

SETTING THE RECORD STRAIGHT: CONVERTED DAY CHARTER R60 HULL #03.

In response to recent social media comments, we'd like to clarify a few points regarding Converted Day Charter boat, R60 Hull #03, which is a unique, heavily modified vessel. This boat was originally constructed as a day charter boat some years ago and is quite different to our other Rapido 60s. It was later sold to Mr. Brett Zachar at a clearance price 'CHARTER BOAT AS IS' with the very clear understanding that it would not match the level of finish found in a standard Rapido 60.

KEY POINTS ON CONVERTED DAY CHARTER BOAT:

- **Distinct Design:** Hull #03 was started some years ago as a day charter sailing or power boat with a very basic finish, no sleeping cabins and an open layout for day trips.
- **Mr Brett Zachar states in his video "Remember the boat is brand new":** This is misleading.
- **Major reconfiguration:** Mr Brett Zachar decided that he wanted to reconfigure the boat as a cruising sailing boat. Major reconfiguration work was required. We were keen to clear the asset from our books and the customer wasn't prepared to pay the price for a standard Rapido 60 so obviously, this converted day charter day boat was not going to have the same finish as a standard Rapido 60.
- **Enhanced Features:** Nevertheless, there were numerous upgrades, including new cabins, proper full-size galley and our new pre preg carbon mast (instead of an alloy rig). We even lowered the floor by 15.24 cm to provide more headspace for the 2.0-meter-tall Mr Brett Zachar.
- **Clearance price:** The clearance price was \$1.0 million, sail away. A standard Rapido 60, base boat, sells for \$1.79m.
- **Insurance and Value:** Even though it is a heavily modified boat, Mr Brett Zachar insured it for \$1.8 million.

WARRANTY AND PROJECT CHALLENGES

There have been warranty issues associated with this converted day charter boat that was some years in the making. We do continue to honor our warranty commitments.

In May, we sent our Director of Operations to Phuket to assess the warranty claims. He prepared a list of valid warranty items that included replacing the Hydrive featured in the You Tube video. The Hydrive has already been replaced - well before the customer published his video using footage of the old Hydrive.

Meanwhile, as far as the warranty list goes, we still cannot get him to sign off. Mr Brett Zachar continually attempts to add claims that are not valid.

The warranty work (on Rapido's list which the customer refuses to sign off on) would have been completed already if not for torrential monsoonal weather and a request for the latest carbon rudder case.

"NO RUDDER!" COMPLETELY UNTRUE.

With respect to the "No Rudder!" headline on Mr Brett Zachar's You Tube video, the original rudder case was fine, doing 20 knots plus in the voyage from Vietnam to Phuket. However, after arrival, it did need work and a bearing was cracked. This was obviously valid warranty work and we scheduled to get it all done. Repairs could have been quickly completed and the boat returned to

the water. However, Mr. Brett Zachar requested a quote for the latest carbon slide up / kick up case. Making a new carbon case is not an overnight job nor is fitting it.

Mr Brett Zachar accepted the quote. We then built the rudder case, shipped it to Phuket and commenced installation in September. Torrential monsoonal rains then stopped work. Still no payment for the rudder case has been received despite multiple requests.

COMPLETING WARRANTY AND RUDER CASE WORKS IN PHUKET

We are keen to complete the warranty work and the rudder case installation. But we have requested Mr Brett Zachar again to sign off on the warranty list so that we can finally stop this “whack a mole” cycle that we seem to be in.

In addition, we have asked him again make payment for the upgraded rudder case (which incidentally, has been heavily discounted from retail and further discounted a couple of weeks ago to help with hard stand charges even though the delays are caused by switching to the new case and monsoon weather. In the never ending “whack a mole cycle”, Mr Brett Zachar now wants a further discount on the rudder case).

CUSTOMER:

- REFUSES TO SIGN OFF ON WARRANTY LIST
- REFUSES TO PAY FOR RUDDER CASE
- NOW GOES TO SOCIAL MEDIA

Rather than confirming the warranty list and paying for his upgraded rudder case so that we can complete the works, the customer has turned to social media.

On social media he mentions we have asked him not to be on the boat when our workers are working (but of course he can and should inspect the work at appropriate intervals or have an expert do inspections). We made the request because it has been challenging for our staff and contractors who have reported difficulties working with the owner due to requests beyond the original scope, as well as behavior that does not align with our commitment to a respectful working environment (one painting contractor simply refuses to return to the boat due to Mr Brett Zachar’s behavior).

COMMITMENT TO EXCELLENCE

We take pride in the quality of our boats, as demonstrated by the Converted Day Charter boat’s outstanding performance on its maiden voyage, reaching speeds of over 20 knots.

We are keen to complete the works as soon as possible and will continue to try to get resolution.