

Suenos Azules Marine Surveying and Consulting

REPORT OF MARINE SURVEY

**Pre-purchase Condition and Value
of the vessel**

"Ciao"

2012 40' Azimut 40S



PREPARED EXCLUSIVELY FOR:

**Steve Reading
10 PGA Boulevard
Palm Beach Gardens, Florida 33410**

CONDUCTED BY:

**Capt. John Banister, SA
on
November 10, 2014**

**Suenos Azules Marine Surveying and Consulting
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Palm Beach Gardens, Florida 33418
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INTRODUCTION

REPORT INTRODUCTION COMMENTS:

At the request of Mr. Steve Reading, the prospective buyer of the vessel, a 2012 40' Azimut 40S, I agreed to conduct a pre-purchase and valuation survey. I arrived at the vessel's location on November 10, 2014 at 9:20 AM and met with the selling brokers of the vessel. The vessel was docked at Davis Yachts at a covered marina at 34 NW 10th Street in Miami, Florida. The survey was conducted from 9:30 AM - 5:30 PM.

The weather on the day of the survey was warm, sunny, and dry with partly cloudy skies. Moisture readings were taken of the vessel with a calibrated Model GRP 33 Marine Moisture Meter. Thermal images were taken with a calibrated "Flir" brand "E50" model infrared thermal imaging camera.

AC and DC power were made available during the survey. A sea trial was performed as part of this survey. The vessel's papers were on board showing that Mr. Michael Tab and Stacy Tab were the last owners of the vessel. Mr. Reading was present during the survey.

During a vessel's survey the mandatory standards promulgated by the United States Coast Guard (USCG), under the authority of title 46 United States Code (USC), Title 33, and Title 46, Code of Federal Regulations (CFR), and the voluntary standards and recommended practices developed by the American Boat and Yacht Council (ABYC), and the National Fire Protection Association (NFPA) have been used as guidelines in the conduct of this survey. Findings in the summary pages of this survey reflect conditions observed at the time of survey.



DEFINITION OF TERMS

The following terms and words have the following meanings as used in this report of survey:

APPEARED - Indicates that a very close inspection of the particular system, component, or item was not possible due to constraints imposed upon the surveyor (e.g. no power available, inability to remove panels, or requirements not to conduct destructive tests).

FIT FOR INTENDED SERVICE - Service for which is intended by Survey Purchaser (present or prospective owner).

ADEQUATE - Sufficient for a specific requirement.

POWERED UP - Power was applied only. This does not refer to the operation of any system or component unless specifically indicated.

EXCELLENT CONDITION - New or like new.

GOOD CONDITION - Nearly new, with only minor cosmetic or structural discrepancies noted.

AVERAGE CONDITION - Denotes that the system, component, or item is functional as is with minor repairs.

POOR CONDITION - Unusable as is. Requires the replacement of a system for the component or item to be considered functional.

USE OF * - Use of * in the body of this report will indicate that a footnote may be listed at the bottom of the page or a finding will be listed in the "Findings and Recommendations" section pertaining to the * items or the use of the text colors red, green, and blue.

GENERAL INFORMATION (SHORT FORM)

FILE NUMBER: 14-0001001

SURVEY PREPARED FOR: Steve Reading

NAME OF VESSEL: "Ciao"

TYPE OF SURVEY: Pre-purchase and valuation survey

OVERALL VESSEL RATING: AVERAGE CONDITION

ESTIMATED MARKET VALUE: \$430,500.00

ESTIMATED REPLACEMENT COST: \$1,450,000.00

YEAR/MAKE/MODEL OF VESSEL: 2012 Azimut 40S

BUILDER: Azimut Yachts, Torino, Italy

YEAR BUILT: 2012

MAKE OF VESSEL: Azimut

MODEL OF VESSEL: 40S

HULL IDENTIFICATION NUMBER: XAX40000H112

OFFICIAL NUMBER: 1230008

HAILING PORT: Sunny Isles, Florida

STATE VALIDATION STICKER: 0700009

STATE REGISTRATION NUMBER: N/A

OWNER NAME: Michael Tab and Stacy Tab (last documented owners)

OWNER'S ADDRESS: 16 Calvert Avenue, Miami, Florida 33160

PLACE OF SURVEY: 34 NW 10th Street, Miami, Florida 33142

DATE/TIME OF SURVEY: November 10, 2014 from 9:30 am to 5:30 pm

HULL MATERIAL: Fiberglass

HULL TYPE: Semi vee

LENGTH OVER ALL: 40'2"

BEAM: 13'5"

DEPTH: 6'7"

DRAFT: 3'8"

DISPLACEMENT: 27,337 lbs.

PROPULSION SYSTEM: Two Cummins in-line six cylinder, turbo charged, 480 horsepower engines

FUEL TYPE: Diesel

FUEL CAPACITY: 290 Gallons

AC POWER: 220 / 110 Volts

DC POWER: 24 / 12 Volts

FRESH WATER CAPACITY: 103 Gallons

HOLDING TANK: 35 Gallons

INTENDED USE: Recreation

INTENDED CRUISING AREA: Inland and coastal waters

SURVEY SCOPE & GENERAL INFORMATION

SCOPE OF SURVEY

Report file no: 14-000101.
Inspection date(s): November 10, 2014.
Date of written report: November 11, 2014.
Conducted by: Capt. John Banister, SA.
Requested by: Steve Reading.
Purpose of survey: To assess the overall condition and value of the vessel for pre-purchase decision making.
Intended use: Recreational.
Vessel surveyed at: Davis Yachts, 34 NW 10th Street, Miami, Florida 33142.
Weather conditions: Sunny, warm, and dry with partly cloudy skies. Light winds.
How survey conducted: The vessel was surveyed both while afloat and while hauled out of the water.
Sea trail: A sea trial was performed as part of this survey. The results are included in the Sea Trail section.
Electrical systems checked: DC power was used to check the DC electrical systems. AC shore and generator power was used to check the AC electrical systems.
Moisture checks: A calibrated Electrophysics marine moisture meter, Model GRP33 was used for moisture readings referenced in this report.
Surveyor's qualifications: The surveyor is a member of SAMS (Society of Accredited Marine Surveyors), ABYC (American Boat and Yacht Council), IAMI (International Association of Marine Investigators), and the NFPA (National Fire and Protection Association). The surveyor is also ABYC Standards Accredited, a USPAP (Uniform Standards of Professional Appraisal Practice) Certified Appraiser, a ITC (Infrared Training Center) Certified Level II Infrared Thermographer, and a USCG Licensed Master Captain.



SURVEY REQUESTED BY

Client name: Steve Reading.
Street address: 10 PGA Boulevard.
City/State/Zip: Palm Beach Gardens, Florida 33410.
Cellular phone: (561) 555-1000.

VESSEL INFORMATION

Vessel Yr/Make/Model: 2012 Azimut 40S.
Vessel name: "Ciao" (as per USCG documentation, name not present on the hull on the date of the survey)
Hailing port: Miami, Florida.

**Hull ID number
verification:**



Hull identification number

XAX40000H112.

State validation sticker:



State validation sticker

0700009.

**Manufacturer/Builder:
Vessel description:**

Azimut Yachts, Torino, Italy.

The 2012 Azimut 40S is a recreational cruising power boat. The vessel was made of fiberglass on a semi vee hull design and was powered by two Cummins, in-line six cylinder, 480 horsepower, four stroke, turbocharged inboard diesel engines. The vessel also included a raised helm station, electric retractable overhead hard top, magnetic compass, VHF radio, a Raymarine navigation system, Sony stereo system, marine air conditioning, two staterooms, large main salon, galley, two heads, and convertible sleepers in the main salon area. Other amenities included: A Cummins nine kilowatt generator, anchor washdown, windlass, electric swim platform, a Xenta joystick control system, autopilot, padded vinyl seat cushions, and plenty of locker spaces for gear storage.

U.S.C.G. Official Documentation No:	1230008.
Documented use:	Recreational.
Documented home port:	Miami, Florida.
Documented length:	38.0 feet.
Documented breadth:	12.7 feet.
Documented depth:	6.8 feet.
Documented gross tons:	21 tons.
Documented net tons:	17 tons.

VESSEL SPECIFICATIONS

Type:	Fiberglass.
Length overall (L.O.A.):	40'2" (12.22 meters)
Load length water line (L.W.L.)	37'11" (11.55 meters)
Beam:	13'5" (4.10 meters)
Draft:	3'8" (1.12 meters)
Displacement:	27,337 pounds (12,399.85 kilograms).
Note:	The USCG documentation expired on May 31, 2014.

SURVEY STANDARDS

Standards followed:	<i>This survey was completed using as reference the federal regulations and amendments issued and enforced by the United States Coast Guard under the authority of Title 33 and Title 46 of the United States Code of Federal Regulations (CFR's). In addition the American Boat and Yacht Council (ABYC) and the National Fire Protection Association (NFPA-302) voluntary standards were used as reference during the survey. These ABYC and NFPA voluntary standard practices are generally followed by most vessel manufacturers today.</i>
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SURVEY INSPECTION COMMENTS

Comments:	<ul style="list-style-type: none">• All systems and components inspected and described herein are considered serviceable and/or functional except as indicated in the survey report and recommendations section. Electronic devices and instruments were checked for power up only, not for functionality. If a component is not identified in this report, it was not inspected.• "Priority I Recommendations" are related to Safety and Regulatory findings and are listed in RED in the report.• "Priority II Recommendations" are related to Maintenance and Standards findings and are listed in GREEN in the report.• "Other Recommendations" are findings that are relatively minor in nature and are listed in BLUE in the report.• It is the nature of marine vessels that deterioration, wear, and accidents do occur and as such this report therefore represents the condition of the vessel only at the time the survey was conducted.
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EXTERIOR HULL & BOTTOM INSPECTION
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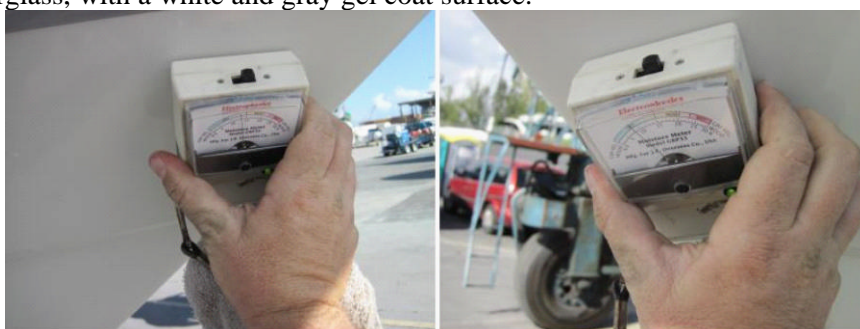
HULL EXTERIOR

Construction material:



Fiberglass, with a white and gray gel coat surface.

Stem:



Normal moisture readings on the stem

Solid, no cracks on external inspection. Moisture readings were relatively dry (less than 14%) *Note: Moisture readings of 14% or less are considered dry for fiberglass.*

Side thru hull fittings:

Stainless steel and marelon plastic mushroom and cowling type thru hull fittings were sighted on the vessel's topsides. All thru hull fittings appeared to be well secured to the vessel.

Rub rail:

The rub rail appeared to be made of a white PVC type material with a stainless steel cap rail and surrounded the vessel at the hull to deck joint. The rub rail was reinforced with a chemical bonding compound and stainless steel fasteners. No loose areas or damage was sighted on the rub rail.

Engine vents:

Engine room vents are molded in just below the aft deck area on the port and starboard hull topsides. Covered with stainless steel vent fittings. In good condition.

Transom:



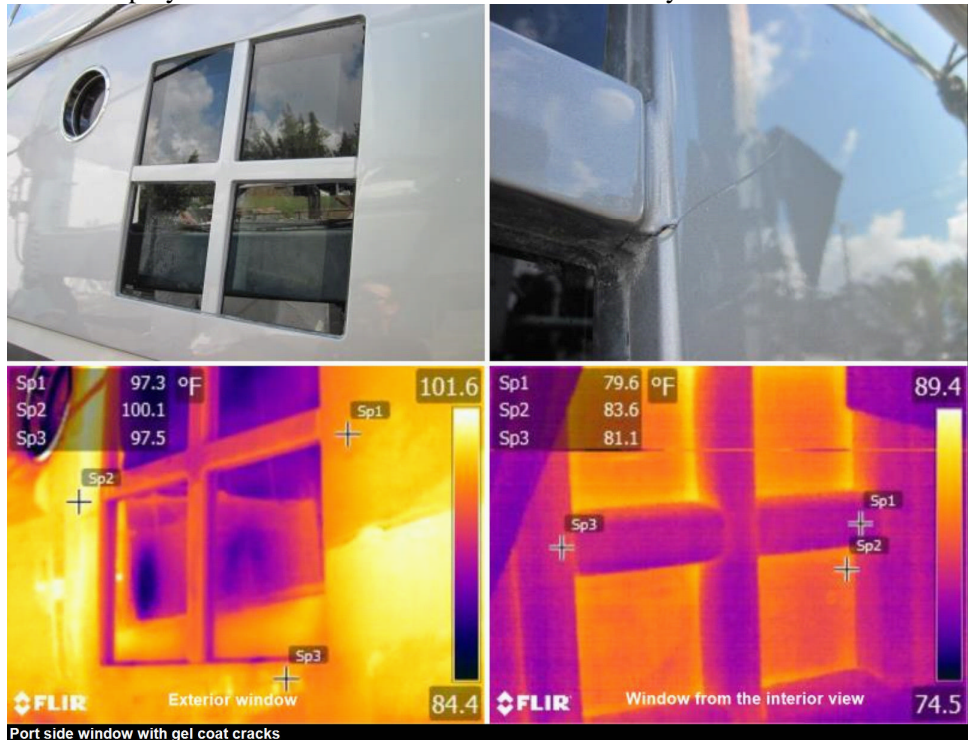
Working swim platform

Open transom with an attached 24 volt / hydraulic swim platform. Functional when tested.

Boarding ladder:

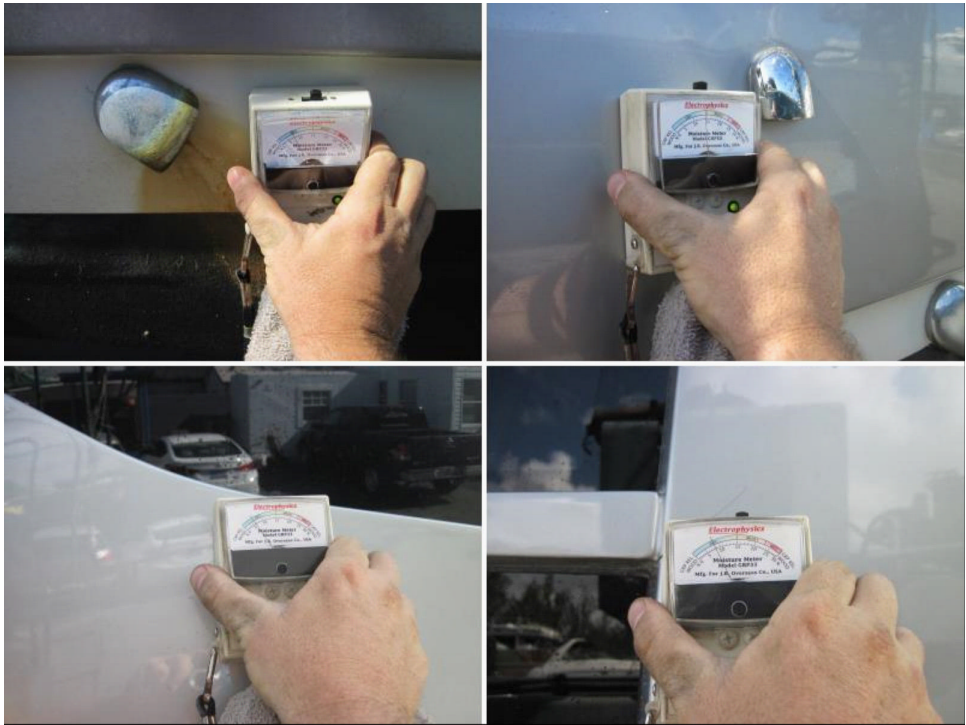
The boarding ladder was a stainless steel retractable ladder that recessed in to the port side outboard platform. The ladder was secure and functional when tested and could be deployed from the water line as recommended by ABYC H-41.

Hull cosmetics:



Hull cosmetics were in good condition with mostly minor nicks and scratches sighted. Some gel coat cracking was sighted around the port side large window. Thermal imaging confirmed the cracks were only in the gel coat only. No anomalies sighted that were consistent with trapped water or fiberglass laminate damage.

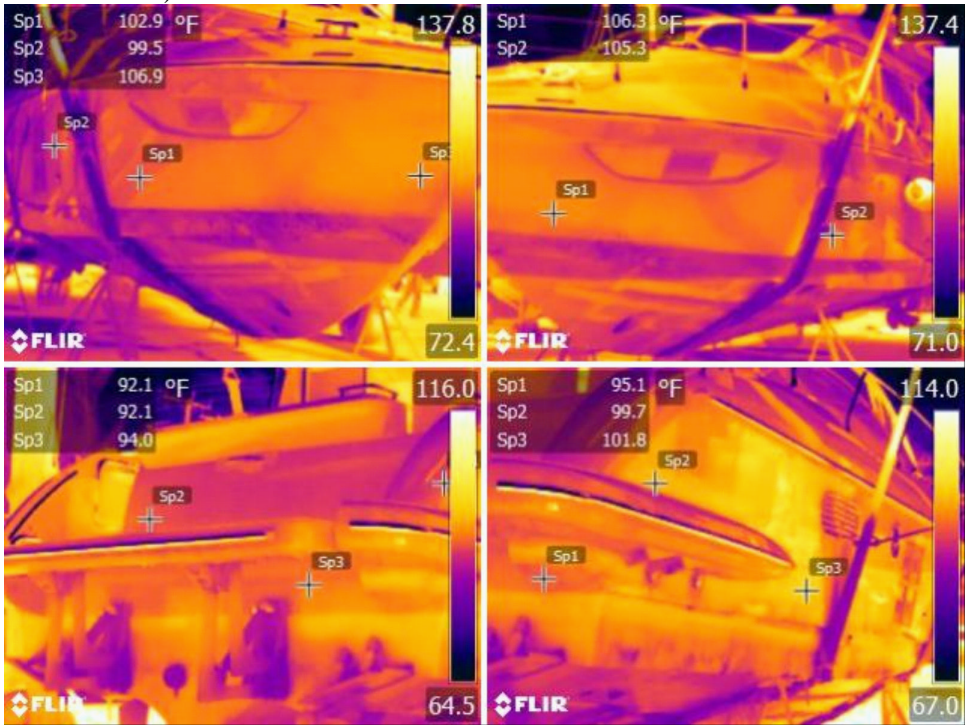
Moisture/Delamination:



Moisture meter readings on the topsides

All moisture meter readings on side hull near the water line and surrounding thru hull fittings were relatively dry with normal comparative moisture meter readings (less than 14%).

Thermal images:



Thermal images of the hull topsides

Thermal images of the hull exterior topsides showed no thermal anomalies that were consistent with delamination, hidden fiberglass damage or blistering.

Condition summary:

Average condition.

Findings:	Recommendations:
Some gel coat cracking was sighted around the port side large window. Thermal imaging confirmed the cracks were only in the gel coat only. No anomalies sighted	Have a qualified marine technician repair or renew the areas of gel coat cracks around the port window to prevent water from seeping in to the underlying

that were consistent with trapped water or fiberglass laminate damage (cosmetic only). Some areas of marine caulking was worn away around the drain scupper pockets on the port and starboard sides of the aft quarters of the vessel. fiberglass. If desired, have a qualified marine technician repair / replace the areas of worn caulking around the scupper pockets on the aft quarters of the hull.

HULL BOTTOM

Bottom paint:



Hull bottom and scratches in the bottom

Anti-fouling bottom paint was sighted on the hull bottom. The anti-fouling paint was in average condition and was scratched down to the bare gel coat in a few areas on the hull bottom.

Stress cracks:

No stress cracks were sighted in the hull when inspected.

Osmotic blistering:

The bottom of the hull was sounded with a phenolic hammer. No evidence of blisters or delamination were sighted on the hull bottom during the bottom inspection.

Blister comments:

Blisters (delamination) are an unknown factor on all boats and if not currently present, there is no guarantee that they will not appear in the future. Blisters have a tendency to dry out over winter or during dry storage unless severe or large. Blisters (if any) best appear after the vessel has been in water for an entire season or for a long period of time. In addition, the symptomatic evidence of blistering can be obscured by bottom coatings, a dry storage period during which blisters spontaneously depressurize, bottom laminate sanding, and other conditions or actions. Recommend full inspection for blisters immediately after haul-out and power wash each time the vessel is hauled out of the water. The Surveyor has no firsthand knowledge of the history of the bottom maintenance, blistering, repairs or prophylactic coatings on this vessel.

Grounding damage:

No signs of any significant grounding damage was sighted on the hull bottom.

Strainers/Scoops/Screens:



Broken intake fitting & depth sounder

All bronze raw water intake strainers were well secured to the hull bottom. Clear of debris and sea growth. A forward bronze sea strainer for the anchor raw water wash down pump was sighted to be missing one bronze finger in the thru hull fitting on the starboard forward hull bottom near the stem.

Transducers:

Transducer for depth was adequately sealed and bonded to the hull.

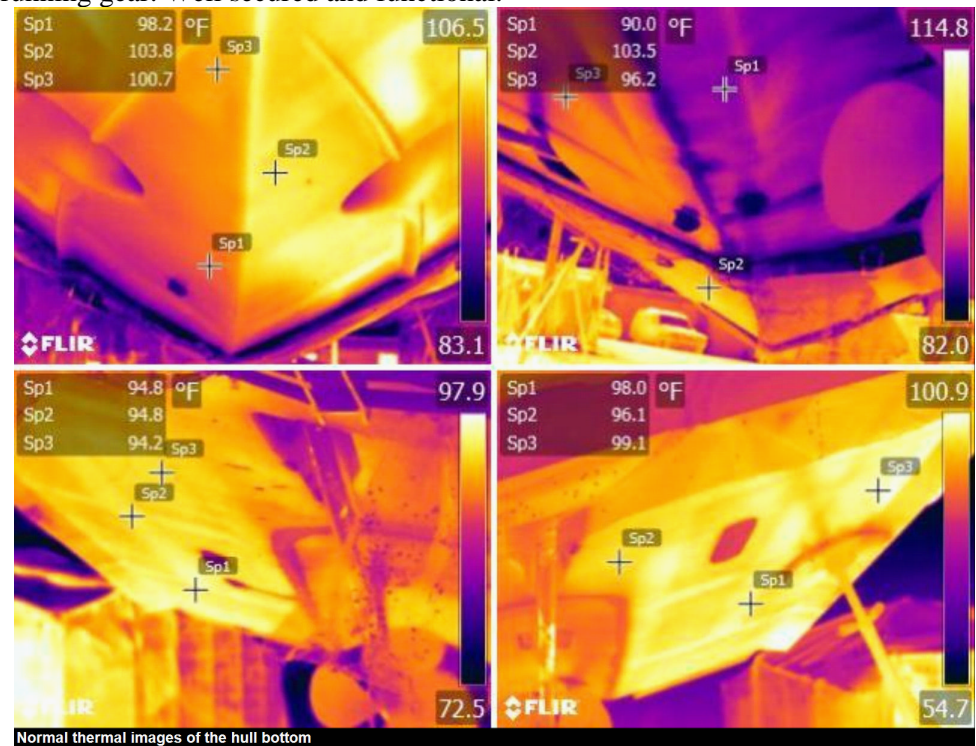
Thru hull fittings:

Mushroom type bronze fittings for all below water line sea cock locations. Well secured to the hull bottom. All fittings appeared clear of debris and sea growth.

Grounding plate(s):

The grounding plate was sighted on the port side of the hull bottom near the running gear. Well secured and functional.

Thermal images:



Normal thermal images of the hull bottom

All of the thermal images for the hull bottom were normal. No thermal anomalies were sighted that were consistent with hull damage, previous major fiberglass repair or delamination.

Condition summary:

Average condition.

Findings:

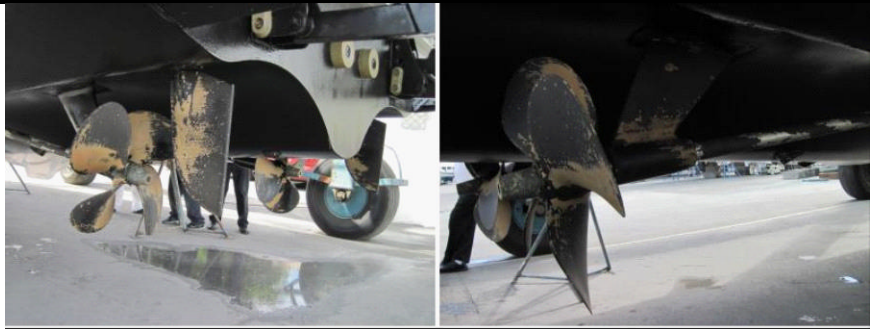
The anti-fouling paint was in average condition and was scratched down to the bare gel coat in a few areas on the hull bottom. A forward bronze sea strainer for the anchor raw water wash down pump was sighted to be missing one bronze finger in the thru hull fitting on the starboard forward hull bottom near the stem.

Recommendations:

Have a qualified marine technician repaint the vessel bottom with proper anti-fouling paint if the vessel is going to be in the water for a long period of time. Have a qualified marine technician further inspect the anchor wash down raw water intake strainer. Repair or replace to prevent sea growth and debris from clogging the thru hull.

PROPELLER(S)/SHAFT(S) / STRUT(S)

Prop(s) description:



Running gear

The propellers on this vessel were two three bladed bronze propellers. The propellers measured 24.5 inches in diameter and were well balanced and secure to the shafts when tested.

Shaft size / material:

The two shafts on this vessel were in good condition and were made of stainless steel. Both shafts measured two inches in diameter and were well secured to the shaft couplings sighted in the engine compartment.

Cutless (shaft) bearing(s):

Good condition. No excess play was found in the cutless bearings.

Strut(s):

Single bronze P-Strut on the shafts. The struts measured nine inches in length by 15 inches in height. The struts appeared to be in-line and secure. Backing plates sighted for the struts from the inside of the engine compartment.

Condition summary:

Good condition.

RUDDER(S)

Rudder type:

The rudders were spade type bronze twin rudders. The rudders measured 11 inches in length by 18 inches in height. Both rudders were in good condition and well secured to the hull. No excess play was found in the rudders. Both rudders were evenly set.

Condition summary:

Good condition.

TRIM TABS, STABILIZERS, AND THRUSTER SYSTEMS

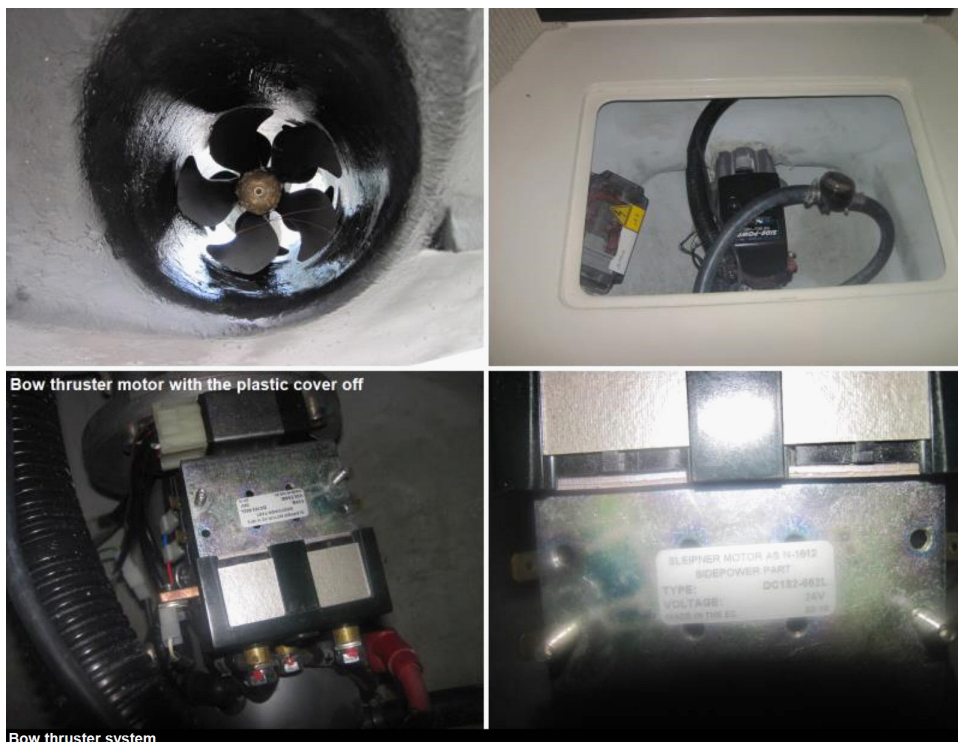
Trim tabs:



Trim tabs

The trim tabs on this vessel were sighted on the port and starboard sides of the transom below the waterline. The trim tabs were "Bennett" brand double ram, stainless steel 24 volt / hydraulic trim tabs. Both trim tabs were secure and worked properly when tested.

Bow thruster(s):



The forward bow thruster was a 24 volt "Side Power" brand "SE80/185T" twin five bladed propeller aluminum drive fitting and was securely mounted from the inside of the thruster tube which is well fared into the hull and securely fastened. No cracks sighted where thruster tube is fitted into the hull. The bow thruster powered up and was functional in both directions when tested. The bow thruster had a proper lubrication reservoir, and its own fused battery switch / breaker access. Good condition.

Condition summary:

ANODES

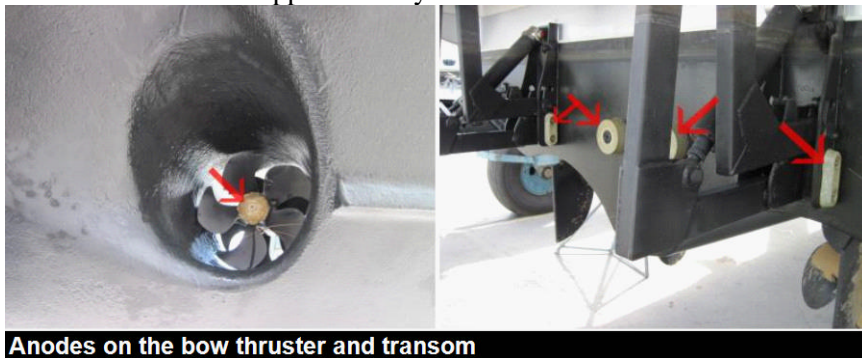
Propeller hubs:

One propeller hub mounted anode was sighted on each of the ends of the propellers. The anodes were worn approximately 5% and were well secured when tested.

Trim tabs:

Anodes were sighted on the trim tabs near the ram arms. Both anodes on the trim tabs were secure and were approximately 10% worn.

Thruster:



Anodes on the bow thruster and transom

The bow thruster on the starboard side had an anode on the propeller hub. The anode on the bow thruster was secure and in good condition. Less than 10% worn. Anodes were sighted on the swim platform bracket below the water line. Well secured and less than 5% worn.

Swim platform bracket:

Hull mounted:

Two hull mounted anodes were sighted on the transom between the propeller pockets below the water line. The anodes were well secured and less than 5% worn.

Bonding:



Bonding wires inside the lazarette

Bonding wires for all of the under water running gear was sighted on this vessel. Bonding wires were proper 8 AWG green and yellow striped insulated stranded copper wire as recommended by ABYC.

Other notes:

Monitor all anodes frequently and replace when they are more than 50% worn. Anodes are normal replacement items designed to protect the running gear from galvanic corrosion. It is recommended to keep spares aboard the vessel.

INTERIOR HULL & STRUCTURAL INSPECTION

HULL INTERIOR & STRUCTURAL COMPONENTS

Hull to deck joint:



Hull to deck joint

Overlap (Shoe box type). Elastomeric bonding compound was sighted in the hull to deck joint and reinforced with stainless steel fasteners. No leaks were sighted in any part of the hull to deck joint area.

Bilge(s):

Bilge spaces were relatively clean and dry. Minimal water was sighted in the bilge spaces. *NOTE: Whenever you arrive at the vessel, it is a good practice to check the bilge spaces for higher than normal levels of water. Also check for anything else that could be causing obstructions in the limber holes at the bulkheads, frames or at the bilge pumps themselves.*

Stringers:



Engine room stringers & transverse frames

Hull stiffness provided by FRP (fiber reinforced plastic) cored longitudinal stringers that ran the length of the vessel. Complete inspection was not possible due to limited access. Stringers and transverse frames were sighted in the engine compartment and under the cabin sole and were well glassed in to the hull where

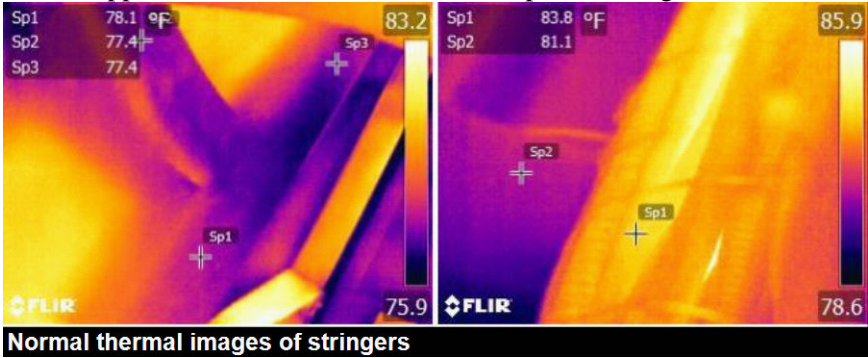
sighted. Stringers were sounded with a phenolic hammer where accessible and appeared very sound. No soft spots, separations, cracks or splitting was sighted. Limber holes appeared to be adequately sealed where sighted. Stringers were checked with a moisture meter where accessible and all readings were relatively dry (less than 14%). Thermal images were taken along the stringers where they could be accessed. No thermal anomalies were sighted.

Bulkheads: Athwartships reinforcement was enhanced by structural bulkheads bonded to the hull with FRP (fiber reinforced plastic). All tabbing appeared serviceable and sound with no cracks or separations of the tabbing sighted in any of the compartments where they could be seen. No visual evidence of movement was sighted in any of the bulkheads.

Stem: Solid stem, no cracks or separations were sighted from inside the vessel.

Inside of transom: Reinforced. Appeared secure with no cracks or separations sighted.

Other notes:



Thermal images of the stingers and transverse frames were normal. No anomalies were discovered that were consistent with damage or delamination.

Condition summary: Good condition.

Findings:	Recommendations:
Some of the grip tape on the tops of the stringers and transverse frames were peeling off in the engine compartment when inspected.	If desired, have a qualified marine technician repair or replace the peeling grip tape in the engine compartment.

ALL THRU HULL FITTINGS

Sea valves:



The raw water intake / discharge seacocks below the water line on this vessel were bronze ball valve type seacocks. All seacocks tested on board were properly secured to the hull. No leaks were sighted at any of the seacock locations. All of the seacocks were functional when tested. All seacocks sighted were properly bonded with proper bonding wire except for the anchor wash seacock which was sighted to not be bonded when inspected.

Sea strainers:

Internal sea strainers were made of bronze and were attached to the tops of the seacocks for raw water intake. The sea strainers were properly bonded with the seacocks.

Condition summary: Good condition.

Findings:	Recommendations:
The anchor wash raw water seacock was sighted to not be bonded when inspected.	Have a qualified marine technician install a proper bonding wire on the anchor wash down intake seacock as recommended by ABYC E-2.

TOP DECK & SUPERSTRUCTURE

MAIN DECK & FITTINGS

Deck Surface:



Deck spaces on board

Molded, cored fiberglass deck construction (core not sampled). White gel coat with a molded in non skid fiberglass surface. In good condition.

Moisture/Delamination:



Moisture readings on the decks

Moisture meter readings were relatively dry (less than 14%). No delamination or soft spots were discovered.

Hardtop:

The vessel had a working 24 volt fiberglass hard top with fixed tempered glass windows that opened up most of the overhead in the main salon area. The hardtop was functional when tested. A small crack was sighted in the port forward lip of the hard top (approximately three inches in length).

Toe rail(s):

Molded in fiberglass, no cracks or separations were sighted.

Anchor platform:

Integrally molded FRP platform with an attached anchor roller assembly. Well secured with no cracks sighted.

Anchor/chain locker:

Yes, accessed from the top deck with a functional hatch lock.

Deck pipe:

Yes, through the windlass. Appeared unobstructed when tested.

Windlass:



Anchor locker and windlass

The windlass was a 24 volt "Quick" brand windlass. The windlass was made from stainless steel and was well secured to the deck when tested. The windlass was functional in both directions when powered up and tested. Worked at the wired in remote and at the helm station when tested.

Bow pulpit/rail:

The bow pulpit rail was made out of stainless steel and measured 25 inches in height by 1.5 inches in diameter. Well secured to the deck when tested.

Stanchions/side rail(s):

The stanchions were made of stainless steel and measured 24 inches in height by one inch in diameter and were welded into the bow rail. Well secured to the deck when tested.

Boarding gate:

A port side aft boarding gate was sighted in the aft deck area. The boarding gate was hinged with stainless steel fittings and was made of an FRP type plastic. The boarding gate could be secured with a stainless steel latch. Functional when tested.

Cleats & fairleads:

Stainless steel horn cleats were all well secured to the deck and functional with proper backing hardware where they could be seen.

Cabin (house) to deck joint:

Molded in. No stress cracks were sighted.

Sun pads:

The forward deck sun pads were secure in tracks and snaps and were in good condition. Made of padded tan colored vinyl with a protective canvas cover.

Deck hatches:

Yes, deck hatches were made of FRP and were well secured, seals were in good condition.

Escape hatch(es):

One forward overhead hatch was sighted over the forward "V" berth sleeping area. The hatch was made of Lexan glass in an aluminum frame. Seals appeared to be in good condition and support arms were in place.

Ventilation:

Proper ventilation was sighted in the accommodation spaces.

Cabin house window(s):

Port and starboard Lexan glass windows were sighted in the hull topsides. Tempered glass superstructure windows were in good condition. The starboard side large guest stateroom window was in good condition. All of the windows appeared functional and in good condition. No leaks sighted.

Windshield:

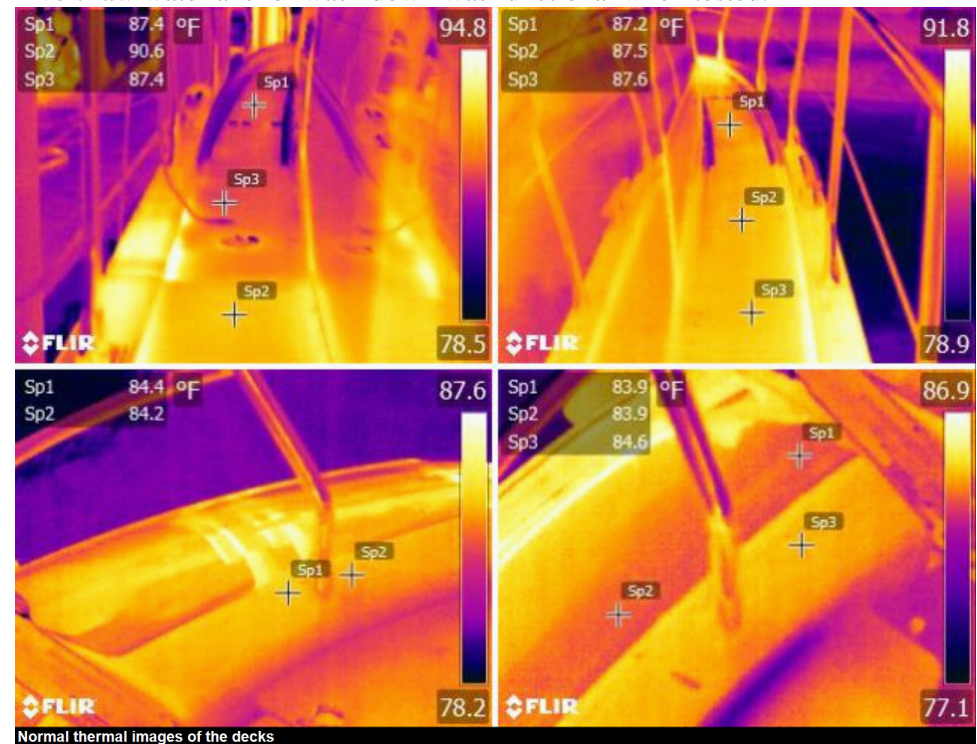


Crack and moisture under windshield

Large two piece tempered glass windshield with FRP frame. Well secured and in good condition. Tempered glass was in good condition. A small crack was sighted in the fiberglass under the port side windshield. Thermal imaging revealed water

Scuppers/deck drain(s):
Grab rail(s):
Other deck fittings:
Thermal images:

trapped below the fiberglass in the crack. Moisture readings were high in the area just below the window (between 15% - 30%).
Yes. Drains were clear, hoses secure and drained overboard.
Grab rails were sighted at the at deck area and around the transom. Made of stainless steel. All grab rails were secured when tested.
24 volt raw water anchor wash down was functional when tested.



Thermal images were taken of the decks. No anomalies were sighted on the decks that were consistent with delamination or core damage.

Condition summary: Good condition.

Findings:	Recommendations:
A small crack was sighted in the fiberglass under the port side windshield. Thermal imaging revealed water trapped below the fiberglass in the crack. Moisture readings were high in the area just below the window (between 15% - 30%). A small crack was sighted in the port forward lip of the hard top (approximately three inches in length).	Have a qualified marine technician further inspect the crack and area of elevated moisture under the port side windshield. Repair, replace or renew as necessary. If desired, have a qualified marine technician further inspect the crack in the port forward lip of the heard top. Repair or renew as necessary.

BRIDGE DECK / COCKPIT

Cockpit & Helm seating



Helm seating was a two person padded vinyl bench seat that were fixed to an wood

and metal base that was fastened into the deck. The seating area at the helm had an adequate field of view as recommended by ABYC. The helm station was on the raised platform on the starboard forward side of the main salon.

Condition summary:

Good condition.

HELM & NAVIGATION ELECTRONICS

NAVIGATION ELECTRONICS

Helm station:

Electronics mounted on the cockpit bulkhead.

Compass:



Compass and VHF radio

The magnetic compass at the helm station was a "Ritchie" brand "Powerdamp" series compass. The compass appeared to be working properly with very little deviation.

VHF radio(s):

The VHF radio on this vessel was a 24 volt "Raymarine" brand "Ray240E" model radio. The unit powered up when tested and could properly receive and transmit messages.

Autopilot(s):



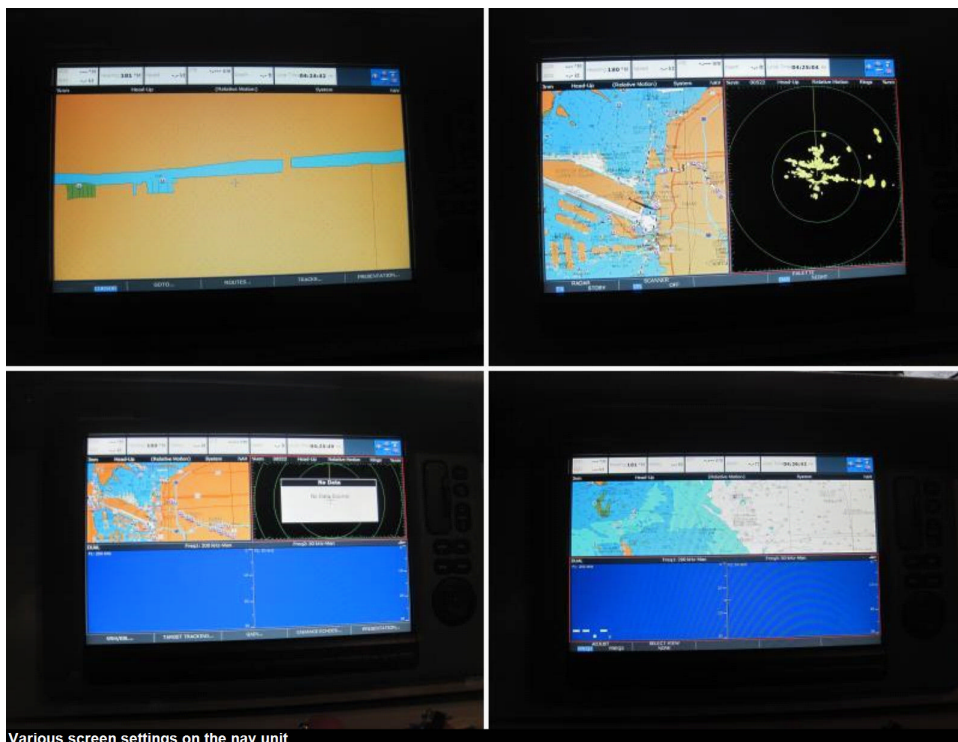
Raymarine autopilot and chain counter

A 24 volt "Raymarine" brand "ST6002" model autopilot system was sighted on this vessel at the helm station. The unit powered up and appeared to be working properly during the sea trial. The digital rudder indicator display was also functional on this unit.

Chain counter:

A 24 volt "Quick" brand digital chain counter was sighted on this vessel at the helm station. The unit powered up and appeared to be working properly.

Multi-function instrument(s):



Various screen settings on the nav unit

A 24 volt "Raymarine" brand "C140W" model radar/depth/fishfinder/GPS/navigation unit was sighted on the helm station of this vessel. The unit powered up when tested.

ENGINE INSTRUMENTS AND CONTROLS

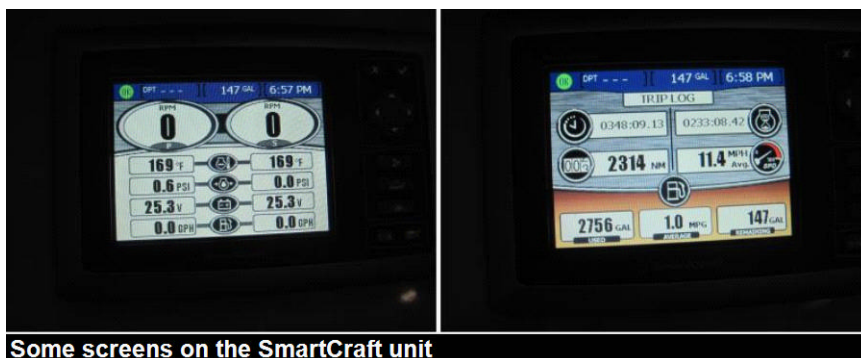
Throttle and shift controls: The throttle and shift controls were "Cummins Marine" brand Morse like throttle and shift controls (sighted at the helm station). The unit was functional when tested during the sea trial. Engine synchronizer and neutral indicator settings were functional when tested during the sea trial.

Engine room blowers: Engine room blowers powered up and were fully functional.

Engine alarm shutdown: Engine alarms worked properly when tested.

Panel lights: Panel lights at the helm station were functional when tested.

RPM:



Some screens on the SmartCraft unit

A single digital "Smartcraft" brand "Vesselview" series multi-function digital engine management system was sighted at the helm station. The multi-function instrument had speed, tachometer, engine hours, oil pressure, water temperature, battery power, fuel level, and fuel management functions. All of these functions appeared to be operational during the sea trial.

Condition summary: Good condition.

OTHER ELECTRONICS AND CONTROLS

12 volt outlet: Yes, 12 volt outlets were functional on board when tested.
Antenna(s):



Radar arch with antennas

One VHF fiberglass whip antenna, one covered rotating "Raymarine" brand radar antenna, one small GPS antenna, and two "KVH" brand "Tracvision" series satellite receivers were sighted on the raised fiberglass radar arch on the aft end of the superstructure. All antennas were secure to their bases and appeared to be functional when tested with their equipment.

Bilge pump switches: Forward and aft bilge switches were sighted at the helm station. The switches were properly fused protected as recommended by ABYC.
Emergency Shutdown: Yes, sighted on the remote panels in the engine room for the engines.
Emergency Start: Yes, battery parallel switch was sighted at the helm station.
High water alarm: Yes, functional when tested.
Spotlight controls: A 24 volt spotlight was sighted on the radar arch of the vessel. The unit powered up when tested and could turn by a remote control at the helm station however the searchlight bulb was not working and did not light up. Joystick control was sighted at the helm station.

Thrusters: Bow thruster and propellers could be combined with an onboard "Xenta" brand joystick control sighted at the helm station. The unit powered up and was fully functional when tested during the sea trial.

Windshield wiper(s):



Unattached washer fluid hoses to wipers

Blades appear to be in good condition and were fully functional when tested however the washer tubes were not connected to the blade arms to wash the windshield when inspected.

Condition summary: Good condition.

Findings:	Recommendations:
The search light on the radar arch was not functional when tested (bulb appeared burned out). The washer tubes were not connected to the wiper blade arms to wash the windshield when inspected.	Consider having a qualified marine technician replace or repair the 24 volt search light to make it fully functional if desired. Consider having a qualified marine technician replace or repair the 24 volt windshield wiper washing system on each wiper arm to make it properly functional if desired.

CABIN INTERIOR APPOINTMENTS

MAIN SALON

Style:



Main salon / helm station area & overhead

Sole:

Contemporary styled.

Headliner:

Tan marine carpeting over a fiberglass and wooden sole. In good condition.

Bulkheads:

Off-white and tan padded vinyl. In good condition.

Engine access:

Well tabbed into hull. No cracks or separations sighted and no evidence of movement in any bulkhead.

Water intrusion signs:

On the aft deck via an engine access hatch.

Seat cushions:

None sighted.

Salon furnishings:

Tan colored padded vinyl seating. In good condition.

Light fixtures:

One table sighted in the main salon. Not mounted to the deck. Fasteners were missing at the time of the survey.

Storage:

24 volt recessed overhead lighting. All overhead lights were functional when tested. 24 volt reading lights were also sighted in the staterooms mounted on the bulkheads near the overhead. All reading lights were functional when tested.

Other notes:

Storage under seats, wooden cabinet spaces throughout the accommodation spaces, and in locker spaces under the decks.

The starboard side main salon seating converted into a two person berthing area via a pull out and hinged wooden extension with extra seating pads. In good condition and functional.

Findings:



Unfastened table in main salon

One table sighted in the main salon was not mounted to the deck. Fasteners were missing at the time of the survey.

Recommendations:

If desired, have a qualified marine technician install fasteners to prevent the movement of the table while the vessel is underway.

ENTERTAINMENT ELECTRONICS

Stereo(s):



Stereo and speaker

A 12 volt "Sony" brand AM/FM/CD/DVD stereo system with satellite radio and auxiliary functions was sighted in the bulkhead just aft of the helm station. The unit was wired into two "Sony" brand 6.5 inch speakers that were sighted in the forward and aft areas of the main salon. The stereo and all speakers powered up when tested.

Television:



Flat screen televisions on board

There were three 120 volt flat screen television units sighted on board this vessel (one in the port side of the main salon, one in the master stateroom, and one in the guest stateroom). The main salon unit was a 24 inch "Samsung" brand "UN24H4500F" model unit. The two stateroom units were 22 inch "Samsung" brand "UN00D5000" model units. All televisions were well mounted and powered up when tested. A dial type "Glomex" antenna tuner was sighted in a cabinet space in the main salon for television reception.

GALLEY

Location:



Galley and galley cabinet spaces

On the port side forward of the main salon in the accommodation spaces.

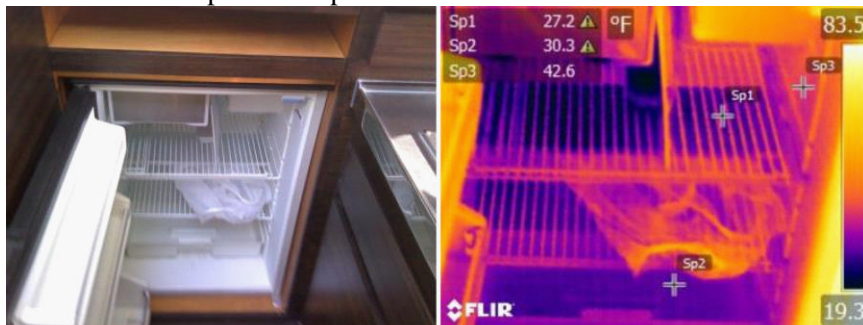
Stove:



Working stove, microwave, & refrigerator

The stove was a two burner 230 volt glass top stove sighted recessed into the galley counter. Both burners powered up when tested.

Refrigeration:



Digital and thermal images of refrigerator

The refrigerator was a 24 volt "Isotherm" brand "1130BB1BA0000C" model refrigerator / freezer unit (serial number 10001274). The unit powered up and appeared completely functional when tested.

Water system:

Pressurized potable (fresh) hot and cold water was available on board this vessel. Pressurized water was made available via a 24 volt automatic water pump. Pressurized water was functional on this vessel when tested.

Sink(s):

Single stainless steel sink with working faucet was sighted in the galley area. In good condition and drained overboard.

Microwave:

The microwave oven was a 120 volt "Sharp" brand oven. The unit powered up when tested.

Note:

Stainless steel counter spaces and splash guards were sighted in the galley area. In good condition.

BERTHS / STATEROOMS

Berths:

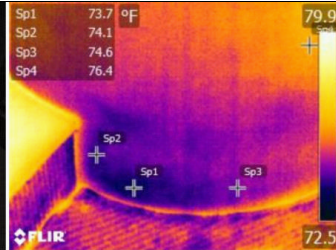
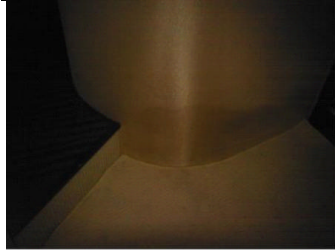


Master and guest staterooms

There were two berthing compartments on board this vessel. One in the forward "V" berth (forward of the main salon and galley) which appeared to be the master stateroom, and another in the starboard side of the companionway forward of the main salon and helm station area (which appeared to be the guest stateroom). Both of these compartments had wooden doors that could be closed and latched for privacy. The forward "V" berth had one large sleeping berth that could easily fit

two persons. The aft berthing compartment had two separate one person sleeping berths side by side that could sleep two persons in this compartment. Both sleeping berths had wooden laminate bulkheads, tan marine grade carpeting over wooden decks, private 12 volt lighting, hanging lockers, and air conditioning ducts for individual cooling.

Findings:



Water stained bulkhead with anomalies

A vertical wooden trim piece in the guest stateroom fell off during the sea trial. Some water stains were sighted in the passageway near the deck and had anomalies behind the wall paper consistent with residual moisture / mold.

Recommendations:

If desired have a qualified marine technician repair and re-secure the trim piece in the guest stateroom. Have a qualified marine technician remove the wallpaper in the passageway to inspect for water damage or mold. Remove any moisture or mold and renew or repair as necessary.

HEAD(S)

Number/Location:



Master and guest heads

A total of two heads were sighted in the accommodations spaces on board this vessel. One head was sighted on the port side in the passageway for the master stateroom head. The other head was sighted in the starboard side of the companionway for the guest stateroom.

Toilet(s):



Tecma electric flush and working shower

The toilets were fresh water supplied toilets. The toilets were 24 volt "Tecma" brand electric flushable toilets. The toilets were both functional when tested.

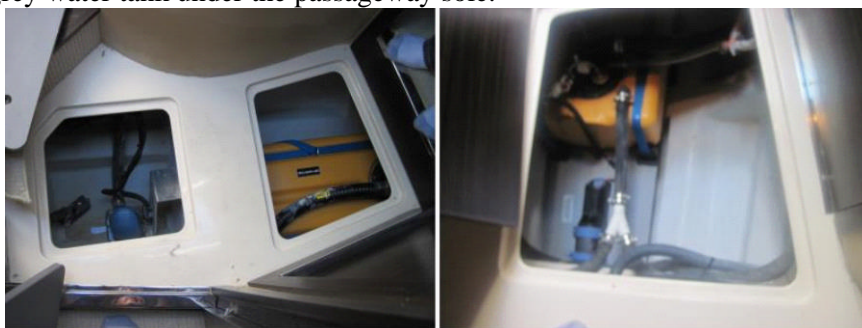
Sink:

The sinks were rounded bowl type composite black sinks with working chrome faucets. The sinks drained overboard. The faucets and sinks were functional when tested.

Shower(s):

The two showers had their own Lexan glass sliding enclosure. Water drained into the grey water tank under the passageway sole.

Shower pump:

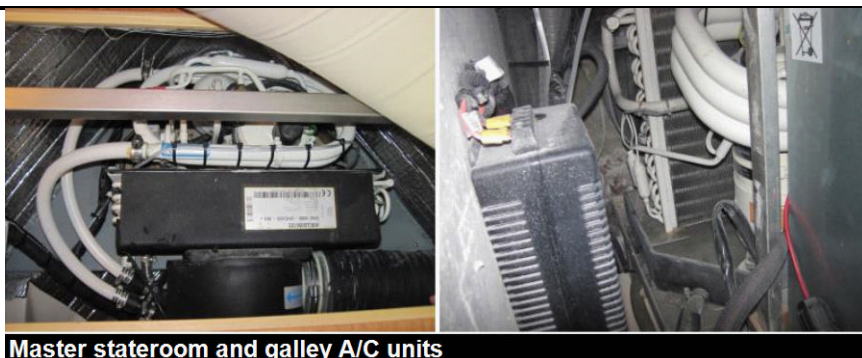


Grey water tank and pump

The shower water drained into a grey water tank sighted under the passageway sole between the two heads. The tank was made of plastic and was fully enclosed. The grey water tank was emptied by a 24 volt "Whale" brand pump. The pump powered up when tested. The grey water tank had high water sensor lights sighted in each head. The grey water tank system drained both showers in each head and collected A/C condensate water from the air conditioning units in the galley and under the master stateroom berth.

AIR CONDITIONING

Manufacturer & Type:



Master stateroom and galley A/C units

A total of two 230 volt reverse cycle air conditioner units were sighted on board this vessel (one under the master berthing in a locker space and one under the galley cabinet aft of the refrigerator). The following are the make, model, and BTU output of each unit sighted:

1. Master stateroom air conditioning unit: "Webasto" brand "WBCL005012E"

model unit (serial number 110CP00109) BTU rating, 12,000.

2. Main salon / galley air conditioning unit: "Webasto" brand unit (model, serial number, and BTU rating plate was not accessible on this unit).

Each unit had a designated digital "Webasto" digital control unit. Both units were functional when powered up. Single raw water intake was sighted in the aft lazarette for these units. Raw water was supplied by a 220 volt A/C raw water cooling / pressure pump sighted under the generator. The pump powered up when tested. Both A/C units powered up when tested. Both compressors were running slightly hotter than normal when the units were tested (between 168 - 187 degrees fahrenheit on the surface temperature). No leaks or damage were sighted in any of the units or raw water cooling system where they could be sighted.

Filter(s) Condition:

Filters appeared clean. Surveyor recommends that A/C filters be checked and cleaned frequently to allow the A/C units to operate at maximum efficiency.

Drip trays:

Yes, one for each condensing unit. Functional with drains.

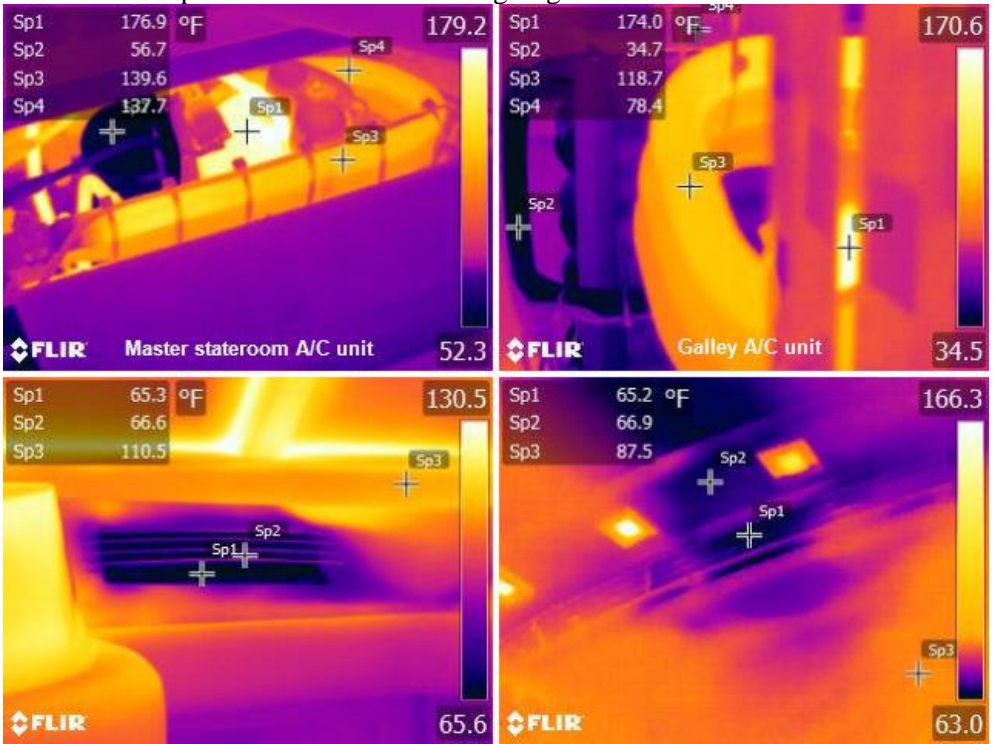
Condensate drain:

Drains into the grey water tank.

Hoses & connections:

Hoses are clamped and secure on all fittings sighted.

Other notes:



Thermal images of the A/C units, compressor pumps, handler motors, evaporating coils, and hoses on all of the units were normal however the compressor pumps were running slightly hotter than normal. A/C air output was normal on all of the units compared to the surrounding ambient air temperatures when tested.

Findings:

The air conditioning compressor pump surfaces on both A/C units were running warmer than normal.

Recommendations:

Have a qualified marine technician further inspect these air conditioning units to determine the exact cause for the compressors to be running warmer than normal. Repair, replace or renew as necessary. *Note: Typically warmer air and warmer compressor temperatures are an indication that the units are low on Freon. A/C vent output is typically between 45 - 55 degrees fahrenheit*

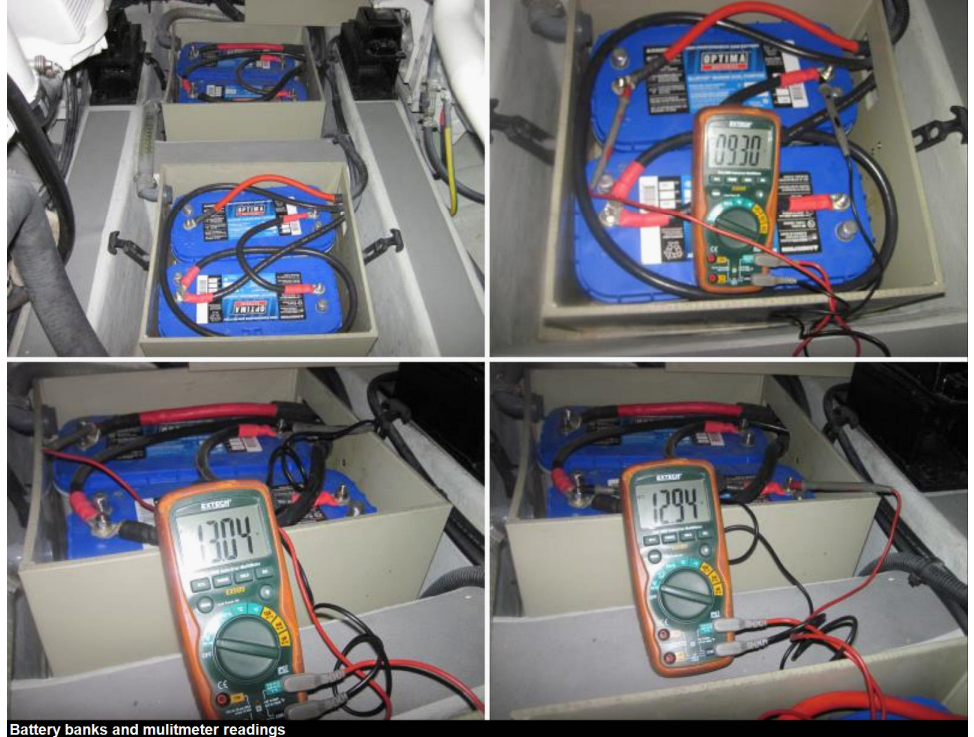
(at room ambient air temperature) when the units are fully charged with Freon and operating correctly.

ELECTRICAL SYSTEMS

D.C. ELECTRICAL SYSTEMS

D.C. Voltage system: 12 / 24 volt system.

Primary batteries:



Battery banks and multimeter readings

The primary batteries on board this vessel were six 12 volt "Optima" brand, AGM (absorbed glass mat) "Blue Top" series batteries (model number SC31DM). The batteries were deep cycle marine batteries and were rated at 900 CCA (cold cranking amps). The batteries were charged between 9.80 - 12.85 volts when tested with a multimeter. The batteries were wired in series circuit by two then wired in a parallel circuit from each battery bank. The three series wired battery banks were designated for port engine start, starboard engine start, and house batteries. The batteries were secure to the vessel and in plastic covered battery boxes sighted in the engine room. The batteries were wired with proper gauged battery cable. The generator had its own separate starting battery sighted in a battery box aft of the generator in the lazarette. The middle battery bank between the two engines was low in voltage when tested (both batteries in series 9.80 - 11.00 volts). The battery charger and engine alternators did not charge these batteries when tested.

Battery selector switch:



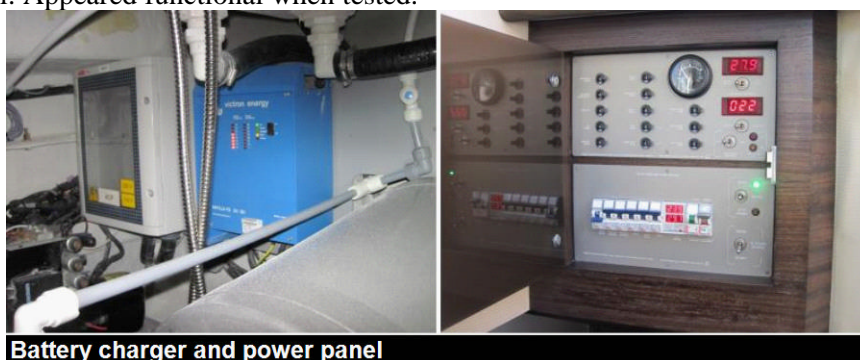
Battery switches in aft deck locker

Push button battery switches were sighted above the battery banks in an aft deck locker. Both switches were functional when tested.

Battery monitor:

Yes, switched digital gauge to test the batteries sighted at the power distribution panel. Appeared functional when tested.

Charging system:



Battery charger and power panel

The vessel's batteries could be charged via the onboard 220 volt "Victron Energy" brand "SKYLLA-TG" series 50 amp marine battery charger or via the vessel's engine alternators. The 220 volt battery charger powered up when tested and charged the batteries. The vessel's alternators charged all of the batteries during the sea trial (except for the middle starting battery bank already mentioned).

Distribution panel:

The power distribution panel was sighted in the passageway bulkhead near the galley. The panel was functional when tested. Other 24 volt and 220 volt breaker panels were sighted in the engine compartment and near the galley A/C unit under the galley sole. Those breaker panels appeared functional when tested.

Breaker(s)/fuse(s):

All DC circuits were adequately protected by branch breakers.

Connectors:

Proper ring, spade, snap (bullet type) or blade type crimp on connectors sighted for wiring connections as recommended by ABYC E-11.

Terminal strip(s)/block(s):

Yes, well secured where they could be sighted.

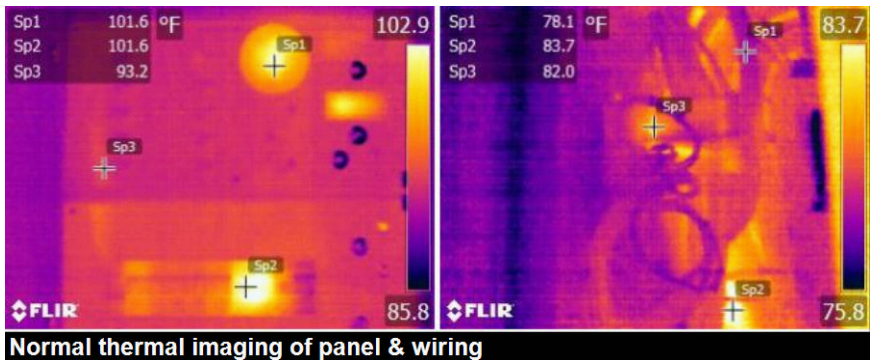
D.C. wiring:

All wiring runs were properly secured every 18 inches per ABYC E-11 recommendations.

DC Electrical ground:

The DC electrical system was properly tied in to the vessel's electrical ground system using the engines as the common ground.

Other notes:



No thermal anomalies were sighted when checking the DC and AC wiring that were consistent with overheating wiring, short circuits or arcing in the wiring where it could be sighted. All branch breakers remained on during the survey without tripping off or failing to remain powered. *Note: For 12 volt systems, a fully charged battery reads 12.7 volts, 75% charged battery reads 12.4 volts, 50% charged battery reads 12.2 volts, 25% charged battery reads 12.0 volts, and a discharged battery reads 11.9 volts or less. Check battery condition and charge frequently. Note: For 24 volt systems, a fully charged battery reads 25.4 volts, 75% charged battery reads 24.8 volts, 50% charged battery reads 24.4 volts, 25% charged battery reads 24.0 volts, and a discharged battery reads 22 volts or less. Check battery condition and charge frequently.*

Condition summary: Average condition.

Findings:	Recommendations:
The middle battery bank between the two engines was low in voltage when tested (both batteries in series 9.80 - 11.00 volts). The battery charger and engine alternators did not charge these batteries when tested.	Have a qualified marine technician further inspect the middle batteries to determine their existing life and cause for them to not be charging. Repair, replace or renew as necessary.

A.C. ELECTRICAL SYSTEMS

A.C. Voltage system:	50 amp, 220 / 110 volt system.
Shore power cord(s):	The shore power source had proper polarity and voltage when tested. The shore power cord was a "Marinco" brand shore power cord. The shore power cord appeared serviceable with no burnt or corroded fittings. The shore power cord had no cracks upon inspection. Locking collars were in place.

Wiring Problem:



Proper polarity and voltage on outlets

No reverse polarity AC systems were sighted on board this vessel when testing the 110 volt electrical outlets.

Distribution panel(s):

Yes, combined with the DC power panel.

Branch breakers:

All AC circuits were adequately protected by branch breakers.

Reverse polarity indicator:

Functional and outlets tested OK for proper polarity. No other open ground or bootleg ground circuits sighted.

GFCI protection:

GFCI equipped 110 volt outlets were installed in all wet locations. GFCI outlets were functional when tested.

A.C. meter(s):

Digital type, sighted at the power distribution panel. Functional when tested.

Wire type:

Proper stranded copper marine type boat cable. The size and rating where it could be sighted appeared correct and serviceable for its intended use.

Wiring secured:

Yes, all wiring was secured every 18 inches per ABYC and NFPA recommendations.

Wire terminations:

AC wiring was properly terminated. No wire nuts or loose connections were sighted.

Anti-chafe protection:

Anti-chafe protection was sighted at all compartment pass thru locations on this vessel. The anti-chafe protection for the wires were self draining plastic and metal wire looms.

A.C. Electrical ground:

The AC electrical system was properly tied into the vessel's electrical ground system using the engines as the common ground.

Galvanic Isolator:

Yes, sighted on board.

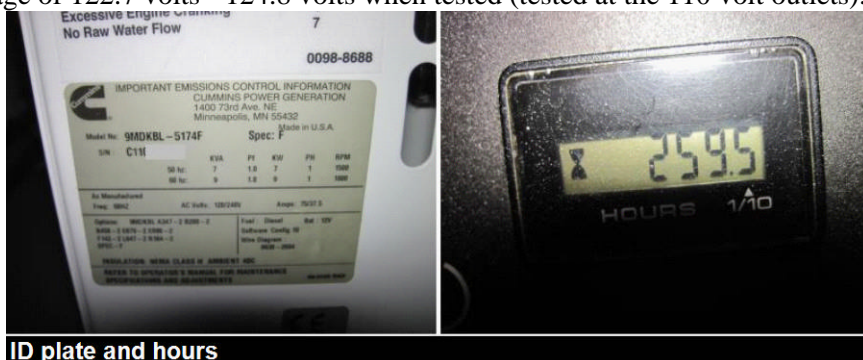
GENERATOR

Location/Manufacturer:



A "Cummins" brand "9MDKBL-5174F" model, three cylinder, four stroke diesel engine generator was sighted in the transom. The generator had a continuous output rating of 9.0 kilowatts. The generator ran properly when tested and was properly secured in place. The generator did not surge when running and had a continuous voltage of 122.7 volts - 124.8 volts when tested (tested at the 110 volt outlets).

Serial number:



C110100027.

259.5 hours.

Hour meter:

Type of installation:

In enclosed painted metal box with removable panels.

Hoses and clamps:

Properly double clamped.

Belts and pulleys:

Belts condition were serviceable. No cracks or splits sighted. Pulleys / belts appeared to be in line.

Cooling system(s):

Fresh and raw water cooled.

Oil level and condition:

Clean and full as sighted on the dipstick. No water or foreign substances were sighted in the generator oil.

Fuel supply and return hoses:

USCG A1 flex hoses. All appeared to be in good condition where they could be sighted.

Fuel filter(s):

Yes, Remote mounted single Racor filter. In good condition.

Engine mounts and beds:

Engine mounts appeared to be well secured to the support mountings.

Engine ground cable:

Generator was properly grounded with a proper size conductor cable.

Exhaust piping:

Starboard quarter of the vessel. Piping in good condition.

Muffler(s):

Water lift double clamped at both ends.

Ventilation:

Blower and natural ventilation was sighted. The blower was functional when tested.

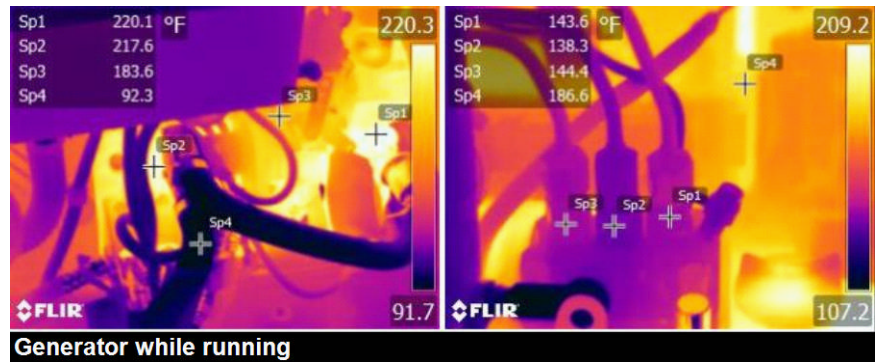
Warning labels:

Proper warning labels were sighted on the generator.

Accessibility:

Good.

Thermal images:



Thermal images taken of the generator were normal while it was running. No unusual thermal anomalies were sighted.

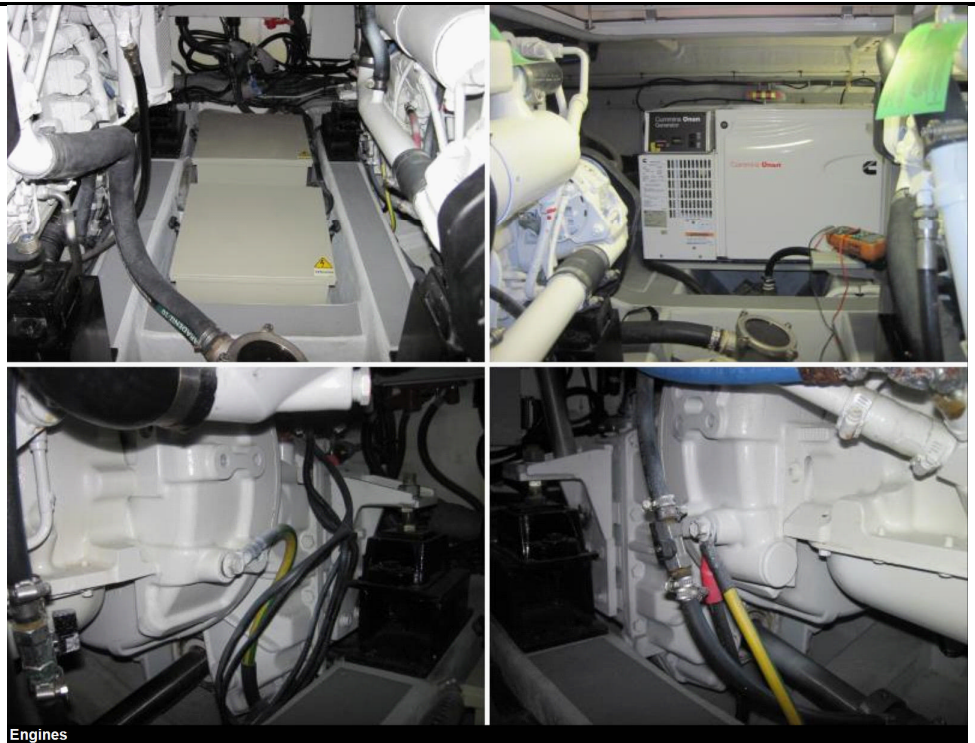
Condition summary:

Good condition.

INBOARD PROPULSION SYSTEM

MAIN ENGINE(S)

No./Type/Cylinders



The engines that powered this vessel were two "Cummins" brand "QSB5.9-480 HO" model, in-line six cylinder, four stroke, 5.9 liter, 480 horsepower, turbocharged diesel engines. Both engines powered up and ran properly when tested. No leaks or overheating was sighted. Both engines were labeled to have been manufactured in March, 2011.

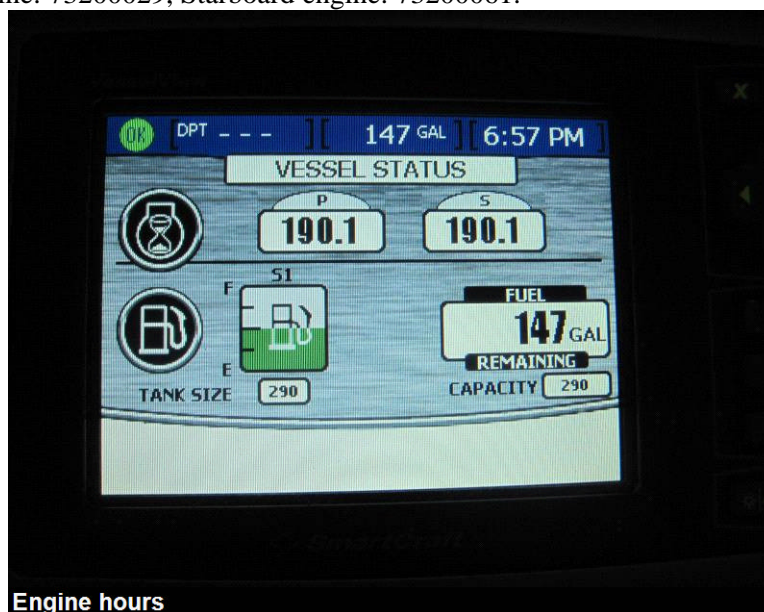
Serial no(s):



Engine ID plates

Port engine: 73200029, Starboard engine: 73200061.

Engine(s) hours:



Engine hours

Hoses and clamps:

Belts and pulleys:

Cooling system(s):

Oil level and condition:

Port engine: 190.1 hours, Starboard engine: 190.1 hours.

Good condition, no cracks, soft spots or leakage sighted.

Belts condition are serviceable. No cracks or splits sighted. Pulleys / belts appear to be in line with proper belt deflection.

Raw water / fresh water cooled.



Oil on both dipsticks

Relatively clean and full on both dipsticks. No evidence of water or cuttings in the engine's oil as sighted on the dipsticks.

Engine ventilation:

Natural ventilation for the engine space was provided. 24 volt power exhaust ventilation blowers were installed and were functional when tested.

Fuel filter(s):



Fuel / water separator filters

"Racor" brand fuel / water separator filters (two filters for each engine). Diesel fuel appeared clean in the sight glasses on each filter.

Engine mounts and beds:

Engine mounts appear to be well secured to the support stringers.

Engine ground cable:

Engines are properly grounded together with a proper size conductor cable.

Insulation:

Yes, on bulkheads and overhead in the engine compartment. Well supported.

Other notes:

NOTE:

- *It is good practice when buying a used vessel that all fluids (engine and transmission) be changed and the raw water cooling impeller should also be changed.*
- *As stated in the work agreement, It is understood that the attending surveyor is not an engine surveyor. As such, I recommend that all diesel engines and transmissions be inspected by a qualified engine surveyor or qualified mechanic to determine the internal condition of the engines, gears, pumps, heat exchangers, coolers, etc. where parts, gaskets, internal heads and blocks can not be seen.*
- *Disassembly of engine components is beyond the scope of a pre-purchase marine survey.*

Engine room summary:

Good condition.

Findings:	Recommendations:
Both engines should have the scheduled 100 hour maintenance performed.	Have a qualified marine technician give a thorough 100 service on both of these inboard engines. This includes changing and replacing all fluids and filters, thoroughly inspecting all hydraulic and electrical systems, and running a computer diagnostic on the engines to search for error codes recorded by the engine's CPU, actual hours on the engines, and to insure the engines are in good working condition.

EXHAUST SYSTEM

Exhaust manifold:

Good condition. No cracks or leakage sighted on either engine.

Muffler(s):

Fiberglass waterlift type. Properly double clamped.

Discharge location(s):

On the port and starboard quarters of the vessel near the water line.

Piping/Clamps:

Properly double clamped where they could be sighted. No cracks, soft spots or evidence of leaks sighted in the exhaust system. Hoses were black flexible raw water exhaust hoses.

Silent Choice option:

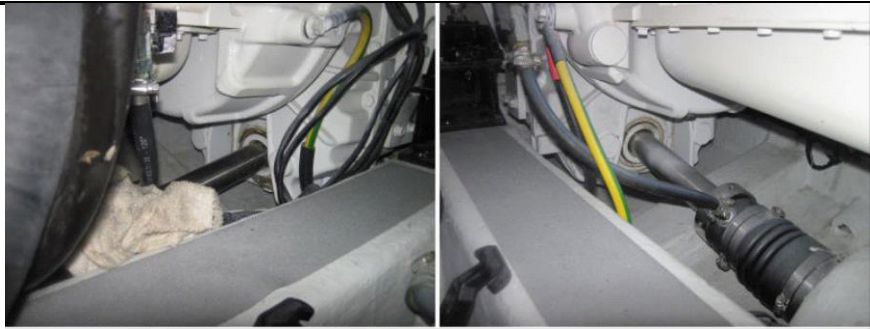
Yes, through the port and starboard hull bottom below the water line on the dead rise angles.

Condition summary:

Good condition.

TRANSMISSION(S)

Manufacturer/Model:



Vee drive transmissions, shafts, and seals

The two transmissions (also known on vessels as reduction gear) attached to the aft section of the engines were "ZF Marine" brand "ZF 63 IV - 2.0" model transmissions. Both transmissions appeared to be in good condition when inspected. Both transmissions were vee drive transmissions.

Serial no(s):



Port and starboard ID plates

Port: 26000V, Starboard: 27000V.
2.01 : 1.

Gear ratio:

Fluid level and condition:



Port and starboard lube on dipsticks

Gear oil was full and relatively clean on both transmissions as sighted on both dipsticks. No foreign debris or cuttings sighted in the fluid as seen on the dipsticks.

Propeller shaft(s):

No pitting, cracks or corrosion sighted.

Stuffing box(es):

Two dripless shaft seal systems that were raw water cooled. Boot and carbon collar appeared secure and functional on both shafts.

Condition summary:

Good condition.

STEERING SYSTEM

STEERING SYSTEM

Type:



Steering assembly

The steering system on board this vessel was a manual with power assist hydraulic steering system with a single hydraulic ram arm (at the rudders in the lazarette). The rudder arms connected by a stainless steel tie bar that connected the two rudders together. The steering system worked properly when tested and turned both ways equally. No leaks were sighted in the hydraulic lines or ram seals when tested.

Pressure/reservoir tank: Good condition. No leaks.

Packing gland(s): No leakage or water tracks sighted. *NOTE: Monitor rudder packing gland frequently for leaks. Rudder packing glands should always be totally dry.*

Condition summary: Good condition.

TANKAGE

FUEL TANK(S)

No & Location:



Port and starboard fuel tank labels

Two fuel tanks were sighted below the aft deck on the outboard sides of the engines in the engine compartment. The tanks appeared to be in good condition with no leaks sighted. The tanks were mounted on a flat surface and appeared well secured. No leaks were sighted on the tanks when inspected. The tanks were "Azimut" brand tanks.

Tank type & capacity: PE-R metal composite. The tanks' rated capacity was 145 gallons for each tank (290 gallons total).

Manufacturer' s label(s): The USCG required label was sighted on the fuel tanks.

Fuel supply and return hoses: USCG A1 flex hoses were sighted from the fuel tanks to the fuel pumps. All hoses where they could be sighted appeared to be in good condition. *Note: Most fuel hose manufacturers now recommend fuel hoses be replaced every five years. This is more important with the introduction of ethanol and other additives into fuels as hoses can and do deteriorate from the inside. The date of manufacture is imprinted on all USCG approved fuel hoses. Consider replacing all flexible fuel hoses every five years as a part of routine maintenance.*

Shut off valve(s): Yes, sighted near the fuel / water separator filters on each tank.

Vent line/location: At the hull topsides on each tank via stainless steel vent fittings.

Fill line(s) located: Two port and starboard chrome plated fuel fittings were sighted on the aft quarter

gunnels of the vessel at the transom. The fill hoses were USCG type A2 fill hoses and was properly double clamped and grounded. No leaks were sighted in the hose or around the clamps where they could be seen.

Fuel fill grounded: Yes.

Tank(s) grounded: Yes.

Inspection/cleaning access: Yes, proper access could be made to the tanks via the engine compartment.

Tank(s) condition: Visually good where it could be sighted.

FRESH WATER TANK(S)

No & locations of tanks: One crosslinked polyethylene water tank was sighted under the main salon. The tank was rated to hold 103 gallons. The tank appeared well secured, vented, and on a flat surface. The water fill for the tank was sighted on the starboard gunnel. The deck fill and plastic hoses were properly secured and appeared to be in good condition. No leaks were sighted in the potable water system or tank.

Water pump(s): The fresh water pump was sighted near the water tank. The fresh water pump was an automatic 24 volt water pump. The pump powered up and worked properly when tested.

Supply lines: PVC water lines. No leaks sighted.

Shore fresh water inlet: Yes, sighted on the port aft side near the swim platform. Made of plastic. In good condition. *NOTE: Be sure that dockside water pressure is turned off when the boat is unoccupied for any length of time. A leaking hose or other water system malfunction could cause serious damage to the vessel or possibly sink the vessel at its assigned slip.*

Condition summary: Good condition.

HOLDING TANK(S) - BLACK WATER

Marine Sanitation Device: Certification Type: MSD (marine sanitation device) USCG Type III (waste tank holding tank). Waste tank was connected to deck waste fitting for pump out.

No & Location of tanks:



Black water tank in starboard lazarette

One plastic tank sighted in the starboard aft lazarette. In good condition. Pump out chrome deck fitting sighted on the starboard aft gunnel. In good condition. Rated to hold approximately 35 gallons.

Tank(s) secured: Yes.

Inspection/cleaning access: Good.

Hoses: White plastic hoses. Well secured. No leaks sighted.

Discharge line(s) located: At a seacock discharge location near the tank.

Y valve(s) installed: Yes.

Vent(s) location(s): Starboard side of the tank via a stainless steel vent fitting.
Vented loop(s): Yes.
Macerator pump(s): Yes, functional when tested.
Waste treatment system(s) installed: None sighted.
Condition summary: Good condition.

WATER HEATER

Tank location:



Hot water heater

How powered: 220 volts and with heat exchanger coil.
Pressure relief valve(s): Yes.
Drain fixture(s)/plug(s): Yes.
Supply lines: PVC grey water hoses.
Heat exchanger hoses: Heat exchanger hoses appeared to be in good condition where sighted. No cracks or leaks sighted.
Tank(s) secured: Yes.
Inspection/cleaning access: Yes.
Condition summary: Good condition.

SAFETY EQUIPMENT

U.S.C.G. REQUIRED

Navigation lights: All navigation lights were fully operational when tested.
Life Jackets(PFD's): No proper USCG approved life jackets were on board at the time of survey.
Throwable type PFD's: No USCG Type IV throwable PFD device sighted on board the vessel at the time of survey.
Visual Distress Signals: No proper currently dated visual distress signals were sighted on board this vessel.
NOTE: All visual distress signals have a printed expiration date of three years from date of manufacture. It is recommended that expired signals be retained for backup. There must be at least three aerial or three red hand held signals that are current.
Sound devices: The 24 volt horn was functional when tested.
USCG placards: Both oil discharge and the MARPOL garbage discharge placards were sighted on

this vessel.

Engine ventilation:

Natural ventilation for the engine space was provided. Power exhaust ventilation blowers were installed and fully operational.

Inland Navigation Rule Book:

None sighted on board at the time of survey.

Waste Management Plan:

None sighted on board at the time of survey.

Findings:

There were no unexpired visual distress signals sighted on board this vessel. No USCG approved type IV throwable PFD was sighted on board this vessel. No USCG approved life jackets were on board this vessel. No current copy of the U.S. Coast Guard navigation rules book was on board. A waste management plan was not sighted on board the vessel at the time of survey.

Recommendations:

Place at least three unexpired day / night visual distress signals on board this vessel as required by 33 CFR 175.110 before getting underway on this vessel. Place at least one USCG approved life jacket per person in a readily accessible area on board this vessel as required by 33 CFR 175. *NOTE: One USCG approved personal flotation device (PFD Type I, Type II, Type III or Type V) must be available for each person on board. This is a Federal regulation as stated in 33 CFR 175.15. In addition it should be noted that children under 13 years of age must wear an appropriate PFD or remain below decks in an enclosed cabin.* Place at least one USCG approved type IV throwable PFD on board this vessel. *NOTE: All vessels 16 feet or more require at least one USCG approved Type IV PFD throwable device as per 33 CFR Section 175.15.* Place a copy of the USCG Inland Navigational Rules (also known as the "Nav Rules" book) on board this vessel. *NOTE: This is required for vessels over 39'4" (12 meters) or longer. Obtain a copy of the Inland Navigation Rules and be familiar with it's contents. Keep the navigation rules book on board vessel to comply with USCG regulations.* Place a written waste management plan on board this vessel to comply with USCG regulations. *NOTE: Vessels over 39'4" (12 meters) or longer with a galley and berthing space require a written waste management plan describing the procedures for collecting, processing, storing, and discharging garbage. The waste management plan also will designate the person who is in charge of carrying out this plan. This is a requirement on a vessel of this size as per 33 CFR 151.57.*

FIRE FIGHTING EQUIPMENT

Portable fire extinguishers:



Portable fire extinguishers on board

Three "Kiddle" brand USCG approved fire extinguishers were sighted on this

rated fires.

Fixed Halon/Clean Agent: A fixed "BSCG" brand "FM-200" model clean agent manual / automatic fire extinguisher was sighted on the starboard aft side of the engine compartment. The fire extinguisher appeared to be in good condition when inspected. Was properly charged. Controls for the unit sighted at the helm and at the starboard side of the aft deck in a locker space.

Findings:	Recommendations:
No current annual inspection tags were sighted on the portable or fixed fire extinguishers.	ABYC A-4 and NFPA 302 recommends that fire protection systems be inspected and reweighed at one year intervals and tagged accordingly. Recommend compliance. <i>NOTE: USCG standards (46 CFR 25) for vessels 40 to 65 feet require at least three BI fire extinguishers or one BII and BI (one fixed system equals one BI or two BII extinguishers). ABYC A-4.6.3 and NFPA 302 Chapter 12 recommends at least four BI fire extinguishers: One outside the engine compartment, one at steering position, and one near the galley and crew quarters or cockpit. Recommend compliance with ABYC and NFPA recommendations for this size vessel. Fire extinguishers should be permanently mounted and readily available using the mounting system for the brand and / or type chosen.</i>

BILGE PUMPS

ELECTRIC PUMPS:



Bilge pump and working impeller

Two bilge pumps were sighted on board this vessel. One bilge pump was sighted in the aft transom bilge and the other was sighted under the forward cabin sole. Both bilge pumps were 24 volt "Whale" brand 1,400 GPH bilge pumps with remote wired in float switches. The bilge pumps were wired into a fused protected circuits as recommended by ABYC. The bilge pumps both powered up when tested. Whale type manual operated bilge pump sighted in the forward and aft bilge spaces. Both appeared functional when tested.

MANUAL PUMPS:

Bilge Pump Comments:

Note: Bilge pumps are high maintenance items. Bilge pumps are only the initial part of a de-watering system, which may include a strum box, check valves, anti-siphon loops, piping or seacocks (if the exit is below the waterline). This entire system must be understood and maintained. Bilge pumps may fail at any time. No warranty as to longevity can be expressed or implied in this survey report. Tapered wooden plugs tied to seacocks are an inexpensive safety item and highly recommended under current ABYC standards. Keeping bilges clean and free of debris is a vital part of insuring proper operation of the bilge pumps. It is also recommended that each bilge pump be periodically tested by filling the immediate bilge area with water to ensure the pumps and float switches are operating properly.

GROUND TACKLE

Primary anchor:



Ground tackle

The primary anchor was a galvanized steel "Trefoil" brand plow type anchor. The anchor was rated to weight 17 kilograms (37 pounds) and was properly rated for this size vessel. The anchor was attached to approximately 200 of 5/16 inch diameter galvanized steel chain. The entire ground tackle was in good condition when inspected.

AUXILIARY SAFETY EQUIPMENT

Carbon monoxide detectors:

No proper CO / smoke detectors were installed in the accommodation spaces. *NOTE: During the burning of any of fuels, carbon monoxide (CO) gas may be created due to incomplete combustion from propulsion systems, cabin heater or stove as well as nearby boats running generators or other equipment. Adequate ventilation must be provided at all times while burning any of these fuels. CO gas may also be drawn into the cabin spaces through ventilation systems. This is especially true of boats running air conditioning or generators. CO is a gas that can not be seen or smelled and can kill without warning, Regular testing of installed CO detectors in any occupied spaces or compartments below decks is highly recommended.*

Findings:

No working smoke or CO detectors were sighted in the accommodation spaces on board this vessel.

Recommendations:

Although not required by law on a vessel of this size, it is a good practice of safety to have working smoke / CO detectors on board when staying aboard the vessel or while underway. *Note: Recommend placing a working smoke / CO detector in each room in the accommodation spaces and test each time you go aboard the vessel.*

SEA TRIAL

SEA TRIAL DETAILS

Date & Time:



Vessel underway during the sea trial

A sea trial was conducted on November 10, from 1:25 PM to 2:50 PM. On board the vessel at the time of the sea trial was Pedro Cabrero (the operator of the vessel),

Doug Sam (an Area Manager of Azimut Yachts), Steve Reading (the prospective buyer), and Captain John Banister (the marine surveyor). The vessel was operated along the Miami River and outside of the Miami Inlet in Biscayne Bay in Miami, Florida (approximately one mile offshore).

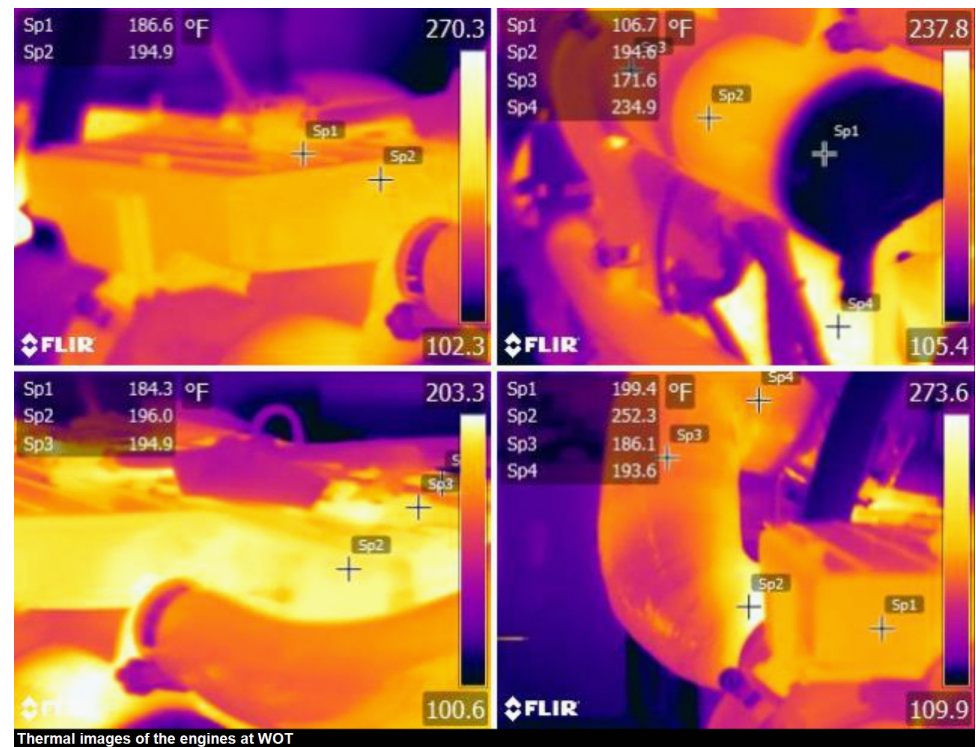
Sea trial results:



Instrument readings at WOT

The vessel's engines started up properly and both engines had adequate exhaust discharge. All exhaust smoke was normal with no unusual vapors noticed. The vessel ran smoothly and accelerated properly as power was applied to the port and starboard engines. The vessel's wide open throttle (WOT) was at 3,440 RPM on the port engine and 3,460 RPM on the starboard engine. The vessel's top speed was recorded at 33.9 knots at WOT. The vessel was able to back down properly on both engines. The turning radius of the vessel was approximately 50 feet when the rudders were turned at hard over on the port and starboard sides. The vessel's turning radius was approximately equal on both sides. During the time the engines were running at WOT, the following temperature readings were recorded (all readings were recorded in degrees fahrenheit with an infrared thermal imaging camera): Port engine block: 210.8 degrees, starboard engine block: 212.6 degrees, port exhaust manifold: 188.2 degrees, starboard exhaust manifold: 183.2 degrees, port raw water exhaust hose: 102.5 degrees, starboard raw water exhaust hose: 107.6 degrees, port reduction gear (at bearing at coupling connection): 167.2 degrees, starboard reduction gear (at bearing at coupling connection): 172.5 degrees. No significant variation in temperatures were sighted around the cylinder heads or heat exchangers on the engines. Turbochargers on both engines ran properly with no overheating or leaking sighted. All temperature readings were within reasonable normal limits. No leaks were sighted in any of the exhaust components or hull pass through locations during the sea trial. All engine mounts appeared to be secure to the stringers during the backing down maneuvers. The generator ran at normal temperatures with no surging of the generator power as systems were running.

Thermal images:



Thermal images appeared normal on the engines. No abnormal thermal anomalies were sighted while the engines were running.

INSPECTION RECOMMENDATIONS SUMMARY

PRIORITY I - SAFETY & REGULATORY RECOMMENDATIONS:

(MAY BE MANDATORY)

The items listed are required by state laws or federal laws and United States Coast Guard regulations or are considered by the attending surveyor to represent unsafe operating conditions. Recommend that these items be corrected before next use of vessel.

SAFETY EQUIPMENT

U.S.C.G. REQUIRED

Findings:

There were no unexpired visual distress signals sighted on board this vessel. No USCG approved type IV throwable PFD was sighted on board this vessel. No USCG approved life jackets were on board this vessel. No current copy of the U.S. Coast Guard navigation rules book was on board. A waste management plan was not sighted on board the vessel at the time of survey.

Recommendations:

Place at least three unexpired day / night visual distress signals on board this vessel as required by 33 CFR 175.110 before getting underway on this vessel. Place at least one USCG approved life jacket per person in a readily accessible area on board this vessel as required by 33 CFR 175. *NOTE: One USCG approved personal flotation device (PFD Type I, Type II, Type III or Type V) must be available for each person on board. This is a Federal regulation as stated in 33 CFR 175.15. In addition it should be noted that children under 13 years of age must wear an appropriate PFD or remain below decks in an enclosed cabin.* Place at least one USCG approved type IV throwable PFD on board this vessel. *NOTE: All vessels 16 feet or more require at least one USCG approved Type IV PFD throwable device as per 33 CFR Section 175.15.* Place a copy of the USCG Inland Navigational Rules (also known as the "Nav Rules" book) on board this vessel. *NOTE: This is required for vessels over 39'4" (12 meters) or longer. Obtain a copy of the Inland Navigation Rules and be familiar with it's contents. Keep the navigation rules book on board vessel to comply with USCG regulations.* Place a written waste management plan on board this vessel to comply with USCG regulations. *NOTE: Vessels over 39'4" (12 meters) or longer with a galley and berthing space require a written waste management plan describing the procedures for collecting, processing, storing, and discharging garbage. The waste management plan also will designate the person who is in charge of carrying out this plan. This is a requirement on a vessel of this size as per 33 CFR 151.57.*

PRIORITY II - MAINTENANCE & STANDARDS RELATED RECOMMENDATIONS:

(NOT NORMALLY MANDATORY)

These are important maintenance items sighted which in this firm's opinion should be performed. They may also include recommendations to conform to current ABYC and NFPA-302 voluntary standards which may not have been in effect or may not have been adhered to by the builder when the vessel was constructed. Some of these findings if not addressed could lead to a Priority I safety issue and / or may result in a reduced vessel market value.

EXTERIOR HULL & BOTTOM INSPECTION

HULL EXTERIOR

Findings:

Some gel coat cracking was sighted around the port side large window. Thermal imaging confirmed the cracks were only in the gel coat only. No anomalies sighted that were consistent with trapped water or fiberglass laminate damage (cosmetic only). Some areas of marine caulking was worn away around the drain scupper pockets on the port and starboard sides of the aft quarters of the vessel.

Recommendations:

Have a qualified marine technician repair or renew the areas of gel coat cracks around the port window to prevent water from seeping in to the underlying fiberglass. If desired, have a qualified marine technician repair / replace the areas of worn caulking around the scupper pockets on the aft quarters of the hull.

HULL BOTTOM

Findings:

The anti-fouling paint was in average condition and was scratched down to the bare gel coat in a few areas on the hull bottom. A forward bronze sea strainer for the anchor raw water wash down pump was sighted to be missing one bronze finger in the thru hull fitting on the starboard forward hull bottom near the stem.

Recommendations:

Have a qualified marine technician repaint the vessel bottom with proper anti-fouling paint if the vessel is going to be in the water for a long period of time. Have a qualified marine technician further inspect the anchor wash down raw water intake strainer. Repair or replace to prevent sea growth and debris from clogging the thru hull.

INTERIOR HULL & STRUCTURAL INSPECTION

ALL THRU HULL FITTINGS

Findings:

The anchor wash raw water seacock was sighted to not be bonded when inspected.

Recommendations:

Have a qualified marine technician install a proper bonding wire on the anchor wash down intake seacock as recommended by ABYC E-2.

TOP DECK & SUPERSTRUCTURE

MAIN DECK & FITTINGS

Findings:

A small crack was sighted in the fiberglass under the port side windshield. Thermal imaging revealed water trapped below the fiberglass in the crack. Moisture readings were high in the area just below the window (between 15% - 30%). A small crack was sighted in the port forward lip of the hard top (approximately three inches in length).

Recommendations:

Have a qualified marine technician further inspect the crack and area of elevated moisture under the port side windshield. Repair, replace or renew as necessary. If desired, have a qualified marine technician further inspect the crack in the port forward lip of the heard top. Repair or renew as necessary.

CABIN INTERIOR APPOINTMENTS

AIR CONDITIONING

Findings:

The air conditioning compressor pump surfaces on both A/C units were running warmer than normal.

Recommendations:

Have a qualified marine technician further inspect these air conditioning units to determine the exact cause for the compressors to be running warmer than normal. Repair, replace or renew as necessary. *Note: Typically warmer air and warmer compressor temperatures are an indication that the units are low on Freon. A/C vent output is typically between 45 - 55 degrees fahrenheit (at room ambient air temperature) when the units are fully charged with Freon and operating correctly.*

ELECTRICAL SYSTEMS

D.C. ELECTRICAL SYSTEMS

Findings:

The middle battery bank between the two engines was low in voltage when tested (both batteries in series 9.80 - 11.00 volts). The battery charger and engine alternators did not charge these batteries when tested.

Recommendations:

Have a qualified marine technician further inspect the middle batteries to determine their existing life and cause for them to not be charging. Repair, replace or renew as necessary.

INBOARD PROPULSION SYSTEM

MAIN ENGINE(S)

Findings:

Both engines should have the scheduled 100 hour maintenance performed.

Recommendations:

Have a qualified marine technician give a thorough 100 service on both of these inboard engines. This includes changing and replacing all fluids and filters, thoroughly inspecting all hydraulic and electrical systems, and running a computer diagnostic on the engines to search for error codes recorded by the engine's CPU, actual hours on the engines, and to insure the engines are in good working condition.

SAFETY EQUIPMENT

FIRE FIGHTING EQUIPMENT

Findings:

No current annual inspection tags were sighted on the portable or fixed fire extinguishers.

Recommendations:

ABYC A-4 and NFPA 302 recommends that fire protection systems be inspected and reweighed at one year intervals and tagged accordingly. Recommend compliance. *NOTE: USCG standards (46 CFR 25) for vessels 40 to 65 feet require at least three BI fire extinguishers or one BII and BI (one fixed system equals one BI or two BII extinguishers). ABYC A-4.6.3 and NFPA 302 Chapter 12 recommends at least four BI fire extinguishers: One outside the engine compartment, one at steering position, and one near the galley and crew quarters or cockpit. Recommend compliance with ABYC and NFPA recommendations for this size vessel. Fire extinguishers should be permanently mounted and readily available using the mounting system for the brand and / or type chosen.*

OTHER OBSERVATIONS:

These are other less significant maintenance items or observations that if not addressed could lead to more important priority issues and / or could lead to a reduced vessel market value. The cost of addressing these recommendations is generally minimal.

INTERIOR HULL & STRUCTURAL INSPECTION

HULL INTERIOR & STRUCTURAL COMPONENTS

Findings:

Some of the grip tape on the tops of the stringers and transverse frames were peeling off in the engine compartment when inspected.

Recommendations:

If desired, have a qualified marine technician repair or replace the peeling grip tape in the engine compartment.

HELM & NAVIGATION ELECTRONICS

OTHER ELECTRONICS AND CONTROLS

Findings:

The search light on the radar arch was not functional when tested (bulb appeared burned out). The washer tubes were not connected to the wiper blade arms to wash the windshield when inspected.

Recommendations:

Consider having a qualified marine technician replace or repair the 24 volt search light to make it fully functional if desired. Consider having a qualified marine technician replace or repair the 24 volt windshield wiper washing system on each wiper arm to make it properly functional if desired.

CABIN INTERIOR APPOINTMENTS

MAIN SALON

Findings:

One table sighted in the main salon was not mounted to the deck. Fasteners were missing at the time of the survey.

Recommendations:

If desired, have a qualified marine technician install fasteners to prevent the movement of the table while the vessel is underway.

BERTHS / STATEROOMS

Findings:

A vertical wooden trim piece in the guest stateroom fell off during the sea trial. Some water stains were sighted in the passageway near the deck and had anomalies behind the wall paper consistent with residual moisture / mold.

Recommendations:

If desired have a qualified marine technician repair and re-secure the trim piece in the guest stateroom. Have a qualified marine technician remove the wallpaper in the passageway to inspect for water damage or mold. Remove any moisture or mold and renew or repair as necessary.

SAFETY EQUIPMENT

AUXILIARY SAFETY EQUIPMENT

Findings:

No working smoke or CO detectors were sighted in the accommodation spaces on board this vessel.

Recommendations:

Although not required by law on a vessel of this size, it is a good practice of safety to have working smoke / CO detectors on board when staying aboard the vessel or while underway. *Note: Recommend placing a working smoke / CO detector in each room in the accommodation spaces and test each time you go aboard the vessel.*

CONDITION & VALUE REPORT SUMMARY

DECLARATION:

Rating of vessel condition was determined upon completion and review of all reported survey information including recommendations and comparing the vessel to the same or similar age models. Possible vessel condition ratings are as follows:

- **EXCELLENT** - Essentially as new or bristol in appearance.
- **ABOVE AVERAGE** - Has had above average care with no obvious defects or limitations.
- **AVERAGE** - Ready for sale but needs some maintenance or repairs, updates or cleaning.
- **BELOW AVERAGE** - Needs significant maintenance, repair or service.

Definitions of value are clarified as defined by USPAP® (the Uniform Standards of Professional Appraisal Practice) and IVSC® (the International Valuation Standards Council). The definitions are as follows:

- **ESTIMATED MARKET VALUE** - A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set fourth in the definition of the term identified by the appraiser as applicable in an appraisal.
- **ESTIMATED REPLACEMENT VALUE** - The current cost of a similar asset offering equivalent utility.

Estimated market value was determined by cross referencing data from Soldboats.com, BUC, NADA, Yachtworld.com, and other brokerage listings or local dealers. Adjustments are then made for condition or equipment as necessary. The estimated market value is for the vessel in its current condition prior to any repairs or maintenance.

Estimated replacement value was determined using information obtained from BUC, ABOS or local dealer prices using the same or similar make and model with similar equipment options.

- **RATING OF VESSEL CONDITION.....AVERAGE**
- **ESTIMATED MARKET VALUE.....\$430,500.00**
- **ESTIMATED REPLACEMENT VALUE.....\$1,450,000.00**
- **INTENDED USE OF VESSEL.....RECREATION (COASTAL CRUISING)**
- **SUITABILITY FOR INTENDED SERVICE: Vessel IS considered fit for its intended use and upon correction of all listed Priority I & II recommendations.**

NOTE: All "Other Recommendations" should be thoroughly reviewed to bring the vessel up to current standards and to improve the value of the vessel.

APPRAISAL VALUE CERTIFICATION

CLOSING STATEMENT AND SIGNATURE:

SUMMARY:

In accordance with the request for a marine survey of the vessel "Ciao," for the purpose of evaluating its present condition and estimating its fair market value and replacement cost on the date of the survey. I herewith submit my assessment based on the preceding report. The vessel was personally inspected by me (the undersigned) on November 10, 2014. Subject to the correction of the deficiencies listed in the red and green summary pages, the vessel will be considered to be suitable for its intended use. Other deficiencies listed in the blue findings should be attended to in a timely fashion.

SURVEYOR'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

The statements contained in this report are true and correct.

The reported analysis, opinions, and conclusions are limited only by the reported findings, but may also extend to the statements of the owner, captain, or representative of the vessel. My report may also be limited based upon the conditions that the survey may bring. My findings and conclusions are from my best efforts from professional analysis, opinions, and conclusions which are based upon my experience and training.

I have no present or prospective interest in the vessel that is the subject of this report, and I have no personal interest or bias to the parties involved.

My compensation is not contingent upon the reporting of a predetermined value from any party, nor the direction in value or direction in a value assessment that favors the cause of the client. My compensation is not contingent upon the amount of the value estimate, the attainment of a desired result or the occurrence of a subsequent event.

I have made a personal inspection of the vessel that is the subject of this report.

This appraisal is submitted in confidence for the exclusive use of Steve Reading without prejudice to the rights and / or interests of any other concerned parties and may not be used for any other purpose or relied upon by any other person.



ATTENDING SURVEYOR

Capt. John Banister, SA, Marine Surveyor