

November 11, 2016

By Email to nearman10@outlook.com and Certified Mail-Return Receipt Requested

Nathan Carman
3043 Fort Bridgman Rd
Vernon, VT 05354-9451

DEFENDANT'S
EXHIBIT

D-53

RE: National Liability & Fire Insurance Company
Claim No: 1607671
Policy No: 3985989-15
Date of Loss: 9/26/2016

Dear Mr. Carman:

This correspondence follows our investigation into the above referenced incident.

Your Yacht Policy No. 3985989-15 provides on page 2 that *"Following a loss you must: ...Cooperate with us in the investigation...of any loss, and agree to be examined under oath if we so request."*

We have instructed Attorney David J. Farrell, Jr. to conduct your Examination Under Oath. He proposes his 60 Washington Street, Salem, MA 01970 office as a convenient location, on **Monday December 12, 2016 at 10:00 am**. His contact information is below:

Farrell McAleer Smith, LLP
Chatham and Salem, Massachusetts USA
2355 Main Street, P.O. Box 186
S. Chatham, MA 02659
508.432.2121 x 15 Office
508.237.2402 Cell 24/7
sealaw@live.com

Please bring with you to your Examination Under Oath all documents related to the sunken boat during your ownership of it, including but not limited to your original purchase records; all records, invoices, receipts, and credit card and bank statements reflecting repairs to your boat and purchases for items used on your boat during your ownership of it; all marine survey reports concerning your boat; and all insurance applications you submitted for your boat during your ownership of it. As well, please bring with you copies of all documents provided to *The Hartford Courant* following the sinking and any documents you have provided to law enforcement following the sinking.

Please contact Mr. Farrell directly if the proposed date presents a conflict.

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November 11, 2016
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Should you have any questions, please do not hesitate to contact me. To expedite all future handling of your claim, whenever you call or write, please refer to your claim number and ask for me. I am available from 8:00 a.m. to 5:00 p.m. (ET) Monday through Friday at the number below and can be reached via e-mail at mcharlesworth@boat.us.

Very truly yours,

Martha Charlesworth

Martha Charlesworth, AIC
Marine Insurance Claims
1-800-262-8082 Ext. 3875

MC/372

cc. David J. Farrell, Jr.

October 31, 2016

BY EMAIL TO NCARMAN10@OUTLOOK.COM

Nathan Carman
3043 Fort Bridgman Rd
Vernon, VT 05354-9451

RE: National Liability & Fire Insurance Company
Claim No: 1607671
Policy No: 3985989-15
Date of Loss: 9/26/2016

Dear Mr. Carman:

We confirm a final settlement of your earlier filed claim for the Total Loss of your 1974 31' JC Custom Pilothouse vessel "Chicken Pox" as a result of sinking on September 26, 2016 in the amount of \$85,000.00. This amount reflects the agreed hull value of your vessel at the time of the loss.

Enclosed please find the standard Proof of Loss, Bill of Sale and Limited Power of Attorney forms which we ask you to complete, sign in the presence of a notary public and return to us in the enclosed envelope. *Please verify that the HIN # is correct on the Bill of Sale and Limited Power of Attorney forms.*

Also, please forward the boat title, registration and Bill of Sale documents (not photocopies), reflecting your purchase of the boat, along with a list of all boating equipment regularly carried aboard. The title should be signed by all listed owners on the seller line only and notarized if required. Do not complete or sign in any other area on the title.

Upon receipt of these items, payment will be promptly forwarded to you. The policy states that upon payment of a total loss, the full annual premium is earned. Therefore, any unpaid premium balance may be deducted from the settlement.

In the event the vessel is recovered before or after settlement, please notify our office immediately.

Your policy including any trailer coverage is being cancelled, as you are being paid a Total Loss by the Company. If your policy also included trailer coverage, we suggest that you contact your insurance agent if you still want coverage for your trailer. If your bank holds the title for the vessel, it must be forwarded directly to us upon satisfaction of the lien. If the title is lost, you are responsible for applying for a duplicate.

Should you have any questions, please do not hesitate to contact me. To expedite all future handling of your claim, whenever you call or write, please refer to your claim number and ask for me. I am available from 8:00 a.m. to 5:00 p.m. (ET) Monday through Friday at the number below and can be reached via e-mail at mcharlesworth@boat-us.com.

Very truly yours,

Martha Charlesworth

Martha Charlesworth, AIC
Marine Insurance Claims
1-800-262-8082 Ext. 3875

MC/372
Enclosures

SWORN STATEMENT IN PROOF OF BOAT LOSS
And Salvage Agreement

Claim Number: 1607671

Policy Number: 3985989-15

Name of Vessel: 1974 31' JC "Chicken Pox"

Hull ID Number: MSZMT502J303

To the National Liability & Fire Insurance Company
c/o Agent: Boat Owners Association of The United States

Insured: Nathan Carman Amount of Policy \$ 85,000.00

Total Amount of Claim \$ 85,000.00 Less Deductible \$ N/A Net Claim \$ 85,000.00

Under your policy of insurance the above described claim is being made as a result of an accident which occurred at _____
_____ on the _____ day of _____, 20____
_____, at

or about the hour of _____ M., and which, to the best of my/our knowledge and belief was caused by _____

There was no other insurance on said vessel at the time of loss and no other claim for damages or compensation for the
loss claimed herein has been, or will be, made to or against any other source. Any exceptions to this are as follows: _____

No property is mentioned herein but such as was involved in the loss and insured under this policy and I agree to notify
the said insurers in case of any recovery of the property for which a claim is being made.

The said loss or damage did not originate by any intentional act, or design on my part, and nothing has been done by or
with my knowledge or consent to violate the conditions of the policy or to render it void.

Any attachments hereto are made a part of this instrument.

It is expressly understood and agreed that the furnishing of the "Proof of Loss" blank to me or the assistance of an adjuster
or any person otherwise an agent of the Company in making this proof, is an act of courtesy and is not a waiver of any of
the rights of the Company; and any other information and/or documents required by the Company shall be furnished,
wherever possible, or request and considered a part of this proof. "I" or "my" shall include a co-owner(s) if applicable.

I hereby assign, transfer, and set over to the insurer any and all claims or causes of action of whatsoever kind and nature
which I now have, or may hereafter have, to recover against any person or persons as the result of said occurrence and
loss above described, to the extent of the payment above made; I agree that the insurer may enforce the same in such
manner as shall be necessary or appropriate for the use and benefit of the insurer, either in its own name or in my name,
and that I will furnish such papers, information, or evidence as shall be within my possession or control for the purpose of
enforcing such claim, demand, or cause of action. I covenant that no release or settlement of any such claim, demand, or
cause of action has been made.

I hereby made claim upon the insurers in the sum of the net claim amount above as full and final settlement of this loss
identified above and agree the payment shall constitute a full performance of the obligation of the insurer under its said
policy.

(Continues on Reverse Side)

Claim #: 1607671

Explanation of Payment: This payment is made in accordance with the terms and conditions of your Yacht policy.

I understand that coverage under the policy ceases with payment to me for a total loss.

I understand that the Company has the right to sell the salvage remains of the vessel or its equipment if I am paid a Total Loss under the policy and I must promptly deliver to the Company all requested ownership documents. I agree that title to the wreck remains in my name until such time as the salvage is sold. I hereby declare in regard to the salvage that:

 / / I am not interested in bidding at any salvage sale; or,
 / / I hereby offer \$ for the rights to salvage property.

The following documents are presented in support of this proof of loss:

For your protection, California law requires the following to appear on this form, 556. It is unlawful to: (a) Present or cause to be presented any false or fraudulent claim for the payment of a loss under a contract of insurance. (b) Prepare, make, or subscribe any writing, with intent to present or use the same, or allow it to be presented or used in support of any claim. Every person who violates any provision of this section is punishable by imprisonment in the State prison not exceeding three years, or by fine not exceeding one thousand dollars, or by both.

Florida law requires this notice: "Any person who knowingly and with intent to injure, defraud, or deceive any insurance company files a statement of claim containing any false, incomplete or misleading information is guilty of a felony of the third degree."

New Jersey law requires this notice: "Any person who knowingly files a statement of claim containing any false or misleading information is subject to criminal and civil penalties."

New York law requires this notice: "Any person who knowingly and with intent to defraud any insurance company or other person files a statement of claiming containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime."

Washington law requires this notice: "It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits."

WITNESS, my hand at _____ this _____ day of _____, 20_____
(city/state)

Witness

Insured

Notary Certificate:

State of _____

City/ County of _____

Personally appeared _____, 20_____
signer of the forgoing statement and made oath that the same is true, and that no material fact of which the said Company should be advised is withheld.

Subscribed and sworn to before me, the day and date above written.

Notary Public

My Commission Expires _____

Completed Documents Should Be Sent To:
880 South Pickett St.
Alexandria, VA 22304
Attention: Your Claim Number

Claim # 1607671

**POWER OF ATTORNEY
TO SIGN FOR OWNER(S) FOR VESSEL CERTIFICATE OF TITLE**

I/We _____ of the City /County of _____, State of _____, hereby appoint Boat Owners Association of The United States my/our true and lawful attorney-in-fact, to apply for, sign on behalf of, register or transfer, in my/or name and behalf of certificate or duplicate Certificate of Title to the vessel described below. I/We do hereby grant unto said attorney-in-fact full authority and power to do and perform any and all other acts necessary or incident to the execution of the grantor(s) might or could do if personally present, with full power of substitution.

Vessel Description

Registration Number	Title Number	MSZMT502J303
JC		Hull Identification Number
Manufacturer		1974 31'
		Model Year Hull Length

In witness thereof, I set my hand and seal this _____ day of _____, 20____.

Signature of Owner (Grantor)

Signature of Co-Owner (Grantor)

Signature of Co-Owner (Grantor)

Street Address of Owner (Grantor)

City

State

Zip Code

Signature of Appointed Attorney for
Boat Owners Association of The United States
P.O. Box 22657
Alexandria, VA 22304

Notary Certificate

State of _____
City of _____, to Wit:

This day did the above _____ personally appear before me, a Notary Public and for the City and State above duly sworn did sign the above under oath.

My Commission Expires: _____

Notary Public

BILL OF SALE

Claim# 1607671

1. Vessel Name

1974 31' JC Custom Pilothouse "Chicken Pox"

Official No. or Hull ID No.

2. Name(s) and Address(es) of Sellers:

Nathan Carman

3403 Fort Bridgman Rd.

Vernon, VT 05354

MSZMT502J303

2a. Total Interest Owned (if less than 100%) _____%

3. Name(s) and Address(es) of Buyer(s) and Interest Transferred to Each:

3a. Total Interest Transferred (100% Unless Otherwise Specified) _____%

3b. Manner of ownership. Unless otherwise stated herein, this Bill of Sale creates a tenancy in common, each tenant owning an equal undivided interest. Check only one of the following blocks to show another form of ownership. Owning an equal undivided interest. Check only one of the following blocks to show another form of ownership.

☐ Joint tenancy with right of survivorship

☐ Tenancy by the entireties

☐ Community property

☐ Other (describe)

4. Consideration Received: (One Dollar and other valuable consideration unless otherwise stated) _____

5. I (We) do hereby sell to the Buyer(s) named above, the right, title and interest identified in Block 3A of this Bill of Sale, in the proportion specified herein.

Vessel is sold free and clear of all liens, mortgages, and other encumbrances of any kind and nature, except as stated on the reverse hereof. Vessel is sold together with an equal interest in the masts, bowsprit, sails, boats, anchors, cables, tackle, furniture, and all other necessities thereto appertaining and belonging, except as stated on the reverse hereof.

6. Warranties/Appurtenances/Limitations/Exceptions:

As Is, Where Is

7. Vessel Data: Complete this section only if vessel has never been documented and does not have a hull identification number

A. Builder _____ B. Builder's Hull Number _____

C. Former Name(s) _____ D. Former Motorboat Numbers _____

E. Former Alien Registrations _____

F. Dimensions: L = _____ B = _____ D = _____

G. Person from whom seller obtained vessel _____

8. Signature of Seller(s) or Person(s) signing on behalf of Seller(s).

9. Date _____
Date _____

10. Name(s) or Person(s) signing above, and legal capacity in which signed (e.g., owner, agent, trustee, executor)

Nathan Carman, Owner

11. Acknowledgement (to be completed by Notary Public or other official authorized by a law of a state or The United States to take oaths.)

On _____ the Person(s) named in Section 10 above acknowledge execution of the foregoing instrument in their
(date)
stated capacity(ies) for the purpose therein contained.

State _____
County/City _____

Notary Public _____
My Commission Expires _____

Instructions

1. Indicate current documented name. (If vessel has never been documented Seller must complete and sign (Data Section above).)
2. Insert names and addresses of all persons selling vessel along with total interest owned by those persons. If more room is needed, an attachment may be made showing the addresses of the Sellers.
- 2a. Self explanatory.
3. Insert names and addresses of all Buyers, along with the interest transferred to each. If there is more than one Buyer and no division of interest is shown, this Bill of Sale will result in each Buyer holding an equal interest. (If more room is needed, an attachment may be made showing the addresses of the Buyers.)
- 3a. Self explanatory.
- 3b. Check one of the blocks to create a form of ownership other than a tenancy in common. If "other" is checked, the form of ownership must be described.
4. Optional if the amount paid for the vessel is inserted, it will be noted on the vessel's general index.
5. Self explanatory. Use "remarks" section above if vessel is not sold free and clear, or to list vessel appurtenances which are not sold with the vessel.
6. Self explanatory.
7. Complete this section only if vessel has never been documented and does not have a hull identification number. Otherwise, leave blank.
8. Self-explanatory.
9. Show the date on which the instrument is signed.
10. In addition to the printed or typed name of the signer, show whether that person was acting as an owner, as an agent for an owner, as trustee, as the personal representative or executor of an estate, or other capacity which entitled that person to sign the Bill of Sale.
11. Any acknowledgement in substantial compliance with the law of the state where taken may be attached to this instrument in lieu of the preprinted acknowledgment.

Privacy Act Statement

In accordance with 5 USC (552(A)), the following information is provided to you when supplying personal information to the U.S. Coast Guard.

1. Authority solicitation of this information is authorized by 46 USC, Chapter 313 and 46 CFR, Part 67.
2. The principal purposes for which this instrument is to be used are:
 - (A) To provide a record, available for public inspection and copying, of the sale or other change in ownership of a vessel which is documented, will be documented, or has been documented pursuant to 46 USC, Chapter 121.
 - (B) Placement of this instrument in a book for examination by governmental authorities and members of the general public.
3. The routine use which may be made of this information includes development of statistical data concerning documented vessels.
4. Disclosure of the information requested on this form is voluntary, however, failure to provide the information could preclude filing of a Bill of Sale and documentation of the vessel named herein pursuant to 46 USC, Chapter 121. Moreover, Bills of Sale which are not filed are not deemed to be valid against any person except the Grantor or a person having actual knowledge of the Sale. (46 USC 31321(A)).

Directions for Completing Ownership Documents

PLEASE COMPLETE THE FOLLOWING:

1. Proof of Loss

- Fill in the blanks on the first page of the document regarding the location, date, time and reported cause of loss.
- Indicate if there are other active insurance policies on the vessel and identify the name, address, telephone numbers for the other insurance companies and the policy and/or claim number.
- On the second page of the document please answer the salvage bid questions.
- Sign the document in the presence of a notary public on the line for Insured, (only one signature of a named insured is required.).
- Return the original to us.

2. Bill of Sale

- Have all titled owners of the vessel sign the document in line 8 and date on line 9.
- Have the document notarized in Section 11 (on page 2).
- Do Not Complete any other section of the document
- Return the original to us.

3. Power of Attorney

- Fill in the names of all titled owners and your city/county and state on first line of the document
- Have all titled owners sign on the owner/co-owner lines in the presence of a notary public.
- Do Not Complete any other section of the document.
- Return the original to us.

4. Certificate of Title

- The Title document must be in the name of the current owner (our named insured). If the title has not been transferred to your name you must submit this to the titling agency before your claim will be settled.
- Have all titled owners sign on the seller line and date.
- Do Not Complete any buyer information on the title.
- Return the original to us.
- If the bank holds the original title, we must receive a certified copy of the title from them at which time we will pay the claim less 10% as per the policy language. Upon receipt of the original Title the balance will be paid.

5. Certificate of Documentation

- The current year's Documentation Certificate must be in the name of the current owner (our named insured). If the Documentation Certificate has not been transferred to your name you must submit this to the National Vessel Documentation Center before your claim will be settled.
- Do Not Complete any section of the Documentation.
- Send Original Documentation Certificate to us.

6. Transferable Registration

- Have all listed owners sign the registration and forward the original to us.