Star & Crescent Boat Company
TCAO Hearing
November 9, 14, 15, 16, 2011

Suzanne R. Varco
Opper & Varco, LLP
225 Broadway, Suite 1900, San Diego, CA
STAR & CRESCENT INVESTMENT CO., a California corporation, hereby offers to transfer to you all of STAR & CRESCENT INVESTMENT CO.'s right, title, and interest of every kind and description in and to its business and assets pertaining to its harbor excursion business, as set forth in a schedule as of March 31, 1976 attached hereto as Exhibit "A", with allowance for changes in the ordinary course of business to the date of transfer of said business and assets to this corporation, but subject to all liabilities of said business as of March 31, 1976 as relate to its harbor excursion business, all as set forth in said Exhibit.
WHEREAS the board of directors deems the written offer of STAR & CRESCENT INVESTMENT CO., a California corporation, dated April 8, 1976, to be just and reasonable and deems it to be for the best interests of this corporation to accept the offer;

NOW, THEREFORE, BE IT RESOLVED that the president or the vice president and the secretary of this corporation be, and they hereby are, authorized and directed to sell and issue not to exceed 1,500 shares of the stock of this corporation, all of which shares have a par value of $10.00 per share, to STAR & CRESCENT INVESTMENT CO., a California corporation, solely in exchange for (1) the business and assets described in said offer and (2) the assumption by this corporation of the debts and liabilities as set forth in said written offer, but subject to changes occurring in the ordinary course of business between that date and the close of business on the date when transfer is to be effected, at par, without commission of any kind.

RESOLVED that the board of directors hereby determines that the fair market value to this corporation of the consideration for which said 1,500 shares of stock of this corporation are to be issued is $718,825.53.

RESOLVED that of the consideration to be received for such shares an amount equal to $15,000.00 thereof shall be credited to stated capital and the remainder shall be credited to paid-in-surplus; and

RESOLVED that any officer of this corporation is hereby authorized and directed to file with the California Commissioner of Corporations a Notice of Issuance of Securities pursuant to Subdivision (h) of Section 25102 of the California Corporations Code.
STAR & CRESCENT INVESTMENT CO.
HARBOR EXCURSION BUSINESS
March 31, 1976

ASSETS TRANSFERRED TO
STAR & CRESCENT BOAT COMPANY

<table>
<thead>
<tr>
<th>M.V. Cabrillo</th>
<th>$113,035.89</th>
</tr>
</thead>
<tbody>
<tr>
<td>M.V. Marietta</td>
<td>107,042.09</td>
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<tr>
<td>M.V. Silvergate</td>
<td>3,562.61</td>
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<tr>
<td>M.V. Monterey</td>
<td>156,032.84</td>
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<tr>
<td>M.V. Point Loma</td>
<td>85,410.39</td>
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<tr>
<td>Glorietta</td>
<td>44,593.08</td>
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<tr>
<td>Float #1, Market Street</td>
<td>95,327.95</td>
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<tr>
<td>Float #2, Broadway</td>
<td>26,025.09</td>
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<tr>
<td>1974 Ford Pinto Stationwagon</td>
<td>1,595.42</td>
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<tr>
<td>1973 Ford Ranchero</td>
<td>1,333.36</td>
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<tr>
<td>Miscellaneous equipment</td>
<td>16,777.99</td>
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<tr>
<td>Broadway excursion facility</td>
<td>6,934.79</td>
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<tr>
<td>Leasehold improvements, Market Street</td>
<td>65,446.65</td>
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<tr>
<td>Broadway snack bar</td>
<td>1,650.80</td>
</tr>
<tr>
<td>Prepaid insurance (see attached schedule)</td>
<td>21,308.69</td>
</tr>
<tr>
<td>Account receivable from Joe Allen</td>
<td>2,443.53</td>
</tr>
</tbody>
</table>

Inventories:
- Gift shop               | 19,980.20  |
- Valet                   | 4,031.41   |
- Prepaid property taxes  | 1,043.25   |

EXHIBIT A

folders and brochures    6,508.10
United Water Taxi franchise 17,495.00
Goodwill                  2,000.00

Interests in leases with San Diego Harbor:
Unified Port District:
- 575 Harbor Drive, dated March 26, 1976
- 575 Harbor Drive, dated August 21, 1973
- D Street Pier, dated March 26, 1976
- Broadway Pier, dated January 2, 1976

Right to use the name San Diego Harbor Excursion and the words "Star & Crescent" or name including those words, other than Star & Crescent Investment Co.

Total Assets Transferred: $805,332.13

LIABILITIES ASSUMED BY
STAR & CRESCENT BOAT COMPANY

Notes Payable:
- Charles Osterman           | $25,000.00 |
- Thelma Elam                | 5,000.00   |
- Security Pacific Bank      | 50,000.00  |
- Employee advances          | 80.00      |
- Charter deposits           | 4,556.30   |
- Accrued vacation and holiday pay | 1,870.00 |

Total Liabilities Assumed: $86,506.30
At the February 1, 1977 attachment date, we had secured the agreement of the Aetna Insurance Company to bind coverage for your general liability exposures other than the residual products liability connected with your ship building operations with a limit of $100,000, subject to a satisfactory physical inspection of your various locations.

As I indicated in a telephone conversation, the Aetna Insurance Company has concluded its inspection and, on the basis of that inspection, does not believe it is in a position to continue providing your coverages. The reason for that is that the premiums they can develop under their normal underwriting techniques are inadequate for your exposure as they see them. They had agreed to continue providing coverage for a reasonable period of time while we sought other alternatives for this layer of coverage.
Timeline

1915

San Diego Marine Construction Company

- Marine Division – Shipyard
- Investment Division
- Boat Div. – Harbor Excursion

1972

- Sale of Marine Division to Campbell Industries

1991

Star & Crescent Investment Company Company Dissolution

1972

Star & Crescent Investment Company

- Lasco Truck Rental
- Lake Mead Ferry
- Las Vegas Baggage
- Harbor Excursion

1976

- Sale of Harbor Excursion to Star & Crescent Boat Co.