

# LARSON BOATS, LLC

700 Paul Larson Memorial Drive  
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February 2, 2010

Dear Supplier,

I'm hopeful that by the time you receive this communication you've been made aware that the Carver, Marquis Yachts, Larson, Seaswirl, FinCraft, and Triumph Boat Companies have been acquired by J & D Acquisitions, LLC (J&D). J&D is an entity owned by Jacobs Trading Co. (JTC), one of my largest and most successful companies, and by my partner, John Paul DeJoria. Rather than try to explain to you in this communication who John Paul DeJoria is, I suggest you look him up on the internet. In addition to being one of the most successful and wealthiest individuals in the U.S., John Paul is a person who truly cares about people and is one of the most astute businessmen that I've ever met and/or been associated with throughout my lifetime.

I recognize that many of our suppliers were financially hurt in the Genmar Holdings, Inc. (Genmar) bankruptcy filing. Further, I totally understand that there may be some reluctance as to whether or not your company may want to continue to do business with us again. I want to assure you that our new recreational boating enterprise has never been financially stronger than we are today. That may seem somewhat odd to you since the boat companies we've purchased through J&D have all previously been owned by Genmar as well as my personal association with Genmar. J&D has purchased all of their recent boat company acquisitions that came out of the Genmar bankruptcy proceedings for cash as well as additionally we've invested several million dollars in working capital into the companies. If you have any concern about our boat companies' financial capabilities to pay you for your products on a timely basis, I suggest your company offer us a cash discount, and we'll be pleased to honor your cash discount terms at least until you are once again completely comfortable in offering normal credit terms to our boat companies in the future.

I'm personally very sorry for all the inconveniences and money that was lost by those suppliers who got caught up in the Genmar bankruptcy; however, I want you to know that I also personally lost tens of millions of dollars as well as John Paul DeJoria lost \$25 million in the Genmar bankruptcy. Surely our losses don't necessarily relieve the pain of any of our suppliers' losses; however, we wanted you to know that we also didn't go unscathed in the Genmar bankruptcy and in fact, both John Paul and myself were the two largest individual creditors that lost the most money amongst all other creditors.

 **LARSON**  
EXPERIENCE IS EVERYTHING.

*Seaswirl*<sup>®</sup>

*FinCraft*

Most importantly, we want to support and help those suppliers who continue to do business with us, to recover some, if not most, of the losses they incurred in the Genmar bankruptcy through our future dealings with each other. You must realize, however, that in order for us to be able to compete in the recreational boating industry we need your product offerings to our companies to be at competitive prices.

I've requested that our purchasing personnel in all departments in each of our boat companies give priority to the previous Genmar suppliers offering us competitive prices for their products who had outstanding monies due them in the Genmar bankruptcy.

We look forward to doing business with those suppliers who wish to do business with us.  
Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'I. Jacobs', with a long, sweeping flourish extending to the right.

Irwin L. Jacobs  
Chairman  
J & D Acquisitions, LLC