VIA REGISTERED MAIL

Director, Operational Business Canadian Coast Guard 200 Kent Street (5N177) Ottawa, ON K1A 0E6

RE: Sea Gypsy - Port of Quebec, QC - DOI: November 5, 2017

We have completed our investigation and assessment of the claim for \$7,278.30 (the "Claim") that the Canadian Coast Guard ("CCG") submitted for costs and expenses incurred in relation to an incident involving the sailboat *Sea Gypsy*, which occurred in section 100 of the Port of Quebec on November 5, 2017. We find the Claim to be fully established. Accordingly, we hereby make an Offer of Compensation (the "Offer") in the amount of \$7,697.45, including accrued interest of \$419.15, pursuant to sections 105 and 116 of the *Marine Liability Act* (the "*MLA*"), as it was prior to being amended.

In considering this Offer, kindly note the following time limits set out in the *MLA*. You have 60 days upon receiving this Offer to notify the Administrator whether you accept it. Alternatively, you have 60 days upon receiving this Offer to file a Notice of Appeal in the Federal Court naming the Administrator as a respondent, in accordance with sections 335, 337 and 338 of the *Federal Courts Rules*, SOR/98-106. The *MLA* provides that, if no notification of acceptance is received or if no notice of appeal is filed at the end of the 60-day period, you will be deemed to have refused the Offer and no further Offer will be issued.

If you accept this Offer, the *MLA* further provides that, as of the date the payment is made, the Administrator benefits from a statutory release and subrogation to the extent of the amount paid to you.

Yours sincerely,

Mark A.M. Gauthier, B.A., LL.B. Deputy Administrator, Ship-source Oil Pollution Fund