

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

Timeline

1915

San Diego Marine Construction Company

Marine Division –
Shipyards
86.7% of revenue

Investment
Division

Boat Div. –
Harbor
Excursion

Sale of Marine
Division to
**Campbell
Industries**

1972

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.**

1991

**Star & Crescent Investment
Company Dissolution**

STAR & CRESCENT BOAT COMPANY:

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

poration, 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

M.V. Cabrillo	\$ 113,035.89
M.V. Marietta	107,542.09
M.V. Silvergate	3,562.61
M.V. Monterey	156,832.84
M.V. Point Loma	85,418.39
Glorietta	44,593.08
Float #1, Market Street	99,327.95
Float #2, Broadway	26,257.09
1974 Ford Pinto Stationwagon	1,599.42
1973 Ford Ranchero	1,333.36
Miscellaneous equipment	16,777.99
Broadway excursion facility	6,934.79
Leasehold improvements, Market Street	65,464.65
Broadway snack bar	1,650.80
Prepaid insurance (see attached schedule)	21,300.69
Account receivable from Joe Allen	2,643.53
Inventories:	
Gift shop	19,980.20
Galley	4,031.41
Prepaid property taxes	1,042.25

EXHIBIT A

S&C0051

Folders and brochures	6,508.10
United Water Taxi franchise	17,495.00
Goodwill	2,000.00
Interests in leases with San Diego Unified Port District: 570 Harbor Drive, dated March 26, 1976 570 Harbor Drive, dated August 21, 1973 B Street Pier, dated March 26, 1976 Broadway Pier, dated January 2, 1976 (see attached schedule)	
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	<u>\$ 805,332.13</u>

LIABILITIES ASSUMED BY
STAR & CRESCENT BOAT COMPANY

Notes Payable:	
Charles Otterman	\$ 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	<u>1,870.00</u>
Total Liabilities Assumed	<u>\$ 86,506.30</u>

S&C0052

New York
Atlanta
Boston
Buffalo
Chicago
Denver
Detroit
Hartford
Honolulu
Houston
London
Los Angeles
Minneapolis
New Orleans
Philadelphia
Phoenix
Pittsburgh
Portland
Richmond
San Diego
San Francisco
Seattle
Tokyo
Wilmington

JOHNSON & HIGGINS

OF CALIFORNIA

Business Established New York 1845

INSURANCE BROKERS - AVERAGE ADJUSTERS
EMPLOYEE BENEFIT PLAN CONSULTANTS

Montreal
Quebec
Toronto
Vancouver
Winnipeg
Caracas
Maracaibo
Puerto La Cruz
Rio de Janeiro
Sao Paulo
Buenos Aires
Santiago
Lima
Bogota
Cali
Sydney
Melbourne
Brisbane
Adelaide
Perth
Auckland
Wellington
Milan
Rome
Singapore

CABLE ADDRESS "HERODEN"

March 10, 1977

SUITE 1170, BANK OF CALIFORNIA PLAZA
110 WEST A STREET, SAN DIEGO, CA 92101
TEL. (714) 231-1000

Mr. K. N. Beiriger, Vice President
Star & Crescent Investment Company
P. O. Box A2111
San Diego, California 92112

Re: Comprehensive General
Liability Insurance

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.

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.

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