

Expoships LLLP is a Florida limited liability limited partnership principally owned and managed by David & Lee Ann Lester who have staged more than 40 international art, antique, and jewelry fairs in New York, Chicago, Palm Beach, Miami Beach, Los Angeles, Dallas, and Hong Kong since 1989.

SeaFair takes place aboard a new, specially built steel exposition vessel, 231 feet x 46 feet, designed to United States Coast Guard Subchapter K standards. It is inspected by the USCG during construction, after construction, and continually during operations.

It has a permanent marine staff of 7 seamen.

During operational phases, it has a 24 hour entrance/exit security staff in addition to ship staff.

It has cameras which monitor all decks and functional entrances from a shipboard security center and can be secondarily monitored by internet from any place in the world.

All crew and staff are subject to background checks including drug monitoring (unlike convention centers)

There are only 2 – 3 points of egress including crew entrances. All are monitored. (Convention centers typically have multiple non-monitored entrances)

The ship is fully sprinklered with a high fog mist system.

The ship is a dockside operation and generally rests in less than two feet (2' feet of water). It has a draft of 6' 6". It is 57' out of the water. If the ship sank at the dock, the water would not even reach the lower machinery levels of the ship.

The ship is certified only for operation in protected waters and may not go more than 20 miles from a safe port with passengers. With exhibitor goods onboard, it will never go beyond these limits and is generally within 1 - 2 miles of shore even in transits.

Jewelry aboard will be kept in an approved fireproof safe at night and optionally in transit. The safe will be re-tumbled at the beginning of each segment and only the jeweler tenant will have access to the safe.

The jeweler may travel with the ship in transit, send a designated guard, or rely on shipboard security. Alternatively, the jeweler may transport jewelry by other such means as armored car from port to port.

In years of operation, IFAE has never had a jewelry loss during non-show hours. In general, convention centers with multiple entrances and unmonitored union staff and temporary facilities such as tents with multiple access points and easy entry with a cutting instrument are far less secure venues than the ship.

The greatest two concerns regarding operation aboard a vessel for an insurer would be fire (provided for with sprinklers, crew training, fire hoses in ship etc.) and sinking of the vessel. In general – at the dock – the vessel generally could not sink. It is specifically designed for shallow water operations in yacht harbors where the water is generally shallow. There are generally only 1 – 12 feet of water under the vessel at the dock. Since the vessel is 57 feet above the water – and 13 feet to the first exhibitor deck – it is virtually impossible for exhibitor goods to be exposed due to sinking of the ship at the dock.

This vessel only transits very short distance in protected waters. 80% of its annual route takes place in the Atlantic Intracoastal Waterway which is totally protected. There are no transits with exhibitor goods in unprotected waters except to Martha's Vineyard and Nantucket.

Because this vessel is a commercial ship engaged in interstate commerce, the US Department of Homeland Security requires positive photo identification of all persons boarding the ship. This is not required in most convention centers and tradeshow.

The ship is not open to the public. All persons must be invited, have a boarding pass, and swipe that boarding pass to enter the ship. That record is maintained by the ship. This is vastly superior to security in any comparable show anywhere in the world. We anticipate no unrecorded entry.

The ship hull insurance and liability is covered by an AIG and Berkshire Hathaway policy. It has been determined by experienced marine insurers to be a low risk vessel and use.

Each exhibitor is required to provide a certificate of liability insurance in the amount of \$500,000 naming Expoships LLLP as an additional insured and to individually insure all displays and works of art or merchandise brought about the vessel. Expoships assumes and specifically disclaims all liability for exhibitor's works of art, merchandise, and personal possessions.