

From: Robert Conconi
Sent: Monday, August 4, 2014 2:33 PM
To: Dan Streech
CC: Conconi Diane; Trever Smith
Subject: Re: Invoice

I am returning to Vancouver on the 15th, the major issue will be the resolution of the comments made by Jim to CBSA. Their statements as recorded by them of their conversation with Jim are the basis of their fining me over 1,000,000. That conversation is being appealed with the focus of "taken out of context" comments, the "facts of the matter" do not match the statements made by JL, the facts are what the facts are.

The entire transaction is being appealed to Ottawa and they are at the same time considering criminal proceedings (not certain if this has changed with the evidence in their possession).

The remainder of the issues surround the purchase agreement, the state Aurora was supposed to be in when delivered and what efforts PAE took to deliver in accordance with the statements we negotiated some 5 years ago.

I have not disputed that I may owe you funds for not contemplated additions.

The terms of the delivery, the condition of Aurora, the work I am going through just to have systems demonstrated and sometimes learning that they were never installed properly or working from the beginning.

We discussed the previous experiences on 76 and 86 and the terms of our contract were designed to make that type of conversation academic as the funds would not be payable until the terms were satisfied.

That is where we are presently and PAE is not honoring their part of the agreement.

I have engaged the same lawyers we have used on the 76 in the past. They are prepared to litigate in the California courts with the understanding the money owed to PAE has not been established.

It all comes down to factual and honest statements and what the contract obliged PAE to provide.

This is now beyond a money matter, it is more like "who cares what position our actions put Conconi in?"

I have never had PAE agree to any matter I have tried to bring to their attention. There is much more at stake here than simple money. My faith in what your intentions were from the beginning is what is in question now.

If you think having this explained in greater detail will assist you then by all means, I am happy to meet.



Robert Conconi <robert@conconi.ca>

Delivery of AURORA

6 messages

Dan Streech <dan@nordhavn.com>

Tue, Dec 10, 2013 at 12:28 PM

To: Robert L Conconi <robert@conconi.ca>

Cc: Jim Leishman <jim@nordhavn.com>, Jeff Leishman <jeff@nordhavn.com>, Sky Scott <sky.scott@nordhavn.com>, Trever Smith <trever@nordhavn.com>

Hi again Bob,


My vision is that you will accept delivery of *AURORA* on the 14th upon her arrival in Port Moody. This will dovetail with the cessation of our insurance and the commencement of your insurance on that day.

If you are in agreement with that, we will ask you to sign the Protocol of Delivery and Acceptance document on the 14th. Please see the Protocol document attached. You will note that I have added verbiage clearly stating that you are not accepting the condition of *AURORA*... only delivery, possession and responsibility.

Please let me know if you have any comments about the agreement.

Thank you,

Dan

 Protocol of Acceptance and Delivery Conconi 12001.doc
42K

Robert L Conconi <robert@conconi.ca>

Tue, Dec 10, 2013 at 1:17 PM

To: Dan Streech <dan@nordhavn.com>

Cc: "emackinnon@mccarthy.ca" <emackinnon@mccarthy.ca>

Dan, I am accepting the term of delivery and cancellation of insurance "only" because PAE are refusing to extend your insurance coverage until final delivery and acceptance procedure is complete. I can't and won't change the terms of our agreement by you simply not respecting the verbiage of the contract. There are lot of things on Aurora that were identified long ago and no effort at all has been made to rectify.

If you remember our negotiations, the final 1.8 million was only payable after delivery and acceptance, and all deficiencies I deemed appropriate were dealt with.

This was negotiated because of our experiences in the past two deliveries.

I don't know the consequence of the present change in your actions, I guess that is simply one more thing to put on the table for discussion in January.

Lets just see the significance of the deficiencies and how much they will interfere with the enjoyment and use of the vessel.

I may agree at the end of the week when Steve D is concluded, definitely not before.

Bob

ROBERT CONCONI

President

CONCONI FT HOLDINGS LTD

604.568.4063 | office

888.519.2539 | fax

robert@conconi.ca

This message and any attachments are intended only for the use of the person or entity addressed to above, and may contain information that is confidential or legally privileged. If you are not the intended recipient or the employee or agent of the intended recipient responsible for the delivery of this information, you are hereby notified that the disclosure, copying, use or distribution of this information is strictly prohibited. If you have received this transmission in error, please notify me immediately by telephone or by replying to this e-mail. Thank you.

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[Quoted text hidden]

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Dan Streech <dan@nordhavn.com>

To: Robert L Conconi <robert@conconi.ca>

Cc: "emackinnon@mccarthy.ca" <emackinnon@mccarthy.ca>

Tue, Dec 10, 2013 at 1:21 PM

Bob, I have no idea of what you just said... Can I call you?

From: Robert L Conconi [<mailto:robert@conconi.ca>]

Sent: Tuesday, December 10, 2013 1:17 PM

To: Dan Streech

Cc: emackinnon@mccarthy.ca

Subject: Re: Delivery of AURORA

[Quoted text hidden]

Dan Streech <dan@nordhavn.com>

To: Robert L Conconi <robert@conconi.ca>

Cc: "emackinnon@mccarthy.ca" <emackinnon@mccarthy.ca>, Diane Conconi <diane@conconi.org>

Tue, Dec 10, 2013 at 1:43 PM

Bob,

604.568.4063 | office

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To: Robert L Conconi <robert@conconi.ca>
Cc: "emackinnon@mccarthy.ca" <emackinnon@mccarthy.ca>

Tue, Dec 10, 2013 at 1:47 PM

Bob,

This e-mail continues to baffle me.. We are NOT refusing. We ASKED you to insure AURORA on the 14th.. we didn't TELL you. Please show me where we refused..

From: Robert L Conconi [<mailto:robert@conconi.ca>]
Sent: Tuesday, December 10, 2013 1:17 PM
To: Dan Streech
Cc: emackinnon@mccarthy.ca
Subject: Re: Delivery of AURORA

Dan, I am accepting the term of delivery and cancellation of insurance "only" because PAE are refusing to extend your insurance coverage until final delivery and acceptance procedure is complete. I can't and won't change the terms of our agreement by you simply not respecting the verbiage of the contract. There are lot of things on Aurora that were identified long ago and no effort at all has been made to rectify.

[Quoted text hidden]

Robert L Conconi <robert@conconi.ca>
To: Dan Streech <dan@nordhavn.com>
Cc: "emackinnon@mccarthy.ca" <emackinnon@mccarthy.ca>

Tue, Dec 10, 2013 at 2:06 PM

Dan, I have placed insurance, I want possession and the ability to enjoy or demonstrate it works. I am simply stating that the procedure outlined in our agreement and your responsibility as to state of delivery and when insurance is to stop have not been achieved.

What ever is, is. We will discuss in January after the facts are collected and you have collected yours.

I am not trying to upset you.. I simply truly did not understand what you said. Are you going to sign the protocol on the 14th? If not, then the possession (and responsibility) of AURORA stays with PAE... and we MUST insure it and will. Also, I NEVER NEVER said that we would not continue the insurance on AURORA. Do you want PAE to continue to insure AURORA? If yes, just say so. Bob, this is really important.. are you going to sign the protocol on the 14th?

Thanks!

Dan

From: Robert L Conconi [mailto:robert@conconi.ca]

Sent: Tuesday, December 10, 2013 1:30 PM

To: Dan Streech

Cc: emackinnon@mccarthy.ca; Diane Conconi

Subject: Re: Delivery of AURORA

What is the purpose, I have explained so many times so so many individuals, let's just let the dust settle and discuss in January. You will never agree that you are mistaken or wrong on anything. I know that we will have a list of issues that have to be addressed and agreed on, I am prepared to discuss.

Please get all your accounting ready for our discussion.

I don't need anything to increase my blood pressure any more. This is the most painful experience I have ever been in my life.

This afternoon is all with our lawyers reporting whether Jim Leishman's statement to CBSA were accurate or not, are the conclusions they took from his statements correct or not correct and based on incorrect information. The consequences here are huge, again something we will discuss in person and hopefully after some issues are resolved

PAE knows presently the majority of the issues we have listed are not addressed or even started to be completed. This is not the "Experience" we discussed in November 2009. We had a benchmark that was agreed to serve as the definition if each of us viewed the appropriate solution differently. It was to be "The Westport Experience" in every respect without exception.

ROBERT CONCONI

President

CONCONI FT HOLDINGS LTD

From: Robert Conconi
Sent: Tuesday, April 1, 2014 9:35 AM
To: Trever Smith
CC: Captain Mark Vanderbyl; Jeff Leishman; Dan Streech; Bob Conconi; Jim Leishman; Dave Harlow; Diane Conconi
Subject: Re: Hot tub

There is a problem here, no matter what we say, explain or describe, you ask another person and then rely on them being correct and us being wrong, no matter what the issue. You state it as it is a fact, at best it is your belief, I can't describe to you the location of the controls for the hot tub, how practical, the amount of water etc. You are making these final decisions without the benefit of your own eyes.

On a 16 plus million dollar boat, should not be explaining that aa human being must be able to turn on/off or temp up/down and have you say something other than that.

This is not the smallest amount of trying to understand, it is simply denying anything that can be denied, again, with your own eyes, you would reach a totally different decision.

This is too painfull to continue, we will make the changes locally, at the end, some third party will determine whether I was making a reasonable request or if you were being unreasonable.

I m not prepared to compromise in my wants on such a beautiful boat that should operate as designed.

I wish your attitude and actons were different, we are keeping you in the loop on everything.

Bob

On Tue, Mar 25, 2014 at 4:11 PM, Trever Smith <trever@nordhavn.com> wrote:

Dear Mark,

I spoke to Mark Craven about this to get his report.

Bottom line is that we do not plan do to anything further with the hot tub, Mark recalled that the hot tub was run for 12hrs nonstop, sounded like it was overnight and in the morning he went up to check for leaks, ect... and it was dry underneath.



Pacific Asian Enterprises, Inc.
25001 Dana Dr., Dana Point, CA 92629
(949) 496-4848 phone (949) 240-2398 fax

PROTOCOL OF DELIVERY AND ACCEPTANCE

PACIFIC ASIAN ENTERPRISES, INC (Seller), of 25001 Dana Drive, Dana Point, CA, USA, have today delivered to Alberta Service Bureau, Inc. (Buyer) of 100-10072 Jasper Avenue NW, Edmonton, AB, Canada T5J1V8 the Nordhavn 120 #01 motor yacht (Vessel) hull ID #PA112001G314 together with all equipment on board, free of all encumbrances and other claims in accordance with the Purchase Agreement dated November 13, 2009 ("the Agreement").

I do hereby certify that on this day, I, Bob Conconi have taken possession of, and had my first functional use of the Vessel at a location outside of The United States, to include California State Territorial waters, and that the above referenced vessel is being purchased for use outside California and not for storage, use or other consumption in California. This is evidenced by noting that I accept and take possession of the Vessel in Port Moody, BC, Canada.

I also agree that if I have perfected a security interest in the Vessel and filed or caused to be filed a UCC-1 Financing Statement identifying the Vessel as collateral, I will within one month from the date set out below file, or cause the secured party of record to file, with the California Secretary of State a Uniform Commercial Code UCC-3 Financing Statement Amendment terminating the UCC-1 Financing Statement previously filed by or on behalf of myself. If for any reason a Financing Statement Amendment terminating the UCC-1 Financing Statement is not filed with the California Secretary of State within one month of the date set out below, then I hereby authorize Seller, acting on behalf of myself and the secured party of record at the time of Seller's filing, to file a UCC-3 Financing Statement Amendment terminating the security interest granted by Seller to Buyer, if any, as well as any UCC-1 Financing Statement perfecting any such security interest as such financing statement may have been amended from time to time.

Seller and Buyer understand and agree that there are unresolved issues with the Vessel and by the signing of this agreement and accepting delivery and possession of Vessel, Buyer is NOT accepting the condition of the Vessel.

I, Mr. Bob Conconi hereby accept delivery of the Yacht and do certify that the same is delivered in accordance with the terms and conditions of the Agreement.

Date

Dan Streech
PACIFIC ASIAN ENTERPRISES, INC

Date



Robert Conconi <robert@conconi.ca>

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Cc: "emackinnon@mccarthy.ca" <emackinnon@mccarthy.ca>, Diane Conconi <diane@conconi.org>

Tue, Dec 10, 2013 at 1:43 PM

Bob,

ATTACHMENT 3

**NORDHAVN YACHTS
LIMITED WARRANTY**

1. This Limited Warranty is extended to the original purchaser of the yacht at retail, and is not extended to any subsequent purchaser of the yacht, nor is this Limited Warranty transferable. The obligations of Pacific Asian Enterprises, Inc. (hereinafter referred to as "PAE") under this Warranty shall be further limited if the yacht is used for hire or charter. If the yacht is used for hire or charter, PAE, in its sole discretion, shall determine whether or not the requested repair is covered by this Warranty or whether or not this Warranty has been voided due to abuse, misuse or neglect caused by the hire or charter of the yacht.

2. This Warranty applies to those components of the yacht manufactured by or built by PAE, or items which PAE has manufactured by various suppliers including hull, keel, mast, standing rigging, deck, interior bulkheads, rudder, rudder post, plumbing, wiring and electrical panel. Items not covered under this Warranty are: gel coat coloration, exterior finishes of exterior hull below waterline, upholstery materials, minor cracking or checking of teak trim or teak decks and toe rail. Engines, pumps, winches, toilets and any items not specifically manufactured for or by PAE are covered by their own individual manufacturer's warranties. All original warranty registration and validation cards are provided to original buyer at delivery. All cards should immediately be filled out and signed as individually specified.

3. To validate the Warranty, the "Warranty Registration Card" must be mailed to Pacific Asian Enterprises, Inc., P.O. Box 874, Dana Point, CA 92629, as soon after the commissioning date as possible. In order to obtain performance of any Warranty obligation, the owner must report in writing, within 30 days of its discovery, any claim in respect of defects in material or workmanship to PAE, Inc. at Dana Point, CA. When reporting a claim, the owner must provide the following information: (a) full details of the problem, (b) model and hull number of the yacht on which the claim is being made, (c) full name and address of the owner, (d) location of the yacht, (e) date of commissioning.

3A. Upon determination by PAE that the defect is warrantable, PAE will effect or authorize repairs. PAE may require that the yacht or defective parts be returned to the PAE or an authorized agent of PAE. PAE neither assumes nor authorizes any person to assume for PAE any liability or expense in the replacing of parts or corrections of defects in the yacht within Warranty period, except when such expenses are authorized in advance and in writing by PAE.

If Warranted components are repaired or replaced under terms hereof, the terms of this Limited Warranty shall cover such component for a period of 90 days from the date of repair or replacement or until the end of the original warranty period, whichever is later.

4. PAE accepts no responsibility for liability through the failure of any yacht or part, except to repair or replace the defective part. Obligations of PAE under this warranty are

limited to claims that shall have been received by PAE within the warranty period, and which shall, to the satisfaction of PAE, be determined to have resulted from defective material or workmanship.

5. It is a condition of this Warranty that the yacht has been given reasonable care, and that the warranty claim has not resulted from accident, negligence, misuse or from unauthorized alterations by the original purchaser.

6. PAE reserves the right to improve its products through changes in design and material without obligation to incorporate such changes in yachts of prior manufacture.

7. The duration of the Limited Warranty protecting the fiberglass hull structure, excluding the deck and all fittings and attachments to the hull, shall be two (2) years from the date of commissioning. The Limited Warranty covering the other items as listed in paragraph 2 above shall be for one (1) year from the said date of commissioning.

All other implied warranties, including those of fitness and merchantability, shall continue for one (1) year from the said date of commissioning.

8. PAE shall not be responsible for any damage or defect that shall occur upon the unreasonable use of the yacht by the original purchaser after said purchaser has notice of any defect.

9. This Limited Warranty does not extend to any other damages that the original purchaser claims to have suffered by reasons of such defects.

10. PAE shall not be responsible for the cost of slip rent or storage or for loss of use of the vessel while approved warranty repairs are being carried out.

Buyer _____

Date _____

Seller Paul 87

Date November 18, 2009



Pacific Asian Enterprises, Inc.
25001 Dana Dr., Dana Point, CA 92629
(949) 496-4848 phone (949) 240-2398 fax

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PACIFIC ASIAN ENTERPRISES, INC

Date

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