

Jeffrey,

Lady K Engine summary

The **\$ 44,100** that was submitted to you by LSJ was made up of the following:

Engines – \$ 30,500

Core Chg – \$ (16,000)

Shipping – \$ 7,500

Removal & Install and repairs – \$ 22,100

This is incorrect because what was missed here is we have to pay for the core charge up front so what really should have been presented to you is:

Engines - \$ 46,500 and everything else being the same would have brought the total to **\$ 60,100**

What I was able to do is get the engines for \$ 41,450 and the core credit would be \$ (14,000) a savings of \$ 3,050 and there is no customs cost so that would take \$ 1,000 off from the shipping total and the removal and install and repairs stays the same so therefore the total would be **\$ 56,050** for Lady K.

If we were to refurbish our engines the only benefit we would get is not paying for the core charge up front so the cost would be basically the same however the bat would be down for 1 to 2 months this way vs. 1 week if we bought the refurbished and sent our engines back.