



Lord Nelson Yachts

MARCH 7 1985

PURCHASE AGREEMENT

BUYER Craig & Rosemary Smith ADDRESS _____

CITY _____ STATE _____ ZIP _____ PHONE _____

VESSEL PURCHASED (1) Lord Nelson 37 Victory Tug Yacht HULL # 37-34

HULL COLOR Roberts Grey SHEER STRIPE Burgandy BOOT STRIPE Burgandy

STACK TRIM Burgandy EYEBROW Burgandy CABIN Oyster White

OTHER COLOR No V on stack UPHOLSTRY Goldstar 4656 blue waffle

DATE OF PURCHASE March 7 1985 ESTIMATED SHIPPING DATE July 1985

ESTIMATED ARRIVAL DATE July 1985.

OPTIONAL EQUIPMENT COST. \$ 2629.00

SALES TAX AMOUNT

\$ 5438.00

AMOUNT OF DEPOSIT. \$ 9062.90

BASE BOAT COST

\$ 94,000.00 less

LETTER OF CREDIT AMOUNT. \$72,503.00

COMMISSIONING HOLD BACK AMOUNT. \$ 9062.90

\$ 6,000 discount =

\$ 88,000.00

TOTAL COST OF BOAT TO BUYER PER THIS AGREEMENT. _____

\$ 96,067.00

EQUIPMENT INCLUDED AND SPECIAL ORDERS:

ALL EQUIPMENT AS REPRESENTED IN THE SPECIFICATION LETTER ENCLOSED WITH THIS AGREEMENT, AND TO FURTHER INCLUDE THE FOLLOWING:

- 1) Mast and boom with (2) two spreader lights, anchor light, and 20 pt forward running light. (Mast to include extra wire for windspeed, or pull line. \$ 1000.00
- 2) Additional (2) two windshield wipers installed on center and port wheelhouse fixed windows. \$ 254.00
- 3) Stainless steel screens for all windows other than forward wheelhouse windows, portlights, and hatches. \$ 800.00
- 4) Front load refrigerator door, right hinges, (looking aft) and increase in size as practicle. \$ 175.00

EQUIPMENT AND SPECIAL ORDERS: Con't.

- 5) L shape Settee with second cushion behind back. \$ 400.00
- 6) Install overhead ceiling using round head s/s screws, for easy removal here. N/C.
- 7) Instrument panel to be constructed as viewed in picture of Hull # 37-23. Must have hinged opening for access. Electronic cabinet to be as in standard boats, oval shape. N/C.
- 8) To have standard 6 tank (fuel) layout. Cabin sole must not be raised any higher than in Hull # 37--22. N/C
- 9) No fresh water hand pump installed at galley sink location, but include pump for spare. N/C
- 10) Make anchor locker access doors, forepeak cabin solid. N/C

ADDITIONS OR DELETIONS:

*NOTE: All additions or deletions must be dated and initialed by both buyer and seller.

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TERMS OF PURCHASE:

- 1) To establish a firm order for the above described Lord Nelson 37 foot Victory Tug Yacht, Hull # 37-34, buyer will deposit with seller the sum of 10% of the purchase price, excluding California sales tax, (\$ 90,626.00) The amount of deposit will be \$ 9,062.90. Said deposit will be refundable until time that construction of boat starts. After time of construction start, should buyer wish to terminate this agreement, deposit monies will be refundable less any cost incurred by seller, if any, to sell said vessel to another buyer. Refund will be payable at time of receipt of monies due from sale. Deposit monies will be placed in sellers account, and all interest from said monies will be property of seller.
- 2) 30 days prior to the shipping date of the yacht, Buyer will provide seller with an irrevocable domestic letter of credit for the amount of \$ 72,503.00 U.S. dollars. The Letter of Credit will be issued as follows:

Beneficiary: Admiralty Ltd. (Seller)
P.O. Box 2133
Sun Valley, Idaho 83353

In care of: The First Interstate Bank of California
P.O. Box 3135
City of Industry, Calif. 91744
To the attention of Dwain Bowen.

Letter of Credit amount will be paid to seller upon arrival of Hull # 37-34 at the Port of Los Angeles and inspection of vessel is complete. Any problems will be noted at this time, and will be corrected by seller to the satisfaction of the buyer. Should any remedy be in question as to the method used to correct, the services of a marine surveyor will be employed by the party who questions said method, and the recommendations of the surveyor will be abided by. Buyer will not withhold payment of letter of credit if repair is deemed correctable.

Upon the signing of acceptance of Hull #34, Sellers bank will present documents to buyers bank for collection of all monies due other than the 10% commissioning hold back. Buyers Letter of Credit will contain the following items that are to be received at the time of document collection:

- 1) Signed Commercial Invoice from seller to buyer.
- 2) Receipt showing payment by seller of On Board Bill of Lading, paid in full.
- 3) Receipt showing payment by seller of duty costs paid to U.S. Customs.
- 4) Master Carpenters Certificate, and builders certificate form CG 1261.
- 5) Certificate of Inspection.

TERMS OF PURCHASE: Con't.

Upon receipt of the above documents, buyers bank will wire transfer \$ 72,503.00 U.S. Dollars to Sellers account # 179929519 at the First Interstate Bank of California, Branch H-179, P.O. Box 3135, City of Industry, Calif. 91744.

- 3) Seller shall not be liable for delays caused by accidents, strikes shipping or causes beyond their control. Should Seller not be able to deliver said vessel by the date of October 31 1985, Buyer, should they so choose, will receive their deposit back in full.
- 4) Admiralty Ltd. pledges to cooperate fully with buyer on any legitimate warranty claim, as outlined in the Admiralty Limited Warranty policy included with this agreement.
- 5) Typographical errors subject to correction in this agreement.
- 6) Applicable state sales taxes are the sole responsibility of the buyer.
- 7) Seller will insure vessel during shipping and off loading at applicable port under their ocean transport policy. This policy is with the Century Insurance Co. Ltd. # CO 1121, Open Cargo Policy. Our agent is the R.L. Haugland Co. 4703 Ballard Ave. N.W. Seattle, WA. 98107 It will be responsibility of the buyer to obtain a proper insurance policy after this time.
- 8) Any change in this agreement must be made in writing and signed by both buyer and seller along with the date change was made.
- 9) A bill of sale will be issued from Seller to Buyer upon receipt of all monies due. Possession of vessel will remain in sellers hands till this time
- 10) For the consideration of the \$ 6000.00 discount on Hull # 37-34, Buyer will allow seller the right to show said vessel to prospective buyers for a period of one year from the time of buyer acceptance. Seller will notify buyer prior to showing vessel, and will respect the privacy of the buyer. Seller expects buyer or his representative to be aboard vessel at time of said showings. Buyer will assist seller in (12) twelve sea trials during the above year period, at no cost to seller. Should Seller exceed the number of (12) twelve trials in this period, Seller will pay a fee of \$ 50.00 for each trial over this period.

Buyer and Seller are in agreement to the prices and terms set forth in the 5 pages of this agreement, and the standard items listed on the 37 Victory Tug Standard Specification sheet, (2 pages) marked exhibit "A" and included with this agreement.

SIGNED _____ DATE _____
(Buyer)

SIGNED _____ DATE _____
(Buyer)

Signed *Craig Beckwith* DATE *5/8/85*
Craig Beckwith
General Manager

*Deposit Received - ch # 971
\$ 9,062.90
*Craig Beckwith**



*Lord
Nelson Yachts*

37 VICTORY TUG STANDARD SPECIFICATIONS

BMW 136 HP Marine Diesel, fresh water cooled.

Hurth 360, 295:1 Manual Transmission.

All teak weather decks and cabin inserts.

Boat deck stantions with VCW lifelines, turnbuckles and pelican hooks. Port side removable.

Anchor hawse from outer hull to foredeck in stainless steel with hull protector plate.

Molded Rubrail with teak insert and brass cap.

(6) six brass hawse fittings installed through bulwarks.

(2) two dorade vents forward of wheelhouse, port side to head, Stb. side to engine compartment.

False stack with door for access on stb. side for propane storage.

(11) slide opening, stainless steel windows, salon and wheelhouse.

(2) two Dutch doors port and starboard side of wheelhouse with heavy bronze door handles, retainer latches, portholes in upper door, and made of teak.

Stainless steel ladder with teak steps to access boat deck.

Bomar Lazarette hatches, (2) installed in after deck.

Chain and cable steering with aluminum disc drive installed on rudder shaft. Brass and teak helm on Starboard side.

Stainless steel oversized and balanced rudder with thruhull bearing and top bearing. Top squared for emergency tiller. Emergency tiller included.

(5) five front wheelhouse windows, after 2 open and slide down.

(3) large freeing ports located on each side, amidship for rapid removal of deck water.

Approx. 3000 lbs. iron balast laminated in keel shoe.

(2) Bomar opening hatches (Nibo) located in overhead of fore-peak cabin and wheelhouse.

(4) four teak handrails on cabin top.

(1) 24"X 15" 3 blade bronze propellar.

2" stainless steel propellar shaft with watercooled stern bearing.

Bronze seacocks with hard chrome ball valves and bronze handles, bonded to safety ground.

Raw sea water strainer for engine water.
Dahl 100 fuel filter with water separation valve.
Engine beds installed for generator on starboard side of engine.
(2) two D-4 marine deep cycle batteries with transfer switch.
Lead foil sound shielding in engine room.
Swing out engineroom door, hanging locker combination in galley.
Hatch in wheelhouse for access to port side of engine.
International running lights.
3 burner stainless steel stove and oven and 5 gallon propane tank.
(4) bronze opening portlights located in forepeak cabin (2) and head and shower.
9 cubic foot icebox, with top load teak cover, minimum of 3½" foam insulation.
6 gallon stainless steel hot water heater with 110vt element and engine exchanger.
Jabsco pressure water pump, and shower sump pump.
Double stainless steel sink in galley, single stainless sinks in head and shower area.
12 vt. overhead wiring for overhead lights with brass light fixtures that have white and red bulbs.
12 vt. brass reading lights in forepeak cabin.
Both head and shower are fitted with mirrors over the vanity's and Italian marble counter tops.
Color coded wiring system with Newmar AC/DC load center.
Raritan manual marine toilet.
Foam insulation in cabin sides, and hull to waterline. Cabin overhead and deck have end grain bolsa core. All teak is fastened into solid fill strips.
120 gallon capacity, stainless steel water tanks with quick access inspection plates.
215 gallon capacity, black iron fuel tanks, FRP covered, with inspection plates and dipstick.
Fuel and water manifold with port and starboard selector valves.
Sallon settee converts to double berth, with storage under.
Teak sallon table with spring loaded hold down for quick removal.
Choice of available fabric colors for upholstery.
Teak and holly sole throughout interior.
Spirits locker on post side, aft of galley bar.
250 feet nylon rode, 35 lb. Danforth anchor, and 30ft. chain shot.
(4) Parr 8X22 inch fenders.
(4) 5/8" nylon mooring lines
Exterior teak finished in oil.
Weather decks finished in teak varnish



*Lord
Nelson Yachts*

LIMITED WARRANTY

To the original Retail Purchaser for use of this LORD NELSON , Hull _____.

1. This Warranty is granted by Admiralty, Ltd. and extends to any non-commercial buyer who normally uses it for personal, family, or recreational purposes.
2. Parts Covered - All parts manufactured and shipped with the boat except those parts manufactured by other suppliers are covered under this warranty.
3. Parts Not Covered - The following parts are not covered by this warranty or any implied warranty:
 - (a) Masts, booms, plywood, gelcoat and upholstery;
 - (b) Engines, toilets, stoves, refrigeration units, batteries, ignition systems, lighting devices, blowers, propellers, and other parts and equipment manufactured by others. Admiralty, Ltd. will make available the warranties, if any, extended to it by other manufacturers.
4. Remedy - If within the period of warranty any part covered herein proves to be defective in material or workmanship, then the sole and exclusive remedy of the owner shall be, at the option of Admiralty, Ltd., the replacement or repair of the defective part.
5. Procedure for Obtaining Performance Under this Warranty - In order to obtain performance of the obligations under this warranty, the owner must promptly (within thirty 30) days of discovery of the defect) notify Admiralty, Ltd. of the defect and at Admiralty, Ltd.'s or the authorized Lord Nelson Service Center's direction, return the defective part or product to be repaired under this warranty. All transportation costs to and from the authorized Lord Nelson Service Center and all haulout and launching costs, will be at the expense of the owner.
6. Time within which warranty work will be performed - All warranty work will be performed by an authorized representative of Lord Nelson Yachts within a reasonable time, usually within sixty (60) days after notification of the defect and delivery to the service center or specified place of replacement, subject to delays beyond Admiralty, Ltd.'s control.

LIMITED WARRANTY POLICY

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7. Sole Remedy - The remedy and liability for any breach of warranty, expressed or implied, set forth above is the sole and exclusive remedy and the limits of liability for such breach.
8. Design Changes - Admiralty, Ltd. reserves the right to make changes in the design and material of its products without incurring any obligation to incorporate such changes in any product previously manufactured.
9. Exclusions and Implied Warranties - This warranty does not extend to any defect due to the negligence of others, failure to operate or maintain the product in accordance with the operating and maintenance instructions furnished with each new product, unreasonable use, accidents, where the boat is altered in any way, or ordinary wear and tear. ALL IMPLIED WARRANTIES, IF ANY, ARISING UNDER STATE LAW IN CONNECTION WITH THE SALE BY ADMIRALTY, LTD. OF THIS YACHT ARE LIMITED IN DURATION OF THIS WRITTEN WARRANTY. THERE ARE NO WARRANTIES, EXPRESSED OR IMPLIED, OR MERCHANTABILITY, FITNESS, OR OTHERWISE WHICH EXTEND BEYOND THE FOREGOING WARRANTY. ADMIRALTY, LTD. SHALL NOT BE RESPONSIBLE FOR LOSS OF USE OF ANY PRODUCT, LOSS OF TIME INCONVENIENCE OR OTHER INCIDENTAL DAMAGES (with respect to business or property) WHETHER AS A RESULT OF BREACH OF WARRANTY, NEGLIGENCE OR OTHERWISE.
10. Admiralty, Ltd. warrants each new ~~sailboat~~ ^{Victory 37 Tur} for a period which shall expire on the sooner of twelve (12) months after import or commissioning.
11. Alterations - Any part or any yacht which has been altered will not be warranted by Admiralty, Ltd.

Admiralty, Ltd.
P. O. Box 2133
Sun Valley, Idaho 83353

Buyer's Acceptance _____

Signed copy of this Warranty must be sent to Admiralty, Ltd. to be valid.

NUMBER 34



Lord Nelson Yachts

LORD NELSON YACHTS
VESSEL ORDER FORM

MODEL ORDERED VICTORY TUG 37 DATE JUNE 7, 1985

HULL NUMBER 37-034 SHIPPING DATE AUG 1985

DESTINATION LONG BEACH ARRIVAL DATE AUG-SEPT

DEPOSIT RECIEVED YES LETTER OF CREDIT # _____

LETTER OF CREDIT PAYABLE TO ADMIRALTY LTD C/O FIRST INTERSTATE BANK OF CALIFORNIA, P.O. BOX 3135 CITY OF INDUSTRY, CA. 91744.

BUYER NAME _____ PHONE # _____

ADDRESS _____ CITY NEWPORT BEACH STATE CALIF ZIP _____

HULL COLOR ROBERTS GREY 1203 BOOT STRIPE BURGANDY 2012

CABIN COLOR OYSTER WHITE 1012 TRIM COLOR BURGANDY 2012

ADDITIONAL COLORS NO V ON STACK

UPHOLSTRY COLORS GOLDSTAR 4656 blue WAFFLE

ADDITIONAL EQUIPMENT (Yard Instalation) _____

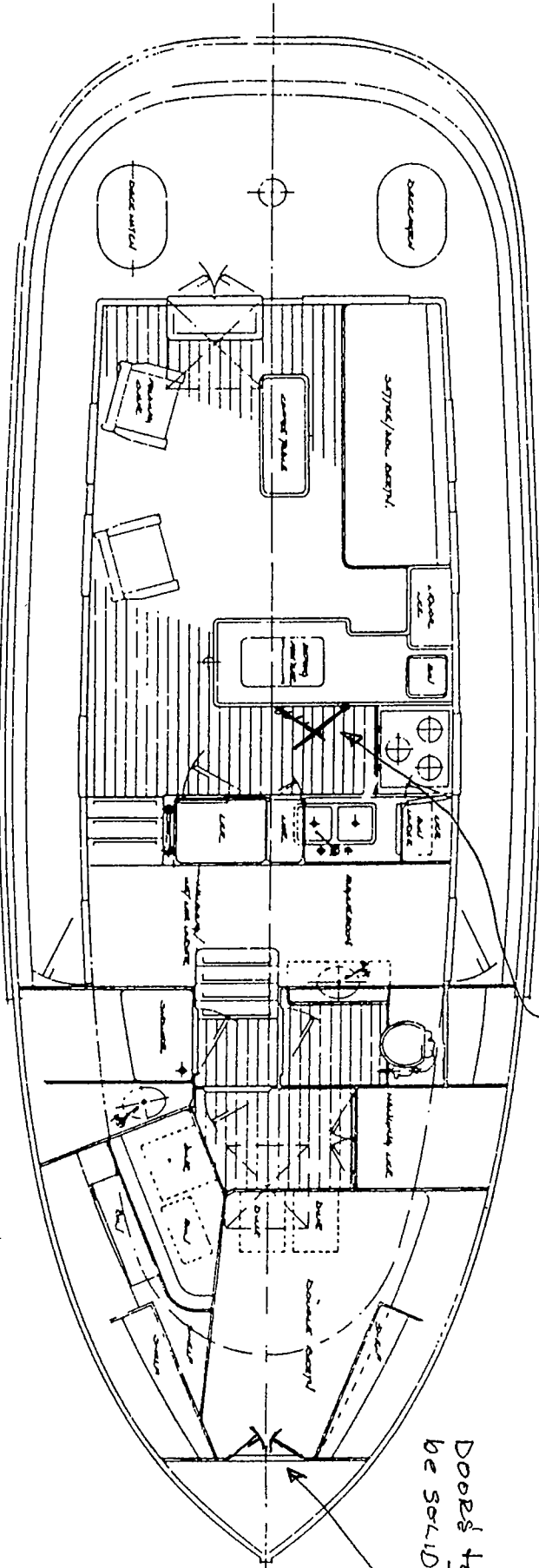
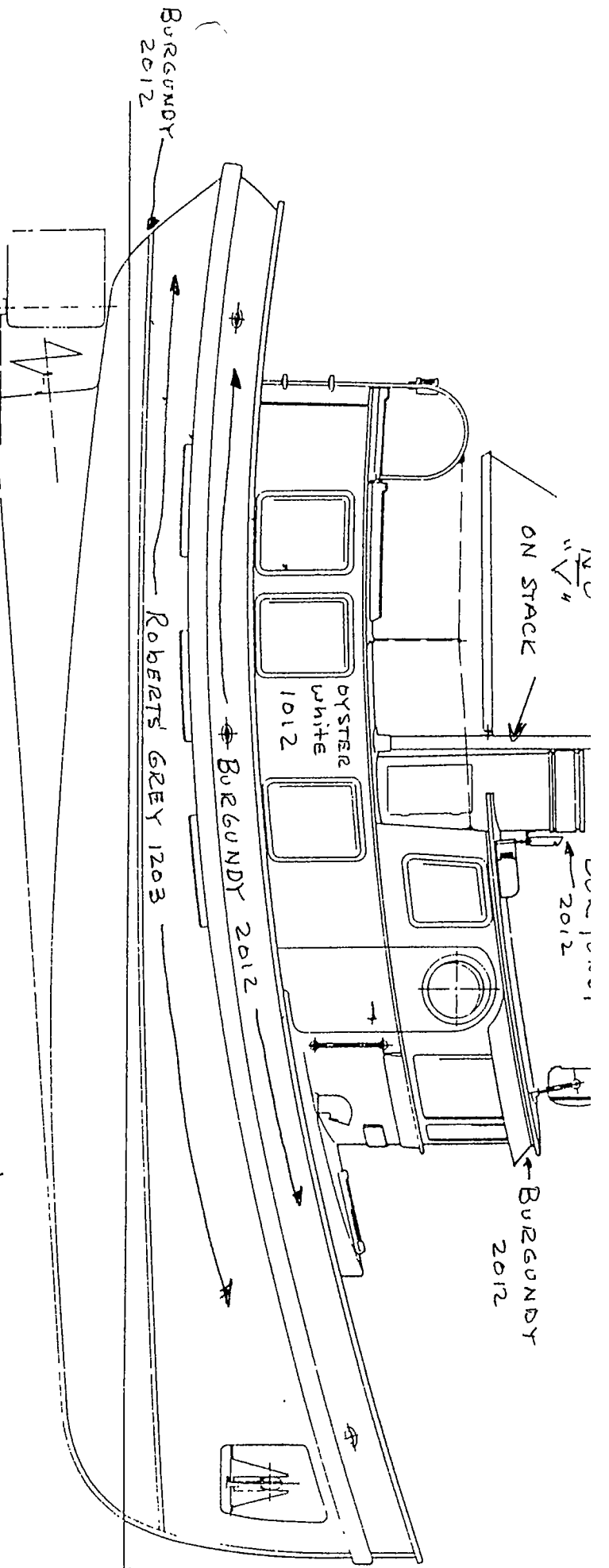
- ① 2 ADDITIONAL WINDSHIELD WIPERS INSTALLED ON CENTER & PORT FIXED WINDOWS
- ② STAINLESS SCREENS FOR ALL WINDOWS EXCEPT FORWARD WHELLHOUSE WINDOWS, BETS AND MATCHES
- ③ FRONT LOADING REFRIGERATOR DOOR, RIGHT SIDE HINGES LOOKING AFT. DOOR AS LARGE AS STANDARD
- ④ STANDARD MAST & BOOM WITH EXTRA PULL LINE TO RUN ELECTRICAL WIRES
- ⑤ BOARDING LADDER
- ⑥ TOWING BIT

CHANGE REQUESTS (Yard) Subject to approval and price quotation by representative of Admiralty Ltd. Drawings and measurements may be required.

- ① INSTALL OVERHEAD CEILING IN PILOTHOUSE WITH SCREWS AND RECESSED WASHT
- ② PROVIDE ACCESS TO FRONT OF ENGINE IF POSSIBLE. (UNDER STAIRWAY)
- ③ ~~L SHAPED SETTEE WITH SECOND POSITION BEHIND BARS DELETE~~
- ④ INSTRUMENT PANEL TO BE SAME AS # 23. HINGED OPENING. ELECTRONIC CABINET TO BE OVAL AS STANDARD.
- ⑤ DON'T INSTALL FRESH WATER HAND PUMP BUT SEND WITH BOAT AS SPARE.
- ⑥ MAKE ANCHOR LOCKER ACCESS DOORS SOLID -

ORDER APPROVED BY Jack Wells

DATED 6-17-85



LARGE FRONT OPENING ICE BOX
DOOR WITH HINGES ON RIGHT
LOOKING AFT

October 1985

LETTER OF ACCEPTANCE

I, Craig Smith, hereby state that I have inspected the Lord Nelson VICTORY TUG, 37', Hull #34, and find it as I have ordered in my March 7, 1985 contract with the change (verbal) that I agreed to of a Cummins engine installed.

The boat is in good condition and I hereby accept the boat and am authorizing release of funds in my Letter of Credit as issued to Admiralty, Ltd., L/C #LAI-78706.

Craig Smith