

**From:** Dan Streech  
**Sent:** Friday, June 21, 2013 4:21 PM  
**To:** Robert Conconi  
**CC:** 091 Jim-nord Leishman; 092Jeff-nord Leishman; Trever Smith; Sky Scott  
**Subject:** A REQUEST

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Dear Bob,

This is an e-mail that I hoped that I wouldn't have to write.

We entered into an agreement with you to build Nordhavn 120 #1. The agreement and your purchase of N120 #1 was a life saver for PAE because it came in the midst of the recession and allowed a peaceful ending of the transaction with Bob Grossman. Our agreement with you was based on the written document, but more importantly, it was founded on trust, mutual respect and a history of doing business together. You have been a perfect gentleman, partner and participant in the building of the boat and have done your part and much more.. especially in that you have advanced early payments to PAE when we needed them. We are very very appreciative of all that you have done.

We at PAE have done our part also.. often under grueling conditions. We have designed and successfully built a gloriously exquisite yacht that exceeds all of our expectations and will set new standards of excellence. The quality, features, design and fit and finish of the new *AURORA* will boggle minds and give you a yacht that probably already has a value above what you will pay for it. It is done.. we (collectively) did it!

There is one dark cloud hanging over us however.. With our profit margin on the sale of the N120 very small to begin with.. and now dwindled down to almost nothing after all of the surprises, leaks and unilateral decisions to take the high road when decisions were made, proceeds from the sale of *AURORA I* are mandatory in order for us to complete our payments to the factory for your new boat. It is now clear and we must accept that *AURORA I* will not be sold prior to the deadline of July 10 to make our final factory payment to South Coast Marine.

I have previously told you that we had found a way to finance *AURORA I* for a portion of her value. Those plans are not working out. We need to ask for your help.. again.

*AURORA I* is now sitting in Seattle and we are in the process of establishing a USCG title with PAE as the owner. Our request and hope is that you would loan money to PAE with *AURORA I* as the collateral for the loan. The details of what we are requesting are:

- Loan amount: \$4,000,000
- Interest rate: 8% APR, interest to be paid monthly as earned or as a further credit and discount on the purchase of N120 #1.
- Terms: Due in 6 months or upon sale of *AURORA I*
- Security and Collateral: N86 #2, *AURORA I*. *AURORA I* is now US Coast Guard documented with PAE as the owner and US duty paid has been paid (again). Conconi would be the sole mortgage holder and the mortgage and note would be recorded with the Coast

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Exhibit 267-1

Guard. Additionally, there would be a UCC filing showing Conconi's interest in the N86 *AURORA*.

- *AURORA I* to be insured for \$6,000,000 with Conconi as loss payee.

We have done the arithmetic.. a loan from you of \$4,000,000 will allow us to get N120 #1 over the finish line.. completed, released from the factory and delivered to Vancouver. We remain confident that *AURORA I* is worth above \$5,000,000 and believe that now that she is in our custody in Seattle and has US duty paid that she will be sold within 6 months. Actually, we will lower the price as needed to make sure that she is sold within 6 months. With the eventual sale of *AURORA I*, the entire transaction will have a happy ending and will be great for both sides.

I very much apologize that we are hitting you with this at the last minute. We were loath to ask.. wanting to complete the transaction as close to the original agreement as possible.

We can't make it without your help.

Thank you,

Dan