cumulative remedies; and no one of them, whether or not exercised by Seller against Purchaser and/or Guarantor, shall be deemed to be in exclusion of any of the others.

23. Calendar Days.

All references in this Agreement to a certain number of days shall be deemed to mean calendar days, unless otherwise expressly stated. If the commencement of or due date for the performance of any party hereto falls on a calendar day which is a Saturday, Sunday or federal holiday, then the commencement or performance shall be deemed to be required on the next calendar day.

24. Amendments.

This Agreement may not be changed, modified or terminated except by an instrument executed by the parties hereto.

25. Waiver.

No waiver by either party of any failure or refusal of the other party to comply with any of its obligations shall be deemed a waiver of any other or subsequent failure or refusal so to comply.

26. Successors and Assigns.

(a) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

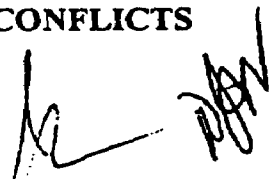
(b) Purchaser may not assign this Agreement or all or any part of its rights and obligations hereunder without the prior written consent of Seller which consent may be withheld or given in Seller's sole discretion.

27. Article Headings.

The headings of the various Articles of this Agreement have been inserted only for the purpose of convenience, and are not part of this Agreement and shall not be deemed in any manner to modify, explain, qualify or restrict any of the provisions of this Agreement.

28. Governing Law.

THIS AGREEMENT HAS BEEN DELIVERED AT AND SHALL BE DEEMED TO HAVE BEEN MADE AT ATLANTIC CITY, NEW JERSEY AND SHALL BE INTERPRETED, AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO SHALL FOR ALL PURPOSES BE GOVERNED BY AND CONSTRUED AND ENFORCED WITHOUT GIVING EFFECT TO THE PRINCIPLES AND CONFLICTS

Handwritten signatures in black ink, appearing to be initials or names, located in the bottom right corner of the page.

If to Seller: David J. Weiss, Statutory Receiver
c/o Fox, Rothschild, O'Brien & Frankel
1300 Atlantic Avenue, Suite 500
Atlantic City, New Jersey 08401
Telephone: (609) 348-4515
Telecopier: (609) 348-6834

With a copy to: Fox, Rothschild, O'Brien & Frankel, LLP
1300 Atlantic Avenue
Atlantic City, New Jersey 08401
Telephone: (609) 572-2201
Telecopier: (609) 348-6834
Attention: Mark Soifer, Esquire

If to Purchaser: ~~Ira Trocki, M.D. EIT YACHTS, LLC~~
~~The Trocki Plastic Surgery Center, P.A.~~
631 Tilton Road
Northfield, NJ 08225

With a copy to: ~~Edward DeMaree, Esquire~~
Robert Grossman
Mesirov, Gelman, Jaffe, Cramer & Jamieson
1735 Market Street
Philadelphia, PA 19103
(215) 994-1077 phone
(215) 994-1111 FAX

All notices shall be deemed given when actually received or refused by the party to whom the same is directed (except to the extent sent by certified or registered mail, return receipt requested, postage prepaid, in which event such notice shall be deemed given three (3) business days after the date of mailing). Each party may designate a change of address or supplemental addressee(s) by notice to the other parties, given at least fifteen (15) business days before such change of address is to become effective.

32. No Recording.

Neither party shall record this Agreement or any memorandum thereof without the prior written consent of the other party, which consent may be withheld in such party's sole discretion.

33. Counterpart.

This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

34. Entire Agreement.

This Agreement contains all of the terms agreed upon between the parties with respect to the subject matter hereof and supersedes any and all prior written or oral understandings.

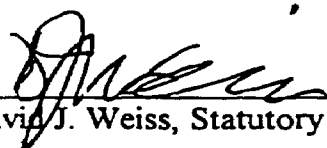
35. Purchase Price.

The parties agree that the Purchase Price shall be allocated as follows:

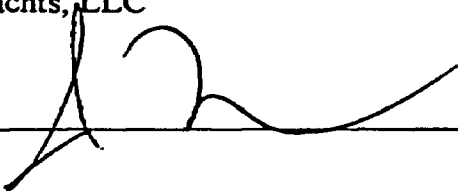
Building	\$ 400,000.00
Assets	\$1,050,000.00

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement as of the day and year first above written.

SELLER:
MARINE ACQUISITIONS, INC.,
a Delaware Corporation

By: 
David J. Weiss, Statutory Receiver

PURCHASER:
EH Yachts, LLC

By: 

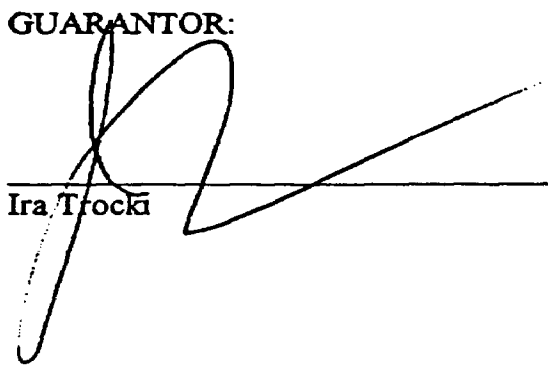
[SIGNATURES CONTINUED ON NEXT PAGE]



[SIGNATURES CONTINUED FROM PERVIOUS PAGE]

GUARANTOR:

Ira Trocki

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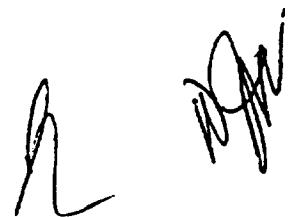
EXHIBITS

- A. Order
- B. Legal Description
- C. Assets
- D. Permitted Encumbrances
- E. Bill of Sale
- F. Documents
- G. No Further Action Letter and Covenant Not to Sue

A handwritten signature in black ink, appearing to be a stylized name or set of initials, located in the bottom right quadrant of the page.

Exhibit "A"

Order

Two handwritten signatures in black ink, one on the left and one on the right, appearing to be initials or names.

PETER VERNIERO
Attorney General of New Jersey
Attorney for Plaintiff
R.J. Hughes Justice Complex
P.O. Box 106
Trenton, New Jersey 08625
By: Joan M. Weidner
Deputy Attorney General
(609) 292-2986

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION - GENERAL
EQUITY PART
ATLANTIC COUNTY
DOCKET NO. ATL-C-190-97E

NEW JERSEY ECONOMIC DEVELOPMENT
AUTHORITY, an instrumentality of
the State of New Jersey,

Plaintiff,

v.

MARINE ACQUISITIONS, INC., a New
Jersey Corporation,

Defendants.

Civil Action

ORDER FOR ENTRY OF JUDGMENT
OF INSOLVENCY AND FOR THE
APPOINTMENT OF A STATUTORY
RECEIVER OF MARINE
ACQUISITIONS, INC.

This matter being opened to the Court by Peter Verniero,
Attorney General of New Jersey, Attorney for the Plaintiff, the New
Jersey Economic Development Authority (the "Authority") by Joan M.
Weidner, Deputy Attorney General, and it appearing that the
defendant corporation, Marine Acquisitions, Inc. ("Marine"), is
insolvent within the meaning of the statute in such case made and
provided and that the business is unable to meet its obligations as
they mature by means of its available assets or by an honest use of
credit, and it further appearing that the Authority is a creditor

of Marine and the Authority's claim is for a sum which can by computation be made certain; it is on this 21 day of December, 1998,

ORDERED, that the defendant corporation, Marine, is insolvent within the meaning of the statute in such case made and provided and that the business is unable to meet its obligations as they mature by means of its available assets or by an honest use of credit; and it is further

ORDERED, that the Authority is a creditor of Marine and the Authority's claim is for a sum which can by computation be made certain; and it is further

ORDERED, that Marine, its officers, servants and agents, absolutely desist and refrain and they are hereby enjoined and restrained from exercising any of its privileges or franchises or from holding any corporate meetings and from collecting or receiving any debts or paying out, selling, assigning or transferring any of its estate, moneys, funds, lands, tenements or effects, except to a Receiver appointed by this Court; and it is further

ORDERED, that David J. Weiss, Esquire, of Atlantic City, New Jersey, be and he is hereby appointed Statutory Receiver of Marine, the above named defendant corporation, with all powers incident thereto, and that he perform all the duties imposed upon him by the Statutes of the State of New Jersey in such case made and provided; and it is further

ORDERED, that said Receiver, before entering upon his

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duties as such Receiver, take oath prescribed by law and given bond to the Superior Court of New Jersey in the sum of \$25,000⁰⁰ conditioned for the faithful performance of his duties, to be approved as to form and sufficiency thereof in accordance with the Rules of this Court; and it is further

ORDERED, that Summit Bank, a Bank located in Atlantic City, New Jersey, be and it is hereby designated as the depository for the funds of the trust estate in which all funds coming into the hands of such Receiver shall be deposited, and which said funds shall be withdrawn therefrom only by check or warrant, serially numbered, to be signed by the said Receiver, and ~~countersigned by _____, who is hereby designated for that purpose;~~ and it is further

ORDERED, that the period within which the Receiver may provide the notice to creditors of Marine, the defendant corporation, as required by N.J.S.A. 14A:14-14 is hereby extended until thirty (30) days after the Receiver is in receipt of the list of creditors.

L. Anthony Gibson
L. Anthony Gibson, J.S.C.

A copy of this Order shall be served on all parties within seven (7) days of the date of receipt hereof in accordance with R. 4:43-1.

 Opposed
 A Unopposed

The within order is in accordance with the court's written/bench opinion of 10/15/98

It is further ordered that the drafter of this order submit a copy to all adversaries.

[Handwritten initials]

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION
ATLANTIC & CAPE MAY COUNTIES

oral of app
TP

ANTHONY GIBSON
JUDGE



COURT HOUSE
ATLANTIC CITY, N.J. 08401

MEMORANDUM OF DECISION ON MOTION
Pursuant to Rule 1:6-2(f)

TO: see attached list of attys Joan Heidner

RE: N.J. Eco Develop Auth vs Marine DOCKET NO. C-190-97E

NATURE OF MOTION(S): Enter Judgment / Appoint Statutory Receiver

Having carefully reviewed the moving papers and any response filed, I have ruled on the above motion(s) as follows:

This application is meritorious on its face & is
unopposed. It will be granted essentially for the
reasons set forth in the moving papers. See
NJSA 14A:14-2(2)

DATE OF DECISION: 12/18/98

L. A. Gibson
L. ANTHONY GIBSON, J. S. C.

Order is attached.
 Proposed form of order and envelopes to be submitted pursuant to R.4:42-1 by _____

h *WJW*

Exhibit "B"

Legal Description

Handwritten signature or initials in black ink, appearing to be 'WSP' or similar, with a long horizontal line extending to the left.

TRADEMARK
REEL: 002130 FRAME: 0555

ALL THAT CERTAIN lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Egg Harbor, County of Atlantic and State of New Jersey:

TRACT #1:

BEGINNING at the intersection of the Northwesterly line of Philadelphia Avenue (100 feet wide) with the Northeasterly line of Duerer Street (60.00 feet wide) and extending thence

1. Northwestwardly along the Northeasterly line of Duerer Street a distance of 550.00 feet to a point; thence
2. Northeastwardly parallel with Philadelphia Avenue a distance of 928.33 feet to a point; thence
3. Southeastwardly parallel with Duerer Street a distance of 550.00 feet to a point in the Northwesterly line of Philadelphia Avenue; thence.
4. Southwestwardly along said Philadelphia Avenue a distance of 928.33 feet to the point and place of BEGINNING.

Excepting thereout and therefrom Lots 16 and 17, Block 196 and the portions of Liverpool Avenue (now vacated) and Egmont Street (now vacated) which abut said lots.

Premises herein are formerly known as a portion of Lot 10, all of Lots 11 and 12 in Block 195, Lots 18 to 30 in Block 196, Lots 1 to 12 in Block 213 and Lots 1 to 7 and 24 to 30 in Block 214 as shown on the official tax map of Egg Harbor City, New Jersey.

TRACT #2:

Being the remainder of the parcel of land known as Lot 10 in Block 195.

TRACT #3:

Said land is now designated as Lots 16 and 17 in Block 196 on the municipal tax map.

In compliance with Chapter 157, Laws of 1977 premises herein (Tracts 1, 2 and 3) are known as Lot 13 in Block 213 on the official tax map of Egg Harbor City, New Jersey.

Exhibit "C"

Assets

Handwritten signature or initials in black ink, consisting of a stylized 'R' followed by a more complex, scribbled mark.

A. ATKINS APPRAISAL CORPORATION
91 Clinton Road, Suite 2B
Fairfield, New Jersey 07004
(973) 227-1900

June 1, 1999

Inventory & Appraisal
In the Matter of:

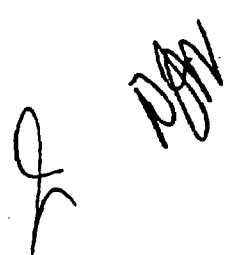
MARINE ACQUISITIONS, INC. t/a EGG HARBOR YACHT CO., INC.

801 Philadelphia Avenue
Egg Harbor City, New Jersey

Personally appeared ALAN ATKINS, who has fully and fairly appraised the enclosed mentioned physical assets, in the above captioned at Forced Sale Value.

Respectfully submitted,
A. ATKINS APPRAISAL CORPORATION

By: 
ALAN ATKINS, For the Firm



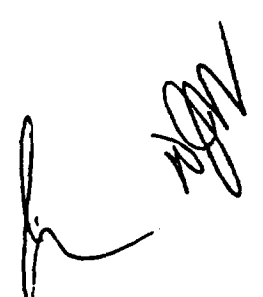
SCHEDULE A

LOCATED AT: 801 PHILADELPHIA AVENUE
EGG HARBOR CITY, NEW JERSEY

OFFICE FURNITURE & EQUIPMENT

QTY.	DESCRIPTION
<u>OFFICES</u>	
1	Upholstered sofa, w/ 2- Matching upholstered arm chairs
1	Artificial tree
1	Glass top wood end table, 30" x 30"
1	Picture, Sailfish
1	3 drawer metal pedestal
1	IBM WheelWriter 30 Series II electronic typewriter
1	Custom built L shape formica top wood reception desk, 26" x 94", with over shelf
1	Single door wood cabinet
1	Wood credenza with glass top
1	Metal upholstered swivel arm chair
1	Formica top metal table
1	Single pedestal wood desk, 36" x 72", w/ Side return w/ Glass tops
1	Metal upholstered swivel arm chair
2	2 door wood lateral file cabinets, 36" wide, w/ Glass tops

EGG HARBOR YACHT COMPANY, INC.



- 1 Aluminum framed wipe-off board
- 2 Wood upholstered arm chairs
- 1 Wood end table, 22" x 27", with glass top
- 2 Assorted aluminum framed wipe-off boards
- 1 Formica top wood conference table, 40" x 124",
w/ 8- metal upholstered swivel chairs
- 1 Custom built formica top wood 6 door cabinet,
(built into real estate)
- 1 3M model 4400 RJR overhead projector
- 1 Metal upholstered chair
- 1 Wood upholstered swivel arm chair
- 1 Wood literature rack
- 2 5 drawer metal lateral file cabinets, 36" wide
- 1 Wood upholstered arm chair
- 1 Double pedestal formica top metal desk, 30" x 72"
- 1 Metal upholstered swivel arm chair
- 1 Double pedestal wood desk, 30" x 60"
- 1 2 drawer wood lateral file cabinet, 36" wide
- 2 Wood upholstered arm chairs
- 1 Aluminum framed wipe-off board
- 1 Metal upholstered swivel arm chair
- 1 Single pedestal wood desk, 36" x 66",
w/ Side return
w/ Glass tops

EGG HARBOR YACHT COMPANY INC.



- 1 Double pedestal formica desk, 30" x 60"
- 1 Metal upholstered chair
- 1 2 door wood lateral file cabinet, 36" wide,
w/ Glass top
- 1 Wood credenza, 20" x 66", with glass top
- 1 Single pedestal wood desk, 36" x 72",
w/ Side return
w/ Glass top
- 2 Wood upholstered arm chairs
- 1 Wood end table, 22" x 28", with glass top
- 1 Formica bookcase, 36" high
- 2 2 drawer wood lateral file cabinets, 36" wide,
w/ Glass tops
- 1 Metal upholstered swivel arm chair
- 1 Upholstered arm chair, (poor condition)
- 1 Double pedestal wood executive desk, 36" x 72",
w/ Matching credenza, 20" x 72"
w/ Matching 2 drawer wood lateral file cabinet, 36" wide,
w/ Glass tops
- 1 Leather upholstered swivel arm chair
- 1 Leather upholstered love seat,
w/ 2- Matching leather upholstered arm chairs
- 2 Wood end tables, 18" x 28",
w/ Glass tops
- 1 Table lamp with shade
- 1 Sharp 19" color television

EGG HARBOR YACHT COMPANY, INC.

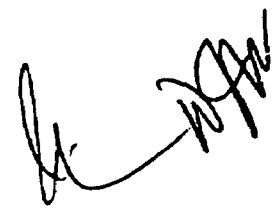


TRADEMARK
REEL: 002130 FRAME: 0561

- 1 G.E. model 9-7115 VHS video cassette recorder
- 1 Single pedestal wood desk, 30" x 66",
w/ Side return
w/ Glass tops
- 1 Metal upholstered swivel arm chair
- 1 2 drawer wood lateral file cabinet, 36" wide
- 1 Wood upholstered arm chair
- 1 Metal upholstered swivel arm chair
- 1 Olympia model 3801A paper shredder
- 8 5 drawer metal lateral file cabinets, 36" wide
- 1 Water cooler

- 1 Panafax model UF-550 facsimile machine
- 1 Pitney Bowes model 6200 postage machine,
w/ model 5820 electronic scale
- 2 Formica bookcases, 65" wide x 28" high
- 1 Canon model AP500 electronic typewriter
- 1 Centronics 122 graphics printer, (not connected)
- 1 Metal upholstered swivel arm chair
- 1 Wood upholstered swivel arm chair
- 1 Metal upholstered chair
- 1 4 station modular office consisting of:
22- Metal framed fabric covered office partitions, 66" high

Cont...



EGG HARBOR YACHT COMPANY, INC.

TRADEMARK
REEL: 002130 FRAME: 0562

- 3- Formica printer stands
- 4- Assorted overhead shelves
- 4- Single pedestal formica work surfaces
- 2- Assorted formica work surfaces
- 1- Wood hutch

- 1 Detex Guardsman time recorder
- 1 Nokia cellular telephone
- 1 Sony compact stereo system
- 1 Formica top wood counter,
w/ Marvel single door office refrigerator
- 1 Formica top wood 2 door cabinet
- 1 Bunn Pour-O-Matic coffee maker
- 1 G.E. microwave oven
- 1 AT&T Legend telephone system consisting of:
 - 3- MLX-10DP telephones
 - 1- MLX-20L with 50 button DSS
 - 1- BIS-10 telephone
 - 4- 10 button telephones
 - 2- 5 button telephones
 - w/ KSU
- 1 Computer system consisting of:
 - 1- Hewlett Packard Sure Store Tape 2000 tape back-up
 - 7- Compaq DeskPro 286 computers with monitors
 - 1- Sabre MPF+LB computer,
w/ CD rom drive
w/ DFI color monitor
 - 1- DFI Pentium 75 computer,
w/ Espirit 14 monitor
 - 1- DFI monitor

Cont...

EGG HARBOR YACHT COMPANY, INC.

TRADEMARK
REEL: 002130 FRAME: 0563

- 1- DFI Pentium 75 computer,
w/ Acer Acerview 34T monitor
- 1- DFI Pentium 100 computer,
w/ Espirit 14i monitor
- 1- Vivitron monitor
- 1- APC 1250 Back-Ups uninterruptable power source
- 1- Okidata Microline 591 printer
- 2- Okidata Microline 393 printers
- 1- Hewlett Packard LaserJet Series II laser printer
- 2- Electronic time clocks (located in shop area)

FIRST FLOOR SHOP AREA


- 4 5 drawer metal lateral file cabinets, 36" wide
- 11 Assorted 4 drawer metal file cabinets
- 1 Double pedestal formica desk, 30" x 60"
- 2 Metal upholstered swivel arm chairs
- 3 Formica bookcases, 30" high
- 1 Single pedestal formica desk with hutch
- 1 Formica top wood credenza, (poor condition)
- 2 Wood upholstered arm chairs
- 1 Aluminum framed wipe-off board
- 2 Vertical steel resin storage tanks,
Each approximately 5,000 gallon capacity,
Each with side entering manhole, with pump and motor
- 1 Lot of ductwork, related to exhaust system,
(located through-out production area)

PARTS ROOM

- 1 Savin model 7500 copy machine,
w/ Automatic document feeder
w/ Sorter

OUTSIDE AREAS

- 3 40'-0 steel storage containers with rear swing doors



SCHEDULE B

LOCATED AT: 801 PHILADELPHIA AVENUE
EGG HARBOR CITY, NEW JERSEY

OFFICE FURNITURE, MACHINERY, EQUIPMENT & INVENTORY

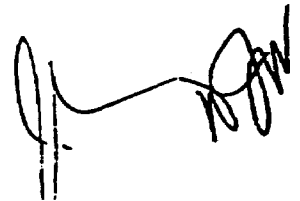
QTY. DESCRIPTION

OFFICES

- 1 Wood framed wall map
- 8 Assorted framed pictures and magazine covers
- 5 Framed magazine covers
- 1 Wood framed map
- 1 Wall picture

FIRST FLOOR SHOP AREA

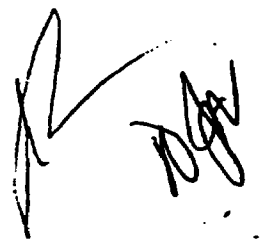
- 1 Hyster model H80XL riding forklift truck, s/n F005A05198H,
8,000 lb. capacity, 145" lift height,
w/ 3- stage mast
w/ Dual pneumatic front tires
w/ Gas engine
- 31 Assorted electric hand drills and screw guns
- 2 Assorted electric heat guns
- 5 Globe fire fighter suits complete with jackets, pants, boots,
And helmets
- 7 Assorted saber saws
- 3 Belt sanders
- 2 Assorted pneumatic nail guns



- 3 Assorted Craftsman & Porter Cable routers
- 1 Black & Decker model 6138, 9" sander/polisher
- 1 4" hand grinder
- 1 Black & Decker ½" electric drill, (old)
- 5 Pneumatic palm sanders
- 1 Pressure pot, 5 gallon capacity with hose
- 2 Assorted double pedestal desks, (poor condition)
- 1 Metal upholstered chair
- 1 Formica computer table
- 1 Metal upholstered swivel chair
- 2 Assorted metal upholstered swivel arm chairs, (poor condition)
- 1 4 drawer metal file cabinet
- 1 Wood work table
- 1 Dayton model 4Z577 refrigeration vacuum pump
- 1 Metal upholstered chair
- 1 Metal upholstered stool
- 1 Wood top metal drafting table, 38" x 60",
w/ Drafter LM drafting machine
w/ Adjustable arm lamp
- 1 Bruning model PD-101 blue printer copier
- 1 Workforce model XLT CAT 23 electric 5 stage elevating
Work platform, s/n C.A.T. 23-0473, 300 lb. capacity
- 4 Sections of metal pallet rack, 42" deep x 9'-0 wide x 8'-0 high



- 2 Sections of metal pallet rack, 48" deep x 57" wide x 10'-0 high,
(poor condition)
- 1 Large wood dolly
- 1 Stromab radial arm saw, model and s/n not visible,
(not connected, poor condition)
- 1 Black & Decker model 1703 cut-off saw
- 1 Craftsman pedestal drill press
- 3 Wood platform trucks
- 1 Lot of assorted bar clamps
- 1 Shaper, no name visible, (poor condition)
- 1 Rockwell model 43-361 heavy duty wood shaper, s/n LK2605
- 1 Max vertical spindle sander
- 1 Ekstrom Carlson No. 18 double end drum sander
- 2 Delta model 34-761 table saws, s/n's 83114580, 83114562
- 1 Rockwell model 43-340 shaper, s/n DF-9063
- 1 Rockwell shaper, no model or s/n visible. (poor condition)
- 1 Rockwell model 37-220 jointer, s/n 300001, 6"
- 1 Stetson Ross XL moulder, s/n 4827,
w/ 1- 5 H.P. motor
1- 1.5 H.P. motor
1- 10 H.P. motor
- 1 Delta model 28-243S vertical bandsaw, s/n 88H58492,
14" throat
- 1 Delta model 28-203 vertical bandsaw, s/n 83J00072, 14" throat
- 3 Portable metal tilting dumpsters



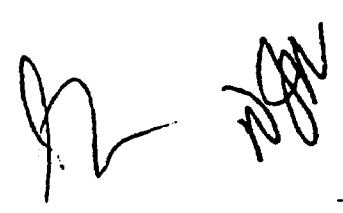
- 1 Portable tool cabinet
- 2 4 drawer metal file cabinets, (poor condition)
- 1 Wood upholstered swivel arm chair, (poor condition)
- 1 2 drawer metal file cabinet, (poor condition)
- 1 Formica work surface
- 1 Rockwell table saw, s/n CL-697
- 1 Horizontal belt sander, no name or s/n visible,
4" wide x 36" long
- 1 Powermatic model 81 vertical band saw, s/n 8381124,
20" throat
- 2 Rockwell model 43-361 heavy duty wood shapers,
s/n's LJ3357, LJ3361
- 1 Buffalo No. 18 pedestal drill press
- 1 Smith Machine Co. model C505C, 3 roll sander,
s/n R1273, 48" wide, with 3- 10 H.P. motors
- 3 Wood platform trucks
- 6 Assorted metal frame dollies
- 1 Whitney model 105 planer, s/n 341, 24" wide,
w/ 10 H.P. motor
- 1 DeWalt model GE radial arm saw with wood side tables
- 1 Box fan, 36" diameter with portable stand
- 1 Ekstrom Carlson model V-84 double arm router,
s/n 65-461, 65-462,
w/ 2- steel work tables, 60" x 158"
- 2 Steel dollies
- 1 Rockwell Delta Unisaw table saw, s/n CI-7763



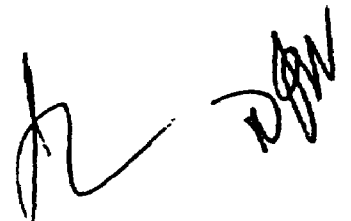
- 1 Custom built electric heat seal machine, 7'-0 wide,
w/ Chromalox control
w/ 2 steel frame work tables
- 1 Master portable heater, 110,000 BTU
- 2 Binks/Poly-Craft avenger fiberglass lay-up machines,
Model and s/n not visible
- 1 Wood hand truck
- 1 Lot of assorted metal lockers
- 1 4 drawer metal file cabinets, (poor condition)
- 1 3 drawer metal file cabinet
- 1 Shop Vac 5 gallon shop vacuum
- 2 2 drawer metal file cabinets with formica work surface
- 1 Metal bookcase, 48" high
- 1 Wood upholstered swivel arm chair

SECOND FLOOR SHOP AREA

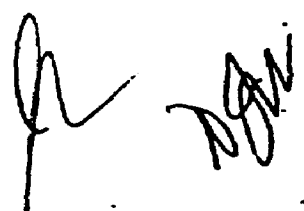
- 1 Double pedestal formica top metal desk, 36" x 72"
- 3 Assorted multi-drawer metal flat file cabinets
- 1 Pistorius model ST notcher, s/n 39598
- 1 Pistorius model MN-200 double miter saw, s/n 39597
- 1 Wood platform truck
- 1 Pistorius model S-CN pneumatic clip inserter, s/n 39599
- 1 Lot of bar clamps

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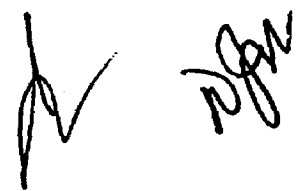
- 1 Blum Euro model M51N1004 hinge machine,
s/n CF3475 (1995)
- 1 Wood platform truck
- 1 Toastmaster model 19A11-A electric deck oven (old,
Poor condition),
w/ Custom built electric Plexiglas heating with manual
Plexiglas benders
- 2 Wood carts
- 2 Wood A frame carts
- 1 Pedestal fan
- 1 Nilfisk model GS-83 shop vacuum with 3-GSE 115 motors
- 1 Sanyo single door office refrigerator, (not connected,
Poor condition)
- 1 Box fan
- 1 Wood top metal layout table, 15'-0 long
- 3 Portable wood A frame racks, (poor condition)
- 1 A frame wood rack, (poor condition)
- 3 Metal lockers
- 1 : Marvel single door office refrigerator, (poor condition)
- 1 Double pedestal metal desk
- 3 Justrite 2 door metal flammable storage cabinets
- 2 Porter Cable electric palm sanders
- 5 Assorted paint spray guns, (poor condition)
- 2 Paint spray guns with pots
- 1 Bench top pneumatic paint can shaker



- 1 Binks walk-in paint spray booth, approximately 14'-0 wide x
24'-0 long x 9'-0 high,
w/ Double doors, lights, filters, and exhaust
- 1 Wood work bench with vise
- 1 Portable tool chest
- 1 Pedestal fan
- 5 Wood platform trucks
- 4 Metal lockers
- 1 5 step metal safety ladder
- 1 Delta model 28-350 vertical bandsaw, s/n 1355321, 20" throat
- 1 Craftsman shop vacuum
- 5 Wood dollies, (poor condition, old)
- 4 Wood work benches with vises
- 1 Rockwell model 43-340 shaper, s/n DF8950
- 1 Craftsman pedestal drill press
- 1 Portable tilting metal dumpster
- 1 2 door metal storage cabinet, (poor condition)
- 1 Wood top metal work table with heavy duty vise
- 1 Formica top metal router table with Porter Cable router
- 1 Rockwell model 34-450 table saw, s/n DA-2378
- 1 Makita model LS-1030, 10" miter saw
- 1 Boice Crane jointer, 6"



- 1 Craftsman combination, 6" belt/9" disc grinder,
Pedestal mounted
- 1 Custom built 2 spindle horizontal boring machine with
Automatic feed
- 1 Delta table saw, s/n 122-6566
- 1 Metal router table with Porter Cable router
- 1 Delta model 28-653 vertical bandsaw, s/n 88G49686,
20" throat
- 1 West System resin mixing system
- 1 Delta model 15-270 pedestal drill press,
s/n 87F70550, with automatic feed
- 2 Rol-Lift hydraulic pallet jacks
- 1 Craftsman shop vacuum
- 1 Delta model 34-450 table saw, s/n DE-7338
- 1 Portable wood frame light table, 60" x 144",
w/ vacuum pump
- 5 Assorted wire reel stands
- 1 Custom built wood wire rack
- 2 Metal work benches with over shelf
- 1 Black & Decker cordless drill, (poor condition)
- 1 Baldor double end bench grinder/buffer, (poor condition)
- 1 4 drawer metal file cabinet, legal size
- 1 Metal work bench with vise
- 1 Craftsman shop vacuum
- 1 NRP Refrigerant recovery unit



EGG HARBOR YACHT COMPANY, INC.

TRADEMARK
REEL: 002130 FRAME: 0573

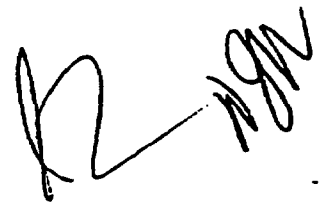
- 1 2 drawer metal lateral file cabinet, 30" wide
- 3 Allegro fans
- 1 Double pedestal formica top metal desk, 36" x 72"
- 1 Portable tool chest
- 2 Metal upholstered swivel chairs
- 1 Yacht Corrosion Consultants corrosion test meter
- 2 Wood top metal work benches
- 6 Wood lunch tables with benches
- 2 Portable folding lunch tables with attached benches

FIRST FLOOR WORK AREA

- 1 Rockwell model 34-450 table saw, s/n DD5723
- 1 Flack & Decker model 1703 chop saw
- 1 Delta vertical bandsaw, 14" throat, (partially dismantled)
- 5 Assorted Saber saws
- 8 Assorted electric drills
- 1 Double end pedestal grinder/buffer
- 1 Rockwell model 28-203 vertical bandsaw, 14" throat,
(missing blade)
- 1 Rockwell table saw, s/n C1-7657, (poor condition)
- 12 Assorted manual chain hoists, 1-5 ton capacity

EGG HARBOR YACHT COMPANY, INC.

- 3 Assorted manual chain hoists, 1-5 ton capacity,
(poor condition)
- 5 Double chain hoists
- 1 2 door flammable storage cabinet
- 12 Assorted stands and ladders
- 1 2 tier metal cart
- 1 Double end paint mixer, with pedestal stand
- 1 Metal hand truck
- 1 Hydraulic transmission jack, (poor condition)
- 1 2 door flammable storage cabinet, (poor condition)
- 1 Glass Craft fiberglass lay-up system, no model or s/n visible
- 1 Magnum fiberglass lay-up system, no model or s/n visible
- 1 12'-0 step ladder
- 1 Portable metal work platform
- 3 Fiberglass lay-up systems, no name, model or s/n visible,
(poor condition)
- 1 Hydraulic pallet jack, (poor condition)
- 1 Ridgid model 535 pipe threader, s/n 393901, with accessories
- 1 Lincoln Idealarc model T1G300/300 welding machine,
s/n AC280187
- 1 Portable steel work bench with vise
- 3 Assorted hydraulic bottle jacks
- 1 Delta pedestal press drill



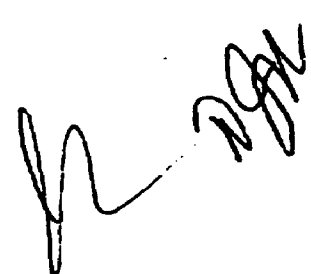
- 1 Oxygen/Acetylene welding outfit consisting of: hose, gauges,
Torch, and cart
- 1 Buffalo double end bench grinder, 1/2 H.P.
- 1 Carolina horizontal bandsaw
- 1 Wood work bench with vise
- 1 Double pedestal metal desk
- 1 Waber Zip-Cup abrasive cut-off saw
- 1 Wood work bench with vise
- 1 Whitney Jensen hand punch
- 1 Disc grinder, 10" diameter, with pedestal stand
- 1 Roll-In All Purpose vertical bandsaw, s/n not visible
- 1 Powermatic model 81 vertical bandsaw, s/n 8381069
- 1 Single end wall mounted sander
- 1 Aluminum step ladder

PARTS ROOM

- 1 8 step metal safety ladder
- 1 Metal upholstered swivel arm chair
- 1 Wood upholstered arm chair
- 1 Double pedestal formica top wood desk, 30" x 60"
- 1 Metal upholstered swivel chair
- 1 Wood upholstered arm chair
- 1 PanaFax model PX-350 facsimile machine

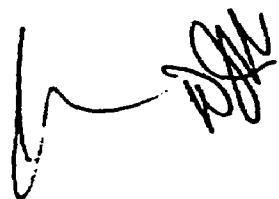


- 1 Aluminum framed corkboard
- 1 Aluminum framed wipe-off board
- 1 Formica top metal credenza
- 2 5 drawer metal lateral file cabinets, 36" wide
- 1 Wood bookcase
- 1 Metal upholstered swivel arm chair
- 1 Double pedestal wood desk, 30" x 60"
- 1 L shape formica printer stand
- 1 Aluminum coat tree
- 1 RCA audio/video receiver with 1- pair of Sony speakers
- 1 Contents of 2 door metal storage cabinet containing assorted
Power tools, (poor condition, not operable)
- 1 Hoover upright vacuum
- 42 Sections of metal shelving
- 24 Sections of Dexion shelving
- 1 Plastic mop bucket with wringer
- 1 Howe Richardson XL portable platform scale
- 3 Assorted 2 door metal storage cabinets
- 77 Metal parts bins
- 1 Raw material and parts inventory consisting of:
Assorted wood board, molding, plywood, aluminum bar,
Fasteners, fittings, pumps, valves, paint, props, and etc.



OUTSIDE AREAS

- 1 40'-0 steel storage container with rear swing doors
- 1 Forklift drum attachment
- 1 Set of forklift fork extensions
- 1 Dust collection unit, no name, model or s/n visible
- 1 Show booth with related wood platforms, and etc.
- 1 Horizontal hydraulic trash compactor
- 1 Billy Goat yard vacuum with gas engine
- 1 Craftsman lawn mower with 5.5 H.P. gas engine
- 1 Airless paint sprayer
- 1 Lawn trimmer, gas powered
- 1 Lot balance of 40'-0 storage container consisting of:
Gas cans, assorted hose, shovels, rakes, brooms,
Electrical supplies, and etc.
- 7 Tilting metal dumpsters
- 1 Sullair Sulliscrew 24 KT. rotary screw air compressor,
Model 20-125L, s/n 24247-13GF, with 125 H.P. motor,
w/ Hankison model E700A refrigerated air dryer,
s/n 0312A-3-75018
- 1 4'-0 fiberglass step ladder
- 1 Pettibone model DA-120 forklift truck, s/n 0699,
12,000 lb. capacity, 144" lift height,
Right rear wheel assembly missing,
(unit rusted, very poor condition)
- 1 Steel diesel fuel tank, approximately 250 gallon capacity,
With Gasboy manual pump
- 1 Shop Crane with 3 ton hydraulic jack

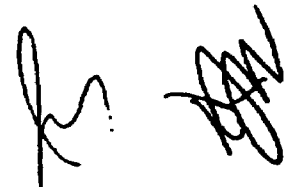


- 1 Metal hand truck
- 1 Speedaire air compressor,
w/ 15 H.P. motor
w/ Horizontal tank
- 1 Marine Travel Lift model 35BFM mobile boat hoist,
s/n 2149/787 (1987), 35 ton capacity with gas engine
- 1 Lot of assorted old molds and debris (located outside building)

THE FOLLOWING MACHINERY AND EQUIPMENT IS CONTAINED
IN THE 3- STORAGE CONTAINERS, LOCATED OUTSIDE THE BUILDING

- 1 Lagun Republic vertical milling machine,
w/ 9" x 48" power feed table
w/ Milling vise
w/ Bausch & Lomb Acurite II digital read-out
- 1 Small paint pressure pot
- 1 Platform truck
- 1 Refrigerated air dryer, (poor condition)
- 1 Kalamazoo model K-10 abrasive cut-off saw
- 1 Clausing model 2276 pedestal drill press, s/n 525428
- 1 United model TM10 tensile tester, s/n 987122 (dismantled)
- 1 Bugit 1 ton manual chain hoist
- 1 SCMI model S52 planer, s/n AB19704, 24" wide
- 1 SCMI model T130 heavy duty shaper, s/n not visible,
w/ Steff 34, 3 roll power feed
- 1 SCMI jointer, 10", no model or s/n visible
- 1 Wood frame exhaust fan

EGG HARBOR YACHT COMPANY, INC.



TRADEMARK
REEL: 002130 FRAME: 0579

- 1 Clausing model 1690 pedestal drill press, s/n 530552
- 1 Powermatic model 60 jointer, s/n 8561132, 8"
- 1 Lot balance of container 1 consisting of assorted parts, hoses,
Motors, and etc.
- 1 Rockwell model 34-761 table saw, s/n 83I14577 (rusted)
- 1 Dust Control model DC-3500 portable dust collector
- 1 Baldor model 1458 double end buffing machine, 5 H.P.
- 1 Delta-Rockwell model 28-205 vertical bandsaw, 83-J00068
- 1 Delta jointer, 6", (very poor condition)
- 1 Rockwell jointer, 6", (poor condition)
- 1 Delta model 20 vertical bandsaw, s/n not visible, 20" throat
- 1 Powermatic vertical bandsaw, s/n not visible, (switch out)
- 1 Engine lathe, name, model, and s/n not visible,
w/ Mitutoyo X-Y digital read-out
- 1 Disc grinder, 9" diameter
- 1 Electric cable hoist, (poor condition)
- 1 Oster model 502NF pipe threading machine, s/n 2023,
(poor condition)
- 1 Miller model 330A/BP constant current AC/DC arc welding
Power source, s/n JD706873 with accessories
- 1 DeWalt radial arm saw, (very poor condition)
- 1 Disc grinder, (dismantled)
- 4 Assorted Delta table saws, (very poor condition)
- 1 Transformer

EGG HARBOR YACHT COMPANY INC

TRADEMARK
REEL: 002130 FRAME: 0580

- 1 2 post hydraulic shop press, no name visible
- 1 Shaper, no name visible
- 2 Delta vertical bandsaws, (dismantled, very poor condition)
- 1 Horizontal bandsaw, no name visible, (poor condition)
- 1 Carolina 40 ton, 2 post hydraulic shop press, s/n 026171
- 2 Miller model MP-30E DC arc welders, s/n's JD730978,
JE745393
- 1 Air compressor,
w/ 10 H.P. motor
w/ Horizontal tank
- 1 Table saw, (dismantled)
- 1 Delta Rockwell model 28-290 vertical bandsaw, (poor condition)
- 1 Planer, no name visible, 24" wide, (dismantled, poor condition)
- 1 Lot of assorted manual and electric chain hoists
- 1 Surface grinder, no name visible, (dismantled, poor condition)
- 1 Powermatic table saw, model and s/n not visible
- 1 Econoline model RA42-24 abrasive blast cabinet
- 1 Custom built groover/edger with chain in-feed drive
- 1 Drafting table base
- 1 Manual/hydraulic pipe bender with portable table
- 4 Formica top metal work benches
- 1 Onlin urethane system consisting of 2- tanks,
w/ Dispensing gun and hose
w/ Pressure pot with hose and gauges
w/ Portable cart

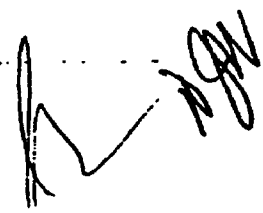


EGG HARBOR YACHT COMPANY INC.

TRADEMARK
REEL: 002130 FRAME: 0581

- 1 Air compressor,
w/ 10 H.P. motor
w/ Horizontal tank
(poor condition)
- 1 Portable platform scale
- 1 Steel portable work table

EGG HARBOR YACHT COMPANY, INC.



TRADEMARK
REEL: 002130 FRAME: 0582

LOCATED AT; 801 PHILADELPHIA AVENUE
EGG HARBOR CITY, NEW JERSEY

VEHICLES

QTY.	DESCRIPTION
1	1988 Ford E150 cargo van, V.I.N. 1FTEE14Y7KHA22658, High mileage, 11,314 miles indicated on odometer, With automatic transmission Front bumper damaged Tires good condition
1	1986 Ford E150 cargo van, V.I.N. 1FTES14N8GHB93750, High mileage, 54,515 miles indicated on odometer, With automatic transmission Body rotted, rusted, and dented in numerous places
1	1985 Ford F350 single axle rack truck, V.I.N. 2FDJF3718FCB35498, 48,201 miles indicated on odometer, w/ Automatic transmission w/ Diesel engine w/ Rack body, 9'-0 long
1	1976 International Cargo Star single axle truck tractor, V.I.N. D1035FCA13857, 92,068 miles indicated on odometer, Unit not operable, poor condition
1	1956 Lawson 40'-0 tandem axle boat trailer, V.I.N. STF10108, 30'-0 bottom deck (unit old, poor condition) 2- left rear tires flat



EGG HARBOR CITY, NEW JERSEY

LOCATED AT: 801 PHILADELPHIA AVENUE
EGG HARBOR CITY, NEW JERSEY

INCOMPLETE BOATS, (NOT EVALUATED)

QTY.	DESCRIPTION
1	52'-0 boat, incomplete hull only, #52-DW1, with cradle, (Photo No. 1)
1	37'-0 boat, approximately 60% complete, #37-401, w/ Onan generator w/ 2- Volvo diesel engines w/ Cradle (Photo No. 2)
1	37'-0 boat, incomplete hull only, #37-402, with cradle (Photo No. 3)

EGG HARBOR YACHT COMPANY INC

LOCATED AT: 801 PHILADELPHIA AVENUE
EGG HARBOR CITY, NEW JERSEY

MOLDS & PATTERNS, (NOT EVALUATED)

QTY.	DESCRIPTION
1	Hull mold for 52'-0, #52-DW5H, (Photo No. 4)
1	Cockpit/deck mold for 52'-0, #52-DW4D, (Photo No. 5)
1	Flybridge mold for 52'-0, #52-DW2FB, (Photo No. 6)
1	Eyebrow mold for 52'-0, #52-DW3EB, (Photo No. 7)
1	Hull mold for 42'-0, #42-DW1H, (Photo No. 8)
1	Deck mold for 42'-0, #42-DW2D, (Photo No. 9)
1	Hull mold for 37'-0, #37-DW1H, (Photo No. 10)
1	Deck mold for 37'-0, #37-DW2D, (Photo No. 11)
1	Hull mold for 58'-0, #58-DW1H, (Photo No. 12) (Located outside building)
1	Cockpit mold for 58'-0, #DW58-DW2CP, (Photo No. 13) (Located outside building)
1	Deck mold for 58'-0, #58-DW3D, (Photo No. 13) (Located outside building)
1	Stringers mold for 58'-0, #58-DW4S, (Photo No. 14) (Located outside building)
1	Lot of assorted wood patterns, (Located in production area)
1	Lot of assorted small molds, (Photo No's 15, 16, 17, 18, 19) (Located inside and outside building)
1	Lot of assorted marketing material consisting of: brochures, pictures, engineering drawings, and etc., to extent available on the premises

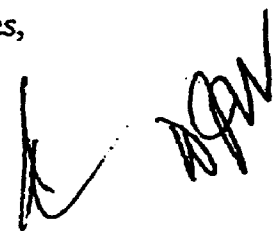


Exhibit "D"

Permitted Encumbrances

1. Subject to such facts as an accurate survey and physical inspection of the Premises would reveal.

DNW 2. ~~Subject to all restrictions, easements and encumbrances of record.~~ *27*

3. Subject to all federal, state, county, and local statutes, laws, regulations, rules and ordinances regarding the use, management, ownership and operation of the Premises including, but not limited to, fire codes, building codes, zoning laws, environmental laws and health codes.

4. Sight Easement from Egg Harbor Yacht Company, Inc. to County of Atlantic dated October 31, 1988 and recorded on December 9, 1988, in Deed Book 4810, Page 70.

DNW 5. ~~Rights public and private in any portion of premises lying within the lines of Deurer Court and Philadelphia Avenue.~~ *DNW*

EXHIBIT "E"

BILL OF SALE
AND
QUIT CLAIM GENERAL ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS:

This Bill of Sale and Quit Claim General Assignment ("Bill of Sale") is executed and delivered effective this _____ day of _____, 1999, by David J. Weiss, Statutory Receiver of Marine Acquisitions, Inc. ("Seller") in favor of _____ ("Purchaser")

WHEREAS, Seller and Purchaser have entered into an Agreement pursuant to which Seller will quitclaim to Purchaser certain assets identified on Exhibit "C" of the Agreement. For the purposes of this Bill of Sale, the assets described in the Agreement shall be referred to collectively as the "Assets".

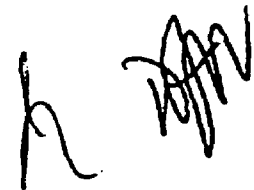
WHEREAS, all terms and conditions of the Agreement are incorporated herein and all defined terms of the Agreement shall have the same meaning in this Bill of Sale.

NOW THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Conveyance. Seller has quitclaimed, transferred, setover, assigned and released upon Purchaser and by these presents does quitclaim, transfer, setover, assign and release unto Purchaser to have and hold forever, all of Seller's rights, titles and interest, if any, in and to the Assets, as defined in the Agreement.

2. Condition of the Assets. The rights, titles and interest of Seller in the Assets are being sold "AS IS, WHERE IS AND WITH ALL FAULTS" including any latent defect or non-discoverable defect, without any representation, warranty, liability or other obligation on the part of Seller whatsoever. **THIS AGREEMENT IS INTENDED TO EXCLUDE ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR REPRESENTATION AS TO TITLE TO OR THE CONDITION OF THE ASSETS OR AS TO THE MERCHANTABILITY OF THE ASSETS OR ANY WARRANTY OF FITNESS OF THE ASSETS FOR ANY PARTICULAR PURPOSE, ALL OF WHICH ARE EXPRESSLY WAIVED BY PURCHASER.**

3. Effective Date. This conveyance is effective this _____ day of _____, 1999.



IN WITNESS WHEREOF, this Bill of Sale has been duly executed and delivered on the
__ day of _____, 1999.

SELLER:
MARINE ACQUISITIONS, INC.
a Delaware Corporation

By: _____
David J. Weiss, Statutory Receiver

A handwritten signature in black ink, appearing to read 'D. J. Weiss', is written over the signature line.

Exhibit "F"

Documents

1. Preliminary Assessment Report prepared by Roux Associated dated April 6, 1998;
2. Preliminary Assessment Report prepared by Roux Associates dated June 30, 1998;
3. Roof Inspection Report prepared by Thomas Roofing dated January 18, 1999;
4. Inventory dated June 1, 1999, prepared by A. Atkins Appraisal Corporation;
5. Amended Verified Complaint filed in the United States District Court for the District of New Jersey;
6. Notice of Motion to Dismiss filed on behalf of Egg Harbor, LLC;
7. Notice of Motion to Dismiss filed on behalf of Rudolph Lehnert;
8. Notice of Motion to Dismiss filed on behalf of John and Gigi DiDonato;
9. Answer filed on behalf of Robert Hazard;
10. Defendant's Memorandum for Case Management Conference;
11. Petitions for Cancellation filed in the United States Department of Commerce, Patent and Trademark Office;
12. Answer to Petition for Cancellation No. 28, 332;
13. Notice of Default for Cancellation No. 28,399;
14. Petitioner's First Set of Interrogatories;
15. Answers to Petitioner's First Set of Interrogatories; and
16. Equipment Lease between The New Jersey Economic Development Authority and Vision Properties, LLC, dated September 1998.

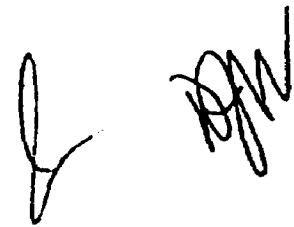


Exhibit "G"

No Further Action Letter and Covenant Not to Sue

Handwritten initials or signature in black ink, consisting of a stylized 'R' followed by a series of loops and a vertical line.



State of New Jersey

Christine Todd Whitman
Governor

Department of Environmental Protection

Robert C. Shinn, Jr.
Commissioner

Bureau of Field Operations
P.O. Box 435
401 East State Street
Trenton, N.J. 08625-0435

SEP 20 1999

Mr. David J. Weiss, Statutory Receiver
1300 Atlantic Avenue, Suite 500
Atlantic City, NJ 08401

Re: Entire Site, Unrestricted Use, No Further Action Letter and Covenant Not to Sue
Industrial Establishment: Marine Acquisitions, Inc.
Address: 801 Philadelphia Avenue
Egg Harbor City, Atlantic County
Block 213 Lot 13
ISRA Case #E99354
ISRA Transaction: Sale of Assets and Sale of Property
Expedited Review Affidavit dated: 9/1/99

Dear Mr. Weiss:

Pursuant to N.J.S.A. 58:10B-13.1 and N.J.A.C. 7:26C, the New Jersey Department of Environmental Protection (Department) makes a determination that no further action is necessary for the remediation of the industrial establishment as specifically referenced above, except as noted below, so long as Marine Acquisitions, Inc. did not withhold any information from the Department. This action is based upon information in the Department's case file and Marine Acquisitions, Inc.'s final certified affidavit dated 9/1/99. In issuing this No Further Action Determination and Covenant Not to Sue, the Department has relied upon the certified representations and information provided to the Department.

By issuance of this No Further Action Determination, the Department acknowledges the certification by Marine Acquisitions, Inc. that a Preliminary Assessment and as applicable a Site Investigation has been completed pursuant to the Technical Requirements for Site Remediation (N.J.A.C. 7:26E) for the industrial establishment.

NO FURTHER ACTION CONDITIONS

As a condition of this No Further Action Determination Marine Acquisitions, Inc. as well as each subsequent owner, lessee and operator (collectively Successors) shall comply with each of the following:

Name and Address Changes

Pursuant to N.J.S.A. 58:10B-12, Marine Acquisitions, Inc. and the Successors shall inform the Department in writing whenever its name or address changes, within 14 calendar days after the change.

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COVENANT NOT TO SUE

The Department issues this Covenant Not to Sue pursuant to N.J.S.A. 58:10B-13.1. That statute requires a covenant not to sue with each no further action letter. However, in accordance with N.J.S.A. 58:10B-13.1, nothing in this Covenant shall benefit any person who is liable, pursuant to the Spill Compensation and Control Act (Spill Act), N.J.S.A. 58:10- 23.11, for cleanup and removal costs and the Department makes no representation by the issuance of this Covenant, either express or implied, as to the Spill Act liability of any person.

The Department covenants, except as provided in the preceding paragraph, that it will not bring any civil action against the following:

- (a) the person who undertook the remediation;
- (b) subsequent owners of the subject property;
- (c) subsequent lessees of the subject property; and
- (d) subsequent operators at the subject property.

for the purposes of requiring remediation to address contamination which existed prior to the date of the final certified affidavit for the real property at the industrial establishment identified above, or payment of cleanup and removal costs for such additional remediation.

The Department may revoke this Covenant at any time after providing notice upon its determination that either:

- (a) any person with the legal obligation to comply with any condition in this No Further Action Letter has failed to do so; or
- (b) any person with the legal obligation to maintain or monitor any engineering or institutional control has failed to do so.

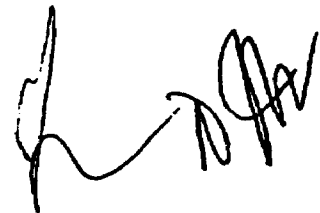
This Covenant Not to Sue, which the Department has executed in duplicate, shall take effect immediately once the person who ~~undertook the remediation~~ has signed and dated the Covenant Not to Sue in the lines supplied below and the Department has received one copy of this document with original signatures of the Department and the person who undertook the remediation.

Name: David J. Weiss,

Signature: DJ Weiss

Title: Statutory Receiver for Marine Acquisitions, Inc

Dated: 9-27-99



NEW JERSEY DEPARTMENT OF
ENVIRONMENTAL PROTECTION

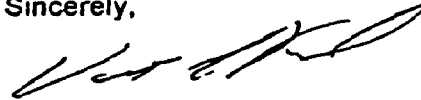
Name: Vincent S. Krisak, Section Chief
Bureau of Field Operations

Signature: 

Dated: 9-13-89

Thank you for your attention to these matters. If you have any questions, please contact Charles Salter case manager at (609)633-0708.

Sincerely,



Vincent S. Krisak, Section Chief
Bureau of Field Operations

c: County Health Department
Charles Salter, BFO Case Manager

