

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) Betty Desrochers (401) 521-7000
B. E-MAIL CONTACT AT FILER (optional) bdesrochers@rcfp.com
C. SEND ACKNOWLEDGMENT TO: (Name and Address) Amy T. M. Oakley, Esquire Roberts, Carroll, Feldstein & Peirce 10 Weybosset Street Providence, Rhode Island 02903

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME Watch Hill Yacht Services, LLC				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
3 India Point Road	Westerly	RI	02891	USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME H O B Yacht Sales, Inc.				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
3 India Point Road	Westerly	RI	02891	USA

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME Citizens Bank, National Association				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
One Citizens Plaza	Providence	RI	02903	USA

4. COLLATERAL: This financing statement covers the following collateral:

See Exhibit A attached hereto and incorporated herein by reference.

Filed with the Rhode Island Secretary of State

5. Check <u>only</u> if applicable and check <u>only</u> one box: Collateral is <input type="checkbox"/> held in a Trust (see UCC1Ad, item 17 and Instructions) <input type="checkbox"/> being administered by a Decedent's Personal Representative				
6a. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Public-Finance Transaction <input type="checkbox"/> Manufactured-Home Transaction <input type="checkbox"/> A Debtor is a Transmitting Utility			6b. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Agricultural Lien <input type="checkbox"/> Non-UCC Filing	
7. ALTERNATIVE DESIGNATION (if applicable): <input type="checkbox"/> Lessee/Lessor <input type="checkbox"/> Consignee/Consignor <input type="checkbox"/> Seller/Buyer <input type="checkbox"/> Bailee/Bailor <input type="checkbox"/> Licensee/Licensor				
8. OPTIONAL FILER REFERENCE DATA: Our File No. 1081-1058				

EXHIBIT A

Debtor: Watch Hill Yacht Services, LLC
H O B Yacht Sales, Inc.
3 India Point Road
Westerly, Rhode Island

Secured Party: Citizens Bank, National Association
One Citizens Plaza
Providence, Rhode Island 02903

The Secured Party has made a loan to an affiliate of the Debtor and such loan, together with any advances, including, without limitation, overadvances, indebtedness, notes, liabilities, owing by the affiliate to the Secured Party and guaranteed by the Debtor at any time, of each and every kind, nature and description, and whether secured or unsecured, direct or indirect (that is, whether the same are due directly or indirectly by the Debtor to the Secured Party or any affiliate of the Secured Party, as endorser, guarantor or other surety, or as borrower of obligations due third persons which have been endorsed or assigned to the Secured Party or any affiliate of the Secured Party, or otherwise), absolute or contingent, due or to become due, now existing or hereafter arising or contracted, including, without limitation, any interest rate swap or other hedging agreement, and payment when due of all amounts outstanding from time to time under the loan documents executed by and between the Debtor and the Secured Party in connection therewith, and including all interest and other charges chargeable to the Debtor or due from the Debtor to the Secured Party or any affiliate of the Secured Party from time to time, shall be referred to herein as the "Obligations".

As collateral security for the payment and performance of all of the Obligations, the Debtor hereby grants, assigns, conveys, pledges and transfers to the Secured Party (for its own account and as agent on behalf of each affiliate of the Secured Party to the extent any Obligations are owed to such affiliate of the Secured Party at any time), a continuing security interest in, a lien on and pledge and assignment, of all tangible and intangible personal property of the Debtor, including, but not limited to, the following assets and properties of the Debtor, any and all substitutions therefor and replacements thereof, and any and all additions and accessions thereto whether now owned or hereafter acquired or in which the Debtor may now have or hereafter acquire an interest, wherever located, in any of the following: accounts; chattel paper; goods; inventory; equipment; fixtures; farm products; instruments; investment property; documents; commercial tort claims; deposit accounts; letter-of-credit rights; general intangibles; supporting obligations; and records of, accession to and proceeds and products of the foregoing (all of which is referred to collectively herein as the "Collateral").

All words and terms used in the definition of Collateral other than those specifically defined herein shall have the meanings accorded to them, if any, in the Uniform Commercial Code as the same may be in effect from time to time in the State of Rhode Island.