



1173 Calle Suerte
Camarillo, CA 93012
800.270.4262
805.482.0053
FAX 805.482.0056
www.ambassadormarine.com

June 1, 2016

To our valued customers, vendors and suppliers...

For over 35 years Ambassador and Associated Marketing Concepts have made products for OEM and aftermarket customers all across North America and throughout the world. In the past decade the Ambassador Marine division has concentrated on the Marine Market of faucets, sinks, and accessories. As a vendor or customer you have helped us to grow that dynamic part of our business into an industry leader.

What some of you may not know is that entirely separate from our marine industry division, Associated Marketing Concepts has maintained a non-marine division that develops and imports various non-marine sporting goods products for retailers and OEM product marketers dating back 35 years. These unrelated items have nothing to do with our Ambassador Marine division.

Specifically, until very recently, for nearly 10 years Associated Marketing Concepts produced private label folding bicycles for a retailer, West Marine Products, Inc. Nearly three years ago, West Marine reported to us that out of the thousands of bicycles that Associated Marketing Concepts imported for West Marine over the years, three bicycles had cracked frames due to welding failures (without injury). West Marine notified the U.S. Consumer Protection Agency; requesting a massive, overbroad recall despite the fact that a more limited and focused recall was feasible. Over our continuing protests, West Marine prevented us from having any input in the recall process. West Marine also looked to us to absorb the huge costs related to replacement and refunds associated with the unnecessary recall of thousands of bicycles. Although we have endeavored to work with West Marine to address its enormous alleged claim in a productive, non-litigious way; West Marine has been entirely punitive in its response. Late last year, West Marine chose to abruptly not pay Ambassador Marine for several large faucet and sink shipments, asserting a right of off-set against its alleged recall claim. Earlier this year, West Marine commenced a lawsuit for breach of contract under a written vendor agreement to recover its disputed claim for damages arising out of the overbroad recall against the company and, without basis and maliciously, also individually named the retired founder of our company, Marty Spiegel.

The disputes with West Marine have had a materially adverse effect on our ability to operate in the ordinary course. In addition to the loss of business from West Marine, the company has expended considerable time and resources in its various attempts to address West Marine's alleged recall claim. And now, as mentioned, West Marine is pursuing its alleged claims in state court against the company and Mr. Spiegel. The company, however, is not in a position to continue operating in the ordinary course and bear the enormous expense associated with defending against these disputed claims.

As a consequence of West Marine's unnecessary damaging conduct, and after consultation with our attorneys, accountants and bankers, the company has determined that a chapter 11--reorganization filing is in the best interests of its creditors and other stakeholders.

While in chapter 11, the company intends to propose a chapter 11 plan of reorganization through which it will reorganize around its core marine and consumer products business. **Under the reorganization plan, the company proposes to pay trade creditors in full.**

Please be assured that we do NOT expect this Chapter 11 reorganization to affect our ability to continue to serve you. We anticipate absolutely no interruption in our ability to acquire new product inventory from our vendors nor should this affect our excellent service to you. As far as you are concerned it should be business as usual. Of course all receivables are due and payable as usual. We also want to assure you that all warranty issues will continue to be handled as usual.

The same great folks at Ambassador Marine will be here for you. In fact, we are still in development of many new items that will be introduced at the next IBEX trade show.

We are happy to share with you that in spite of the loss of West Marine's business six months ago, thanks to you, our 2016 sales figures are actually up over the same 6 month sales in 2015.

We wanted you to know the true story and avoid any possible incorrect rumors or incorrect information that could circulate throughout our small industry.

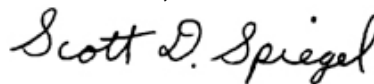
We at Ambassador Marine are very grateful for the relationships that we have built over the years with our suppliers, vendors, independent sales reps and especially our loyal customers. It is our intention to continue to be a vital part of the marine industry for many more years.

We sincerely believe that, "the best is yet to come."

If you have any questions or concerns, please feel free to call me at any time.

We thank you in advance for your continued support.

Thank You,



Scott D. Spiegel
President
805.482.0053 x202
800.270.4262 x202
scott@ambassadormarine.com