

Table of Contents

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

Form 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For fiscal year ended September 30, 2010

Commission File Number 1-14173

MarineMax, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State of Incorporation)

59-3496957
(I.R.S. Employer Identification No.)

18167 U.S. Highway 19 North
Suite 300
Clearwater, Florida 33764
(727) 531-1700

(Address, including zip code, and telephone number, including area code, of principal executive offices)

Securities registered pursuant to Section 12(b) of the Exchange Act:

<u>Title of Each Class</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock, par value \$.001 per share	New York Stock Exchange
Rights to Purchase Series A Junior Participating Preferred Stock	

Securities registered pursuant to Section 12(g) of the Exchange Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes
No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Securities Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of common stock held by nonaffiliates of the registrant (18,250,797 shares) based on the closing price of the registrant's common stock as reported on the New York Stock Exchange on March 31, 2010, which was the last business day of the registrant's most recently completed second fiscal quarter, was \$196,378,576. For purposes of this computation, all officers, directors, and 10% beneficial owners of the registrant are deemed to be affiliates. Such determination should not be deemed to be an admission that such officers, directors, or 10% beneficial owners are, in fact, affiliates of the registrant.

As of November 30, 2010, there were outstanding 23,064,673 shares of the registrant's common stock, par value \$.001 per share.

Documents Incorporated by Reference

Portions of the registrant's definitive proxy statement for the 2011 Annual Meeting of Stockholders are incorporated by reference into Part III of this report.

MARINEMAX, INC.

ANNUAL REPORT ON FORM 10-K
Fiscal Year Ended September 30, 2010

TABLE OF CONTENTS

PART I

Item 1.	Business	1
Item 1A.	Risk Factors	23
Item 1B.	Unresolved Staff Comments	34
Item 2.	Properties	34
Item 3.	Legal Proceedings	37
Item 4.	Removed and Reserved	37

PART II

Item 5.	Market for the Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities	37
Item 6	Selected Financial Data	39
Item 7	Management's Discussion and Analysis of Financial Condition and Results of Operations	40
Item 7A.	Quantitative and Qualitative Disclosures about Market Risk	49
Item 8	Financial Statements and Supplementary Data	49
Item 9	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	49
Item 9A.	Controls and Procedures	49

PART III

Item 10.	Directors, Executive Officers, and Corporate Governance	52
Item 11.	Executive Compensation	52
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	52
Item 13.	Certain Relationships and Related Transactions, and Director Independence	52
Item 14	Principal Accountant Fees and Services	52

PART IV

Item 15.	Exhibits and Financial Statement Schedules	52
Signatures		
EX-10.26		
EX-10.27		
EX-10.28		
EX-21		
EX-23.1		
EX-31.1		
EX-31.2		
EX-32.1		
EX-32.2		

PART I

Item 1. *Business*

Introduction

Our Company

We are the largest recreational boat dealer in the United States. Through 56 retail locations in Alabama, Arizona, California, Colorado, Connecticut, Florida, Georgia, Kansas, Maryland, Minnesota, Missouri, New Jersey, New York, North Carolina, Ohio, Oklahoma, Rhode Island, Tennessee, and Texas, we sell new and used recreational boats, including pleasure and fishing boats, with a focus on premium brands in each segment. We also sell related marine products, including engines, trailers, parts, and accessories. In addition, we arrange related boat financing, insurance, and extended service contracts; provide repair and maintenance services; offer boat and yacht brokerage services; and, where available, offer slip and storage accommodations.

We are the nation's largest retailer of Sea Ray, Boston Whaler, Cabo, Hatteras, and Meridian recreational boats and yachts, all of which are manufactured by Brunswick Corporation, or Brunswick. Sales of new Brunswick boats accounted for approximately 41% of our revenue in fiscal 2010. Brunswick is the world's largest manufacturer of marine products and marine engines. We believe our sales represented approximately 7% of all Brunswick marine sales, including approximately 46% of its Sea Ray boat sales, during our 2010 fiscal year. We are parties to dealer agreements with Brunswick covering Sea Ray products and are the exclusive dealer of Sea Ray boats in almost all of our geographic markets. We also are the exclusive dealer for Hatteras Yachts throughout the state of Florida (excluding the Florida panhandle) and the states of New Jersey, New York, and Texas; the exclusive dealer for Cabo Yachts throughout the states of Florida, New Jersey, and New York; the exclusive dealer for Boston Whaler in many of our markets, including our locations in the states of New York, North Carolina, and portions of the states of Florida, California, and Texas; and the exclusive dealer for Meridian Yachts in most of our geographic markets. In addition, we are the exclusive dealer for Italy-based Azimut-Benetti Group for Azimut mega-yachts, yachts, and other recreational boats for the Northeast United States from Maryland to Maine and the state of Florida.

We commenced operations as a result of the March 1, 1998 acquisition of five previously independent recreational boat dealers. Since that time, we have acquired 20 additional previously independent recreational boat dealers, two boat brokerage operations, and two full-service yacht repair operations. We capitalize on the experience and success of the acquired companies in order to establish a new national standard of customer service and responsiveness in the highly fragmented retail boating industry. As a result of our emphasis on premium brand boats, our average selling price for a new boat in fiscal 2010 was approximately \$145,000, an increase of approximately 9% from fiscal 2009, compared with the industry average calendar 2009 selling price of approximately \$37,000 based on industry data published by the National Marine Manufacturers Association. Our stores, which operated at least 12 months, averaged approximately \$8.8 million in annual sales in fiscal 2010. We consider a store to be one or more retail locations that are adjacent or operate as one entity. Our same-store sales decreased 29% in fiscal 2009 and 17% in fiscal 2010.

We adopt the best practices developed by us and our acquired companies as appropriate to enhance our ability to attract more customers, foster an overall enjoyable boating experience, and offer boat manufacturers stable and professional retail distribution and a broad geographic presence. We believe that our full range of services, no hassle sales approach, prime retail locations, premium product offerings, extensive facilities, strong management and team members, and emphasis on customer service and satisfaction before and after a boat sale are competitive advantages that enable us to be more responsive to the needs of existing and prospective customers.

The U.S. recreational boating industry generated approximately \$30.8 billion in retail sales in calendar 2009, which is down from the peak of \$39.5 billion in calendar 2006. The retail sales include sales of new and used boats; marine products, such as engines, trailers, equipment, and accessories; and related expenditures, such as fuel, insurance, docking, storage, and repairs. Retail sales of new and used boats, engines, trailers, and accessories accounted for approximately \$22.4 billion of these sales in 2009 based on industry data from the National Marine Manufacturers Association. The highly fragmented retail boating industry generally consists of small dealers that operate in a single market and provide varying degrees of merchandising, professional management, and customer

service. We believe that many small dealers are finding it increasingly difficult to make the managerial and capital commitments necessary to achieve higher customer service levels and upgrade systems and facilities as required by boat manufacturers and demanded by customers. We also believe that many dealers lack an exit strategy for their owners. We believe these factors contribute to our opportunity to gain competitive advantage in current and future markets, through market expansions and acquisitions.

Strategy

Our goal is to enhance our position as the nation's leading recreational boat dealer. Key elements of our operating and growth strategy include the following:

- emphasizing customer satisfaction and loyalty by creating an overall enjoyable boating experience, beginning with a hassle-free purchase process, customer training, superior customer service, company-led events called Getaways!, and premier facilities;
- achieving efficiencies and synergies among our operations to enhance internal growth and profitability;
- promoting national brand name recognition and the MarineMax connection;
- offering additional products and services, including those involving higher profit margins;
- expanding our Internet marketing;
- pursuing strategic acquisitions to capitalize upon the consolidation opportunities in the highly fragmented recreational boat dealer industry by acquiring additional dealers and related operations and improving their performance and profitability through the implementation of our operating strategies;
- opening additional retail facilities in our existing and new territories;
- emphasizing employee recruitment, training, and development;
- emphasizing the "best practices" developed by us and our acquired dealers as appropriate throughout our dealerships;
- operating with a decentralized approach to the operational management of our dealerships; and
- utilizing information technology throughout operations, which facilitates the interchange of information sharing and enhances cross-selling opportunities throughout our company.

Development of the Company; Expansion of Business

MarineMax was founded in January 1998. MarineMax itself, however, conducted no operations until the acquisition of five independent recreational boat dealers on March 1, 1998, and we completed our initial public offering in June 1998. Since the initial acquisitions in March 1998, we have acquired 20 additional recreational boat dealers, two boat brokerage operations, and two full-service yacht repair operations. Acquired dealers operate under the MarineMax name.

We continually attempt to enhance our business by providing a full range of services, offering extensive and high-quality product lines, maintaining prime retail locations, pursuing the MarineMax Value Price hassle-free sales approach, and emphasizing the highest level of customer service and customer satisfaction.

We also evaluate opportunities to expand our operations by acquiring recreational boat dealers to expand our geographic scope, expanding our product lines, opening new retail locations within our existing territories, and offering new products and services for our customers.

Table of Contents

Acquisitions of additional recreational boat dealers represent an important strategy in our goal to enhance our position as the nation's leading retailer of recreational boats. The following table sets forth information regarding the businesses that we have acquired and their geographic regions.

<u>Acquired Companies</u>	<u>Acquisition Date</u>	<u>Geographic Region</u>
Bassett Boat Company of Florida	March 1998	Southeast Florida
Louis DelHomme Marine	March 1998	Dallas and Houston, Texas
Gulfwind USA, Inc.	March 1998	West Central Florida
Gulfwind South, Inc.	March 1998	Southwest Florida
Harrison's Boat Center, Inc. and Harrison's Marine Centers of Arizona, Inc.(1)	March 1998	Northern California and Arizona
Stovall Marine, Inc.	April 1998	Georgia
Cochran's Marine, Inc. and C & N Marine Corporation	July 1998	Minnesota
Sea Ray of North Carolina, Inc.	July 1998	North and South Carolina
Brevard Boat Company	September 1998	East Central Florida
Sea Ray of Las Vegas	September 1998	Nevada
Treasure Cove Marina, Inc.	September 1998	Northern Ohio
Woods & Oviatt, Inc.	October 1998	Southeast Florida
Boating World	February 1999	Dallas, Texas
Merit Marine, Inc.	March 1999	Southern New Jersey
Suburban Boatworks, Inc.	April 1999	Central New Jersey
Hansen Marine, Inc.	August 1999	Northeast Florida
Duce Marine, Inc.(2)	December 1999	Utah
Clark's Landing, Inc. (selected New Jersey locations and operations)	April 2000	Northern New Jersey
Associated Marine Technologies, Inc.	January 2001	Southeast Florida
Gulfwind Marine Partners, Inc.	April 2002	West Florida
Seaside Marine, Inc.	July 2002	Southern California
Sundance Marine, Inc.	June 2003	Colorado
Killinger Marine Center, Inc. and Killinger Marine Center of Alabama, Inc.	September 2003	Northwest Florida and Alabama
Emarine International, Inc. and Steven Myers, Inc.	October 2003	Southeast Florida
Imperial Marine	June 2004	Baltimore, Maryland
Port Jacksonville Marine	June 2004	Northeast Florida
Port Arrowhead Marina, Inc.	January 2006	Missouri, Oklahoma
Great American Marina(3)	February 2006	West Florida
Surfside — 3 Marina, Inc.	March 2006	Connecticut, Maryland, New York and Rhode Island

(1) We subsequently closed the Northern California operations of Harrison Boat Center, Inc.

(2) We subsequently closed the operations of Duce Marine, Inc.

(3) Joint venture

Apart from acquisitions, we have opened 28 new retail locations in existing territories, excluding those opened on a temporary basis for a specific purpose. We also monitor the performance of our retail locations and close retail locations that do not meet our expectations. Based on these factors and the recent depressed economic conditions, we have closed 47 retail locations since March 1998, excluding those opened on a temporary basis for a specific purpose, including 26 in fiscal 2009.

As a part of our acquisition strategy, we frequently engage in discussions with various recreational boat dealers regarding their potential acquisition by us. In connection with these discussions, we and each potential acquisition candidate exchange confidential operational and financial information; conduct due diligence inquiries; and consider the structure, terms, and conditions of the potential acquisition. In certain cases, the prospective acquisition candidate agrees not to discuss a potential acquisition with any other party for a specific period of time, grants us an option to purchase the prospective dealer for a designated price during a specific time period, and agrees to take

Table of Contents

other actions designed to enhance the possibility of the acquisition, such as preparing audited financial information and converting its accounting system to the system specified by us. Potential acquisition discussions frequently take place over a long period of time and involve difficult business integration and other issues, including in some cases, management succession and related matters. As a result of these and other factors, a number of potential acquisitions that from time to time appear likely to occur do not result in binding legal agreements and are not consummated.

In addition to acquiring recreational boat dealers and opening new retail locations, we also add new product lines to expand our operations. The following table sets forth various current product lines that we have added to our existing locations during the years indicated.

<u>Product Line</u>	<u>Fiscal Year</u>	<u>Geographic Regions</u>
Boston Whaler	1998	West Central Florida; Stuart, Florida; Dallas, Texas
Hatteras Yachts	1999	Florida (excluding the Florida panhandle)
Boston Whaler	2000	North Palm Beach, Florida
Meridian Yachts	2002	Florida, Georgia, North and South Carolina, New Jersey, Ohio, Minnesota, Texas, and Delaware
Grady White	2002	Houston, Texas
Hatteras Yachts	2002	Texas
Boston Whaler	2004	North and South Carolina
Princecraft	2004	Minnesota
Boston Whaler	2005	Houston and Dallas, Texas
Meridian Yachts	2005	Chattanooga, Tennessee
Azimut	2006	Northeast United States from Maryland to Maine
Cabo	2006	West coast of Florida
Cabo	2007	East coast of Florida
Azimut	2008	Florida
Cabo	2008	New Jersey and New York
Hatteras Yachts	2008	New Jersey and New York
Meridian Yachts	2008	Arizona, and Colorado
Meridian Yachts	2009	Maryland and Delaware
Boston Whaler	2009	Southwest Florida
Harris FloteBote	2010	Arizona, Missouri, Minnesota, New Jersey, and Tennessee
Malibu	2010	Arizona
Axis	2010	Arizona
Nautique by Correct Craft	2010	Georgia and Minnesota
Bayliner	2010	New York
Meridian Yachts	2010	California

As we add a brand, we believe we are offering a migration path for our existing customer base or filling a gap in our product offerings. As a result, we do not believe that new product offerings will compete with or cannibalize the business generated from our other prominent brands. We also discontinue offering product lines from time to time, primarily based upon customer preferences.

During the nine-year period from the commencement of our operations through our fiscal year ended September 30, 2007, our revenue increased from \$291 million to \$1.2 billion. Our revenue and net income increased in seven of those nine years over the prior year revenue and net income. This period was marked by an increase in

retail locations from 41 on September 30, 1998 to 88 on September 30, 2007, resulting from acquisitions and opening new stores in existing territories.

Our growth was interrupted during the fiscal year ended September 30, 2007, primarily as a result of factors related to the deteriorating housing market and general economic conditions. Substantially deteriorating economic and financial conditions, reduced consumer confidence and spending, increases in fuel prices, lower credit availability, financial market declines, and asset value deterioration all contributed to substantially lower financial performance in the fiscal years ended September 30, 2008 and 2009 including significant losses, and a pre-tax loss in the fiscal year ended September 30, 2010.

We have taken a number of actions to address recent market and economic conditions, including deferring our acquisition program, slowing our new store openings, reducing our inventory purchases, engaging in inventory reduction efforts, closing a number of our retail locations, significantly reducing our headcount, and modifying our debt structure and credit agreement. We cannot predict the length or severity of the current recessionary environment or the magnitude of the effects it will have on our operating performance nor can we predict the effectiveness of the measures we have taken to address this environment.

Despite the foregoing actions, we are maintaining our core values of customer service and satisfaction and plan to continue to pursue strategies that will enable us to achieve long-term growth. As noted in the earlier table, we have capitalized on several brand expansion opportunities in the markets in which we operate. We believe these expansions will strengthen our same store sales growth when the industry recovers. We also believe that we are well positioned for long-term success and growth when economic conditions improve. Upon a return to more normal economic conditions, we plan to resume expanding our business through acquisitions in new geographical territories, and new store openings in existing territories. In addition, we plan to continue to expand other services, including conducting used boat sales; offering yacht and boat brokerage services; offering our customers the ability to finance new or used boats; offering extended service contracts; arranging insurance coverage, including boat property, credit-life, accident, disability, and casualty coverage; selling related marine products, including engines, trailers, parts, and accessories; providing maintenance and repair services at our retail locations and at stand-alone service facilities; and expanding our ability to provide slip and storage accommodations. Our expansion plans will depend upon the return of normal economic conditions.

We maintain our executive offices at 18167 U.S. Highway 19 North, Suite 300, Clearwater, Florida 33764, and our telephone number is (727) 531-1700. We were incorporated in the state of Delaware in January 1998. Unless the context otherwise requires, all references to “MarineMax” mean MarineMax, Inc. prior to its acquisition of five previously independent recreational boat dealers in March 1998 (including their related real estate companies) and all references to the “Company,” “our company,” “we,” “us,” and “our” mean, as a combined company, MarineMax, Inc. and the 20 recreational boat dealers, two boat brokerage operations, and two full-service yacht repair operations acquired to date (the “acquired dealers,” and together with the brokerage and repair operations, “operating subsidiaries,” or the “acquired companies”).

Our website is located at www.MarineMax.com. Through our website, we make available free of charge our annual report on Form 10-K, our quarterly reports on Form 10-Q, our current reports on Form 8-K, our proxy statements, and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934. These reports are available as soon as reasonably practicable after we electronically file those reports with the Securities and Exchange Commission, or SEC. We also post on our website the charters of our Audit, Compensation, and Nominating/Corporate Governance Committees; our Corporate Governance Guidelines, Code of Business Conduct and Ethics, and Code of Ethics for the CEO and Senior Financial Officers, and any amendments or waivers thereto; and any other corporate governance materials contemplated by the SEC or the regulations of the New York Stock Exchange, or NYSE. These documents are also available in print to any stockholder requesting a copy from our corporate secretary at our principal executive offices. Because our common stock is listed on the NYSE, our Chief Executive Officer is required to make an annual certification to the NYSE stating that he is not aware of any violation by us of the corporate governance listing standards of the NYSE. Our Chief Executive Officer made his annual certification to that effect to the NYSE on June 1, 2010.

General

We are the largest recreational boat dealer in the United States. Through 56 retail locations in Alabama, Arizona, California, Colorado, Connecticut, Florida, Georgia, Kansas, Maryland, Minnesota, Missouri, New Jersey, New York, North Carolina, Ohio, Oklahoma, Rhode Island, Tennessee, and Texas, we sell new and used recreational boats, including pleasure boats (such as sport boats, sport cruisers, sport yachts, and yachts), and fishing boats, with a focus on premium brands in each segment. We also sell related marine products, including engines, trailers, parts, and accessories. In addition, we arrange related boat and yacht financing, insurance, and extended service contracts; provide repair and maintenance services; offer boat and yacht brokerage services; and, where available, slip and storage accommodations.

We are the nation's largest retailer of Sea Ray, Boston Whaler, Cabo, Hatteras, and Meridian recreational boats and yachts, all of which are manufactured by Brunswick Corporation. Sales of new Brunswick boats accounted for approximately 41% of our revenue in fiscal 2010. Brunswick is the world's largest manufacturer of marine products and marine engines. We believe our sales represented approximately 7% of all Brunswick marine sales, including approximately 46% of its Sea Ray boat sales, during our 2010 fiscal year. We are parties to dealer agreements with Brunswick covering Sea Ray products and are the exclusive dealer of Sea Ray boats in almost all of our geographic markets. We also are the exclusive dealer for Hatteras Yachts throughout the state of Florida (excluding the Florida panhandle) and the states of New Jersey, New York, and Texas; the exclusive dealer for Cabo Yachts throughout the states of Florida, New Jersey, and New York; the exclusive dealer for Boston Whaler in many of our markets, including our locations in the states of New York, North Carolina, South Carolina, and portions of the states of Florida, California, and Texas; and the exclusive dealer for Meridian Yachts in most of our geographic markets. In addition, we are the exclusive dealer for Italy-based Azimut-Benetti Group for Azimut mega-yachts, yachts, and other recreational boats for the Northeast United States from Maryland to Maine and the state of Florida.

U.S. Recreational Boating Industry

The total U.S. recreational boating industry generated approximately \$30.8 billion in retail sales in calendar 2009, which is down from the peak of \$39.5 billion in calendar 2006. The retail sales include retail sales of new and used recreational boats; marine products, such as engines, trailers, parts, and accessories; and related boating expenditures, such as fuel, insurance, docking, storage, and repairs. Retail sales of new and used boats, engines, trailers, and accessories accounted for approximately \$22.4 billion of such sales in 2009. Annual retail recreational boating sales were \$17.9 billion in 1988, but declined to a low of \$10.3 billion in 1992 based on industry data published by the National Marine Manufacturers Association. We believe this decline was attributable to several factors, including a recession, the Gulf War, and the imposition throughout 1991 and 1992 of a luxury tax on boats sold at prices in excess of \$100,000. The luxury tax was repealed in 1993, and retail boating sales increased each year thereafter except for 1998, 2003, 2007, 2008, 2009, and 2010.

The recreational boat retail market remains highly fragmented with little consolidation having occurred to date and consists of numerous boat retailers, most of which are small companies owned by individuals that operate in a single market and provide varying degrees of merchandising, professional management, and customer service. We believe that many boat retailers are encountering increased pressure from boat manufacturers to improve their levels of service and systems, increased competition from larger national retailers in certain product lines, and, in certain cases, business succession issues.

Strategy

Our goal is to enhance our position as the nation's leading recreational boat dealer. Key elements of our operating and growth strategy include the following.

Emphasizing Customer Satisfaction and Loyalty. We seek to achieve a high level of customer satisfaction and establish long-term customer loyalty by creating an overall enjoyable boating experience beginning with a hassle-free purchase process. We further enhance and simplify the purchase process by helping to arrange financing and insurance at our retail locations with competitive terms and streamlined turnaround. We offer the customer a thorough in-water orientation of boat operations where available, as well as ongoing boat safety, maintenance, and use seminars and demonstrations for the customer's entire family. We also continue our customer service after the

sale by leading and sponsoring MarineMax Getaways! group boating trips to various destinations, rendezvous gatherings, and on-the-water organized events to provide our customers with pre-arranged opportunities to enjoy the pleasures of the boating lifestyle. We also endeavor to provide superior maintenance and repair services, often through mobile service at the customer's wet slip and with extended service department hours and emergency service availability, that minimize the hassles of boat maintenance.

Achieving Operating Efficiencies and Synergies. We strive to increase the operating efficiencies of and achieve certain synergies among our dealerships in order to enhance internal growth and profitability. We centralize various aspects of certain administrative functions at the corporate level, such as accounting, finance, insurance coverage, employee benefits, marketing, strategic planning, legal support, purchasing and distribution, and management information systems. Centralization of these functions reduces duplicative expenses and permits the dealerships to benefit from a level of scale and expertise that would otherwise be unavailable to each dealership individually. We also seek to realize cost savings from reduced inventory carrying costs as a result of purchasing boat inventories on a national level and directing boats to dealership locations that can more readily sell such boats; lower financing costs through our credit sources; and volume purchase discounts and rebates for certain marine products, supplies, and advertising. The ability of our retail locations to offer the complementary services of our other retail locations, such as offering customer excursion opportunities, providing maintenance and repair services at the customer's boat location, and giving access to a larger inventory, increases the competitiveness of each retail location. By centralizing these types of activities, our store managers have more time to focus on the customer and the development of their teams.

Promoting Brand Name Recognition and the MarineMax Connection. We are promoting our brand name recognition to take advantage of our status as the nation's only coast-to-coast marine retailer. This strategy also recognizes that many existing and potential customers who reside in Northern markets and vacation for substantial periods in Southern markets will prefer to purchase and service their boats from the same well-known company. We refer to this strategy as the "MarineMax Connection." As a result, our signage emphasizes the MarineMax name at each of our locations, and we conduct national advertising in various print and other media.

Offering Additional Products and Services, Including Those Involving Higher Profit Margins. We plan to continue to offer additional product lines and services throughout our dealerships or, when appropriate, in selected dealerships. We are offering throughout our dealerships product lines that previously have been offered only at certain of our locations. We also may obtain additional product lines through the acquisition of distribution rights directly from manufacturers and the acquisition of dealerships with distribution rights. In either situation, such expansion is typically done through agreements that appoint us as the exclusive dealer for a designated geographic territory. We plan to continue to grow our financing and insurance, parts and accessories, service, and boat storage businesses to better serve our customers and thereby increase revenue and improve profitability of these higher margin businesses. We also are implementing aggressive programs to increase substantially the sale over the Internet of used boats, parts, accessories, and a wide range of boating supplies and products.

Marketing over the Internet. Our web initiatives span across multiple websites, including our core site, www.MarineMax.com. The websites provide customers with the ability to learn more about our company and our products. Our website generates direct sales and provides our stores with leads to potential customers for new and used boats, brokerage services, finance and insurance products, and repair and maintenance services. In addition, we utilize various feeder websites and social networking websites to drive additional traffic and leads for our various product and service offerings. As mentioned above, we also maintain multiple online storefronts for customers to purchase a wide variety of boating parts and accessories.

Pursuing Strategic Acquisitions. We capitalize upon the significant consolidation opportunities available in the highly fragmented recreational boat dealer industry by acquiring independent dealers and improving their performance and profitability through the implementation of our operating strategies. The primary acquisition focus is on well-established, high-end recreational boat dealers in geographic markets not currently served by us, particularly geographic markets with strong boating demographics, such as areas within the coastal states and the Great Lakes region. We also may seek to acquire boat dealers that, while located in attractive geographic markets, have not been able to realize favorable market share or profitability and that can benefit substantially from our systems and operating strategies. We may expand our range of product lines, service offerings, and market

penetration by acquiring companies that distribute recreational boat product lines or boating-related services different from those we currently offer. As a result of our considerable industry experience and relationships, we believe we are well positioned to identify and evaluate acquisition candidates and assess their growth prospects, the quality of their management teams, their local reputation with customers, and the suitability of their locations. We believe we are regarded as an attractive acquirer by boat dealers because of (1) the historical performance and the experience and reputation of our management team within the industry; (2) our decentralized operating strategy, which generally enables the managers of an acquired dealer to continue their involvement in dealership operations; (3) the ability of management and employees of an acquired dealer to participate in our growth and expansion through potential stock ownership and career advancement opportunities; and (4) the ability to offer liquidity to the owners of acquired dealers through the receipt of common stock or cash. We have entered into an agreement regarding acquisitions with the Sea Ray Division of Brunswick. Under the agreement, acquisitions of Sea Ray dealers will be mutually agreed upon by us and Sea Ray with reasonable efforts to be made to include a balance of Sea Ray dealers that have been successful and those that have not been. The agreement provides that Sea Ray will not unreasonably withhold its consent to any proposed acquisition of a Sea Ray dealer by us, subject to the conditions set forth in the agreement, as further described in “Business — Brunswick Agreement Relating to Acquisitions.”

Opening New Facilities. We intend to continue to establish additional retail facilities in our existing and new markets when market conditions improve. We believe that the demographics of our existing geographic territories support the opening of additional facilities, and we have opened 28 new retail facilities, excluding those opened on a temporary basis for a specific purpose, since our formation in January 1998. We also plan to reach new customers through various innovative retail formats developed by us, such as mall stores and floating retail facilities. We continually monitor the performance of our retail locations and close retail locations that do not meet our expectations or that were opened for a specific purpose that is no longer relevant. Based on these factors since March 1998, we have closed 47 retail locations, excluding those opened on a temporary basis for a specific purpose, including 26 in fiscal 2009.

Emphasizing Employee Recruiting, Training, and Development. We devote substantial efforts to recruit employees that we believe to be exceptionally well qualified for their position and to train our employees to understand our core retail philosophies, which focus on making the purchase of a boat and its subsequent use as hassle-free and enjoyable as possible. Through our MarineMax University, or MMU, we teach our retail philosophies to existing and new employees at various locations and online, through MMU-online. MMU is a modularized and instructor-led educational program that focuses on our retailing philosophies and provides instruction on such matters as the sales process, customer service, F&I, accounting, leadership, and human resources.

Emphasizing Best Practices. We emphasize the “best practices” developed by us and our acquired dealers as appropriate throughout our locations. As an example, we follow a no-haggle sales approach at each of our dealerships. Under the MarineMax Value-Price approach, we sell our boats at posted prices, generally representing a discount from the manufacturer’s suggested retail price, thereby eliminating the anxieties of price negotiations that occur in most boat purchases. In addition, we adopt, where beneficial, the best practices developed by us and our acquired dealers in terms of location, design, layout, product purchases, maintenance and repair services (including extended service hours and mobile or dockside services), product mix, employee training, and customer education and services.

Operating with Decentralized Management. We maintain a generally decentralized approach to the operational management of our dealerships. The decentralized management approach takes advantage of the extensive experience of local managers, enabling them to implement policies and make decisions, including the appropriate product mix, based on the needs of the local market. Local management authority also fosters responsive customer service and promotes long-term community and customer relationships. In addition, the centralization of certain administrative functions at the corporate level enhances the ability of local managers to focus their efforts on day-to-day dealership operations and the customers.

Utilizing Technology Throughout Operations. We believe that our management information system, which currently is being utilized by each of our dealerships and was developed over a number of years through cooperative efforts with a common vendor, enhances our ability to integrate successfully the operations of our dealerships and

future acquired dealers. The system facilitates the interchange of information and enhances cross-selling opportunities throughout our company. The system integrates each level of operations on a company-wide basis, including purchasing, inventory, receivables, financial reporting, budgeting, and sales management. The system also provides sales representatives with prospect and customer information that aids them in tracking the status of their contacts with prospects, automatically generates follow-up correspondence to such prospects, facilitates the availability of boats company-wide, locates boats needed to satisfy particular customer requests, and monitors the maintenance and service needs of customers' boats. Our representatives also utilize the computer system to assist in arranging customer financing and insurance packages. Our managers use a web-based tool to access essentially all financial and operational data from anywhere at any time.

Products and Services

We offer new and used recreational boats and related marine products, including engines, trailers, parts, and accessories. While we sell a broad range of new and used boats, we focus on premium brand products. In addition, we assist in arranging related boat financing, insurance, and extended service contracts; provide boat maintenance and repair services; provide boat brokerage services; and offer slip and storage accommodations.

New Boat Sales

We primarily sell recreational boats, including pleasure boats and fishing boats. The principal products we offer are manufactured by Brunswick, the leading worldwide manufacturer of recreational boats, including Sea Ray pleasure boats, Boston Whaler fishing boats, Cabo Yachts, Hatteras Yachts, and Meridian Yachts. In fiscal 2010, we derived approximately 41% of our revenue from the sale of new boats manufactured by Brunswick. We believe that we represented approximately 7% of all of Brunswick's marine product sales during that period. Certain of our dealerships also sell luxury yachts, fishing boats, and pontoon boats provided by other manufacturers, including Italy-based Azimut. During fiscal 2010, new boat sales accounted for 54.4% of our revenue.

We offer recreational boats in most market segments, but have a particular focus on premium quality pleasure boats and yachts as reflected by our fiscal 2010 average new boat sales price of approximately \$145,000, an increase of approximately 9% from fiscal 2009, compared with an estimated industry average calendar 2009 selling price of approximately \$37,000 based on industry data published by the National Marine Manufacturers Association. Given our locations in some of the more affluent, offshore boating areas in the United States and emphasis on high levels of customer service, we sell a relatively higher percentage of large recreational boats, such as mega-yachts, yachts, and sport cruisers. We believe that the product lines we offer are among the highest quality within their respective market segments, with well-established trade-name recognition and reputations for quality, performance, and styling.

The following table is illustrative of the range and approximate manufacturer suggested retail price range of new boats that we currently offer, but is not all inclusive.

<u>Product Line and Trade Name</u>	<u>Overall Length</u>	<u>Manufacturer Suggested Retail Price Range</u>
Motor Yachts		
Hatteras Motor Yachts	54' to 100'+	\$3,000,000 to \$10,000,000+
Azimut	38' to 116'+	790,000 to 12,000,000+
Convertibles		
Hatteras Convertibles	54' to 77'+	2,300,000 to 7,000,000+
Cabo	32' to 52'	475,000 to 2,000,000+
Pleasure Boats		
Sea Ray	17' to 61'	21,000 to 2,500,000
Meridian	34' to 59'	300,000 to 1,600,000
Fishing Boats		
Boston Whaler	11' to 37'	8,000 to 400,000
Grady White	18' to 36'	40,000 to 500,000
Ski Boats		
Malibu	20' to 25'	44,000 to 88,000
Axis	20' to 22'	35,000 to 38,000
Nautique by Correct Craft	21' to 25'	57,000 to 105,000

Motor Yachts. Hatteras Yachts and Azimut are two of the world's premier yacht builders. The motor yacht product lines typically include state-of-the-art designs with live-aboard luxuries. Hatteras offers a flybridge with extensive guest seating; covered aft deck, which may be fully or partially enclosed, providing the boater with additional living space; an elegant salon; and multiple staterooms for accommodations. Azimut yachts are known for their Americanized open layout with Italian design and powerful performance. The luxurious interiors of Azimut yachts are accented by windows and multiple accommodations that have been designed for comfort.

Convertibles. Hatteras Yachts and Cabo Yachts are two of the world's premier convertible yacht builders and offer state-of-the-art designs with live-aboard luxuries. Convertibles are primarily fishing vessels, which are well equipped to meet the needs of even the most serious tournament-class competitor. Hatteras features interiors that offer luxurious salon/galley arrangements, multiple staterooms with private heads, and a cockpit that includes a bait and tackle center, fishbox, and freezer. Cabo is known for spacious cockpits and accessibility to essentials, such as bait chests, livewells, bait prep centers, and tackle lockers. Cabo interiors offer elegance, highlighted by teak woodwork, halogen lighting, and ample storage areas.

Pleasure Boats. Sea Ray and Meridian pleasure boats target both the luxury and the family recreational boating markets and come in a variety of configurations to suit each customer's particular recreational boating style. Sea Ray sport yachts and yachts serve the luxury segment of the recreational boating market and include top-of-the line living accommodations with a salon, a fully equipped galley, and multiple staterooms. Sea Ray sport yachts and yachts are available in cabin, bridge cockpit, and cruiser models. Sea Ray sport boat and sport cruiser models are designed for performance and dependability to meet family recreational needs and include many of the features and accommodations of Sea Ray's sport yacht and yacht models. Meridian sport yachts and yachts are known for their solid performance and thoughtful use of space with 360-degree views and spacious salon, galley, and stateroom accommodations. Meridian sport yachts and yachts are available in sedan, motoryacht, and pilothouse models. All Sea Ray and Meridian pleasure boats feature custom instrumentation that may include an electronics package; various hull, deck, and cockpit designs that can include a swim platform; bow pulpit and raised bridge; and various amenities, such as swivel bucket helm seats, lounge seats, sun pads, wet bars, built-in ice chests, and refreshment centers. Most Sea Ray and Meridian pleasure boats feature Mercury or MerCruiser engines.

Fishing Boats. The fishing boats we offer, such as Boston Whaler and Grady White, range from entry level models to advanced models designed for fishing and water sports in lakes, bays, and off-shore waters, with cabins with limited live-aboard capability. The fishing boats typically feature livewells, in-deck fishboxes, rodholders, rigging stations, cockpit coaming pads, and fresh and saltwater washdowns.

Ski Boats. The ski boats we offer, such as Malibu, Axis, and Nautique by Correct Craft, range from entry level models to advanced models, all of which are designed to achieve an ultimate wake for increased skier and wakeboarder performance and safety. With a variety of designs and options, the ski boats we offer will appeal to the competitor and recreational user alike.

Used Boat Sales

We sell used versions of the new makes and models we offer and, to a lesser extent, used boats of other makes and models generally taken as trade-ins. During fiscal 2010, used boat sales accounted for 24.0% of our revenue, and 73.1% of the used boats we sold were Brunswick models.

Our used boat sales depend on our ability to source a supply of high-quality used boats at attractive prices. We acquire substantially all of our used boats through customer trade-ins. We intend to continue to increase our used boat business as a result of the availability of quality used boats generated from our new boat sales efforts, the increasing number of used boats that are well-maintained through our service initiatives, including our Premium Certified Pre-Owned Program, our ability to market used boats throughout our combined dealership network to match used boat demand, and the experience of our yacht brokerage operations. Additionally, substantially all of our used boat inventory is posted on our website, www.MarineMax.com, which expands the awareness and availability of our products to a large audience of boating enthusiasts.

To further enhance our used boat sales, we launched a Premium Certified Pre-Owned Program, or PCPO, in fiscal 2008. Generally, PCPO boats are less than four years old, have passed a 150- point inspection, and carry a one

year warranty. Additionally, we offer the Sea Ray Legacy warranty plan available for used Sea Ray boats less than six years old. The Legacy plan applies to each qualifying used Sea Ray boat, which has passed a 48-point inspection, and provides protection against failure of most mechanical parts for up to three years. We believe these programs enhance our sales of used Sea Ray boats by motivating purchasers of used Sea Ray boats to complete their purchases through our Sea Ray dealerships.

Marine Engines, Related Marine Equipment, and Boating Accessories

We offer marine engines and propellers, substantially all of which are manufactured by Mercury Marine, a division of Brunswick. We sell marine engines and propellers primarily to retail customers as replacements for their existing engines or propellers. Mercury Marine has introduced various new engine models that reduce engine emissions to comply with current Environmental Protection Agency requirements. See “Business — Environmental and Other Regulatory Issues.” An industry leader for almost six decades, Mercury Marine specializes in state-of-the-art marine propulsion systems and accessories. Many of our dealerships have been recognized by Mercury Marine as “Premier Service Dealers.” This designation is generally awarded based on meeting certain standards and qualifications.

We also sell related marine parts and accessories, including oils, lubricants, steering and control systems, corrosion control products, engine care, maintenance, and service products (primarily Mercury Marine’s Quicksilver line); high-performance accessories (such as propellers) and instruments; and a complete line of boating accessories, including life jackets, inflatables, and water sports equipment. We also offer novelty items, such as shirts, caps, and license plates bearing the manufacturer’s or dealer’s logo.

The sale of marine engines, related marine equipment, and boating accessories accounted for 6.4% of our fiscal 2010 revenue.

Maintenance, Repair, and Storage Services

Providing customers with professional, prompt maintenance and repair services is critical to our sales efforts and contributes to our success. We provide maintenance and repair services at most of our retail locations, with extended service hours at certain of our locations. In addition, in many of our markets, we provide mobile maintenance and repair services at the location of the customer’s boat. We believe that this service commitment is a competitive advantage in the markets in which we compete and is critical to our efforts to provide a trouble-free boating experience. To further this commitment, in certain of our markets, we have opened stand-alone maintenance and repair facilities in locations that are more convenient for our customers and that increase the availability of such services. We also believe that our maintenance and repair services contribute to strong customer relationships and that our emphasis on preventative maintenance and quality service increases the potential supply of well-maintained boats for our used boat sales.

We perform both warranty and non-warranty repair services, with the cost of warranty work reimbursed by the manufacturer in accordance with the manufacturer’s warranty reimbursement program. For warranty work, most manufacturers, including Brunswick, reimburse a percentage of the dealer’s posted service labor rates, with the percentage varying depending on the dealer’s customer satisfaction index rating and attendance at service training courses. We derive the majority of our warranty revenue from Brunswick products, as Brunswick products comprise the majority of products sold. Certain other manufacturers reimburse warranty work at a fixed amount per repair. Because boat manufacturers permit warranty work to be performed only at authorized dealerships, we receive substantially all of the warranted maintenance and repair work required for the new boats we sell. The third-party extended warranty contracts we offer also result in an ongoing demand for our maintenance and repair services for the duration of the term of the extended warranty contract.

Our maintenance and repair services are performed by manufacturer-trained and certified service technicians. In charging for our mechanics’ labor, many of our dealerships use a variable rate structure designed to reflect the difficulty and sophistication of different types of repairs. The percentage markups on parts are similarly based on manufacturer suggested prices and market conditions for different parts.

At many of our locations, we offer boat storage services, including in-water slip storage and inside and outside land storage. These storage services are offered at competitive market rates and include in-season and winter storage.

Maintenance, repair, and storage services accounted for 9.8% of our revenue during fiscal 2010. This includes warranty and non-warranty services.

F&I Products

At each of our retail locations, we offer our customers the ability to finance new or used boat purchases and to purchase extended service contracts and arrange insurance coverage, including boat property, credit life, and accident, disability, and casualty insurance coverage (collectively, "F&I").

We have relationships with various national marine product lenders under which the lenders purchase retail installment contracts evidencing retail sales of boats and other marine products that are originated by us in accordance with existing pre-sale agreements between us and the lenders. These arrangements permit us to receive a portion of the finance charges expected to be earned on the retail installment contract based on a variety of factors, including the credit standing of the buyer, the annual percentage rate of the contract charged to the buyer, and the lender's then current minimum required annual percentage rate charged to the buyer on the contract. This participation is subject to repayment by us if the buyer prepays the contract or defaults within a designated time period, usually 90 to 180 days. To the extent required by applicable state law, our dealerships are licensed to originate and sell retail installment contracts financing the sale of boats and other marine products.

We also offer third-party extended service contracts under which, for a predetermined price, we provide all designated services pursuant to the service contract guidelines during the contract term at no additional charge to the customer above a deductible. While we sell all new boats with the boat manufacturer's standard hull warranty of generally five years and standard engine warranty of generally one year, extended service contracts provide additional coverage beyond the time frame or scope of the manufacturer's warranty. Purchasers of used boats generally are able to purchase an extended service contract, even if the selected boat is no longer covered by the manufacturer's warranty. Generally, we receive a fee for arranging an extended service contract. Most required services under the contracts are provided by us and paid for by the third-party contract holder.

We also are able to assist our customers with the opportunity to purchase credit life insurance, accident and disability insurance, and property and casualty insurance. Credit life insurance policies provide for repayment of the boat financing contract if the purchaser dies while the contract is outstanding. Accident and disability insurance policies provide for payment of the monthly contract obligation during any period in which the buyer is disabled. Property and casualty insurance covers loss or damage to the boat. We do not act as an insurance broker or agent or issue insurance policies on behalf of insurers. We do, however, provide marketing activities and other related services to insurance companies and brokers for which we receive marketing fees. One of our strategies is to generate increased marketing fees by offering more competitive insurance products.

During fiscal 2010, fee income generated from F&I products accounted for 2.7% of our revenue. We believe that our customers' ability to obtain competitive financing quickly and easily at our dealerships complements our ability to sell new and used boats. We also believe our ability to provide customer-tailored financing on a "same-day" basis gives us an advantage over many of our competitors, particularly smaller competitors that lack the resources to arrange boat financing at their dealerships or that do not generate sufficient volume to attract the diversity of financing sources that are available to us.

Brokerage Services

Through employees or subcontractors that are licensed boat or yacht brokers, we offer boat or yacht brokerage services at most of our retail locations. For a commission, we offer for sale brokered boats or yachts, listing them on the "BUC" system, advising our other retail locations of their availability through our integrated computer system, and posting them on our web site, www.MarineMax.com. The BUC system, which is similar to a real estate multiple listing service, is a national boat or yacht listing service of approximately 900 brokers maintained by BUC International. Often sales are co-brokered, with the commission split between the buying and selling brokers. We

believe that our access to potential used boat customers and methods of listing and advertising customers' brokered boats or yachts is more extensive than is typical among brokers. In addition to generating revenue from brokerage commissions, our brokerage services also enable us to offer a broad array of used boats or yachts without increasing related inventory costs. During fiscal 2010, brokerage services accounted for 2.7% of our revenue.

Our brokerage customers generally receive the same high level of customer service as our new and used boat customers. Our waterfront retail locations enable in-water demonstrations of an on-site brokered boat. Our maintenance and repair services, including mobile service, also are generally available to our brokerage customers. The purchaser of a boat brokered through us also can take advantage of MarineMax Getaways! weekend and day trips and other rendezvous gatherings and in-water events, as well as boat operation and safety seminars. We believe that the array of services we offer are unique in the brokerage business.

Retail Locations

We sell our recreational boats and other marine products and offer our related boat services through 56 retail locations in Alabama, Arizona, California, Colorado, Connecticut, Florida, Georgia, Kansas, Maryland, Minnesota, Missouri, New Jersey, New York, North Carolina, Ohio, Oklahoma, Rhode Island, Tennessee, and Texas. Each retail location generally includes an indoor showroom (including some of the industry's largest indoor boat showrooms) and an outside area for displaying boat inventories, a business office to assist customers in arranging financing and insurance, and maintenance and repair facilities.

Many of our retail locations are waterfront properties on some of the nation's most popular boating locations, including the San Diego Bay in California; Norwalk Harbor in Connecticut; multiple locations on the Intracoastal Waterway, the Atlantic Ocean, Biscayne Bay, Boca Ciega Bay, Naples Bay, Tampa Bay, and the Caloosahatchee River in Florida; Lake Lanier in Georgia; Chesapeake Bay in Maryland; Leech Lake and the St. Croix River in Minnesota; Lake of the Ozarks, and Table Rock Lake in Missouri; Barnegat Bay, the Hudson River, Lake Hopatcong, Little Egg Harbor, and the Manasquan River in New Jersey; Great Sound Bay, the Hudson River, and Huntington Harbor in New York; the Intracoastal Waterway in North Carolina; Lake Erie in Ohio; Grand Lake in Oklahoma; Tennessee River in Tennessee; and Clear Lake, and Lake Lewisville in Texas. Our waterfront retail locations, most of which include marina-type facilities and docks at which we display our boats, are easily accessible to the boating populace, serve as in-water showrooms, and enable the sales force to give customers immediate in-water demonstrations of various boat models. Most of our other locations are in close proximity to water.

Operations

Dealership Operations and Management

We have adopted a generally decentralized approach to the operational management of our dealerships. While certain administrative functions are centralized at the corporate level, local management is primarily responsible for the day-to-day operations of the retail locations. Each retail location is managed by a store manager, who oversees the day-to-day operations, personnel, and financial performance of the individual store, subject to the direction of a regional manager, who generally has responsibility for the retail locations within a specified geographic region. Typically, each retail location also has a staff consisting of an F&I manager, a parts manager, and a service manager, sales representatives, maintenance and repair technicians, and various support personnel.

We attempt to attract and retain quality employees at our retail locations by providing them with ongoing training to enhance sales professionalism and product knowledge, career advancement opportunities within a larger company, and favorable benefit packages. We maintain a formal training program, called MarineMax University or MMU, which provides training for employees in all aspects of our operations. Training sessions are held at our various regional locations covering a variety of topics. MMU-online offers various modules over the Internet. Highly trained, professional sales representatives are an important factor to our successful sales efforts. These sales representatives are trained at MMU to recognize the importance of fostering an enjoyable sales process, to educate customers on the operation and use of the boats, and to assist customers in making technical and design decisions in boat purchases. The overall focus of MMU is to teach our core retailing values, which focus on customer service.

Sales representatives receive compensation primarily on a commission basis. Each store manager is a salaried employee with incentive bonuses based on the performance of the managed dealership. Maintenance and repair service managers receive compensation on a salary basis with bonuses based on the performance of their departments. Our management information system provides each store and department manager with daily financial and operational information, enabling them to monitor their performance on a daily, weekly, and monthly basis. We have a uniform, fully integrated management information system serving each of our dealerships.

Sales and Marketing

Our sales philosophy focuses on selling the pleasures of the boating lifestyle. We believe that the critical elements of our sales philosophy include our appealing retail locations, no-hassle sales approach, highly trained sales representatives, high level of customer service, emphasis on educating the customer and the customer's family on boat usage, and providing our customers with opportunities for boating. We strive to provide superior customer service and support before, during, and after the sale.

Each retail location offers the customer the opportunity to evaluate a large variety of new and used boats in a comfortable and convenient setting. Our full-service retail locations facilitate a turn-key purchasing process that includes attractive lender financing packages, extended service agreements, and insurance. Many of our retail locations are located on waterfronts and marinas, which attract boating enthusiasts and enable customers to operate various boats prior to making a purchase decision.

We sell our boats at posted MarineMax Value Prices that generally represent a discount from the manufacturer's suggested retail price. Our sales approach focuses on customer service by minimizing customer anxiety associated with price negotiation.

As a part of our sales and marketing efforts, we also participate in boat shows and in-the-water sales events at area boating locations, typically held in January and February and toward the end of the boating season, in each of our markets and in certain locations in close proximity to our markets. These shows and events are normally held at convention centers or marinas, with area dealers renting space. Boat shows and other offsite promotions are an important venue for generating sales orders. The boat shows also generate a significant amount of interest in our products resulting in boat sales after the show.

We emphasize customer education through one-on-one education by our sales representatives and, at some locations, our delivery captains, before and after a sale, and through in-house seminars for the entire family on boat safety, the use and operation of boats, and product demonstrations. Typically, one of our delivery captains or the sales representative delivers the customer's boat to an area boating location and thoroughly instructs the customer about the operation of the boat, including hands-on instructions for docking and trailering the boat. To enhance our customer relationships after the sale, we lead and sponsor MarineMax Getaways! group boating trips to various destinations, rendezvous gatherings, and on-the-water organized events that promote the pleasures of the boating lifestyle. Each company-sponsored event, planned and led by a company employee, also provides a favorable medium for acclimating new customers to boating, sharing exciting boating destinations, creating friendships with other boaters, and enabling us to promote actively new product offerings to boating enthusiasts.

As a result of our relative size, we believe we have a competitive advantage within the industry by being able to conduct an organized and systematic advertising and marketing effort. Part of our marketing effort includes an integrated prospect management system that tracks the status of each sales representative's contacts with a prospect, automatically generates follow-up correspondence, facilitates company-wide availability of a particular boat or other marine product desired by a customer, and tracks the maintenance and service needs for the customer's boat.

Suppliers and Inventory Management

We purchase substantially all of our new boat inventory directly from manufacturers, which allocate new boats to dealerships based on the amount of boats sold by the dealership. We also exchange new boats with other dealers to accommodate customer demand and to balance inventory.

We purchase new boats and other marine-related products from Brunswick, which is the world's largest manufacturer of marine products, including Sea Ray, Boston Whaler, Cabo, Hatteras, and Meridian. We also

purchase new boats and other marine related products from other manufacturers, including Azimut-Benetti Group, Grady White, and Tracker Marine. In fiscal 2010, sales of new Brunswick boats accounted for approximately 41% of our revenue. No purchases of new boats and other marine-related products from any other manufacturer accounted for more than 10% of our revenue in fiscal 2010. We believe our Sea Ray boat purchases represented approximately 46% of Sea Ray's new boat sales and approximately 7% of all Brunswick marine product sales during fiscal 2010.

We have entered into agreements with Brunswick covering Sea Ray products. The dealer agreements with the Sea Ray division of Brunswick do not restrict our right to sell any Sea Ray product lines or competing products. The terms of each dealer agreement appoints a designated geographical territory for the dealer, which is exclusive to the dealer so long as the dealer is not in breach of the material obligations and performance standards under the agreement and Sea Ray's then current material policies and programs following notice and the expiration of any applicable cure periods without cure.

Upon the completion of the Surfside-3 acquisition in March 2006, we became the exclusive dealer for Azimut-Benetti Group's Azimut product line in the Northeast United States. The Azimut dealer agreement provides a geographic territory to promote the product line and to network with the appropriate clientele through various independent locations designated for Azimut retail sales.

We typically deal with each of our manufacturers, other than the Sea Ray division of Brunswick, under an annually renewable, non-exclusive dealer agreement. Manufacturers generally establish prices on an annual basis, but may change prices in their sole discretion. Manufacturers typically discount the cost of inventory and offer inventory financing assistance during the manufacturers' slow seasons, generally October through March. To obtain lower cost of inventory, we strive to capitalize on these manufacturer incentives to take product delivery during the manufacturers' slow seasons. This permits us to gain pricing advantages and better product availability during the selling season. Arrangements with certain other manufacturers may restrict our right to offer some product lines in certain markets.

We transfer individual boats among our retail locations to fill customer orders that otherwise might take substantially longer to fill from the manufacturer. This reduces delays in delivery, helps us maximize inventory turnover, and assists in minimizing potential overstock or out-of-stock situations. We actively monitor our inventory levels to maintain levels appropriate to meet current anticipated market demands. We are not bound by contractual agreements governing the amount of inventory that we must purchase in any year from any manufacturer, but the failure to purchase at agreed upon levels may result in the loss of certain manufacturer incentives. We participate in numerous end-of-summer manufacturer boat shows, which manufacturers sponsor to sell off their remaining inventory at reduced costs before the introduction of new model year products, typically beginning in July.

Inventory Financing

Marine manufacturers customarily provide interest assistance programs to retailers. The interest assistance varies by manufacturer and may include periods of free financing or reduced interest rate programs. The interest assistance may be paid directly to the retailer or the financial institution depending on the arrangements the manufacturer has established. We believe that our financing arrangements with manufacturers are standard within the industry.

We account for consideration received from our vendors in accordance with FASB Accounting Standards Codification 605-50, "Revenue Recognition, Customer Payments and Incentives" ("ASC 605-50"), previously referred to as Emerging Issues Task Force Issue No. 02-16, "Accounting by a Customer (Including a Reseller) for Certain Consideration Received from a Vendor." ASC 605-50 requires us to classify interest assistance received from manufacturers as a reduction of inventory cost and related cost of sales as opposed to netting the assistance against our interest expense incurred with our lenders. Pursuant to ASC 605-50, amounts received by us under our co-op assistance programs from our manufacturers are netted against related advertising expenses.

We are party to an Inventory Financing Agreement with GE Commercial Distribution Finance Company, or GECCDF. The credit facility provides a floor plan financing commitment of \$100 million and allows us to request a

\$50 million increase to this commitment under an accordion feature, subject to GECDF approval. The credit facility matures on June 24, 2013 and is subject to extension for two one-year periods, subject to GECDF approval.

The interest rate for amounts outstanding under the credit facility is 378 basis points above the one-month London Inter-Bank Offering Rate. There is an unused line fee of ten basis points on the unused portion of the line.

The credit facility has certain financial covenants. The covenants include provisions that our leverage ratio not exceed 2.75 to 1.0 and that our current ratio must be greater than 1.2 to 1.0. At September 30, 2010, we were in compliance with all the covenants under the credit facility.

The initial advance under the credit facility was used to pay off our prior credit facility. Subsequent advances will be initiated by the acquisition of eligible new and used inventory or will be re-advances against eligible new and used inventory that has been partially paid-off. Advances on new inventory will mature 1,081 days from the original invoice date. Advances on used inventory will mature 361 days from the date we acquire the used inventory. Each advance is subject to a curtailment schedule, which requires that we pay down the balance of each advance on a periodic basis starting after six months. The curtailment schedule varies based on the type of inventory and the value of the inventory.

The collateral for the credit facility is all of our personal property with certain limited exceptions. None of our real estate has been pledged for collateral for the credit facility.

At September 30, 2010, we owed an aggregate of \$93.8 million under our credit facility and were in compliance with all of the credit facility covenants. Advances under the facility accrued interest at a rate of 4.0% as of September 30, 2010, and the credit facility provided us with an additional net borrowing availability of approximately \$4.2 million. All indebtedness associated with our real estate holdings were repaid during the fiscal year ended September 30, 2009.

On October 7, 2010, we entered into an Inventory Financing Agreement (the "CGI Facility") with CGI Finance, Inc. The CGI Facility provides a floor plan financing commitment of \$30 million and is designed to provide financing for our Azimut inventory needs. The CGI Facility has a one-year term, which is typical in the industry for similar floor plan facilities; however, each advance under the CGI Facility can remain outstanding for 18 months. The interest rate for amounts outstanding under the CGI Facility is 350 basis points above the one month London Inter-Bank Offering Rate.

Advances under the CGI Facility will be initiated by the acquisition of eligible new and used inventory or will be re-advances against eligible new and used inventory that has been partially paid-off. Advances on new inventory will mature 550 days from the original invoice date. Advances on used inventory will mature 366 days from the date we acquire the used inventory. Each advance is subject to a curtailment schedule, which requires that we pay down the balance of each advance on a periodic basis starting after six months for used inventory and one year for new inventory. The curtailment schedule varies based on the type of inventory.

The collateral for the CGI Facility is our entire Azimut inventory financed by the CGI Facility with certain limited exceptions. None of our real estate has been pledged for collateral for the CGI Facility. We must maintain compliance with various covenants, including balance sheet related covenants of current and leverage ratios, as defined in the CGI Facility. The CGI Facility contemplates that other lenders may be added by us to finance other inventory not financed under the CGI Facility, if needed.

Management Information System

We believe that our management information system, which currently is being utilized by each of our dealerships and was developed over a number of years through cooperative efforts with a common vendor, enhances our ability to integrate successfully the operations of our dealerships and future acquisitions, facilitates the interchange of information, and enhances cross-selling opportunities throughout our company. The system integrates each level of operations on a company-wide basis, including purchasing, inventory, receivables, financial reporting, budgeting, and sales management. The system enables us to monitor each dealership's operations in order to identify quickly areas requiring additional focus and to manage inventory. The system also provides sales representatives with prospect and customer information that aids them in tracking the status of their contacts with

prospects, automatically generates follow-up correspondence to such prospects, facilitates the availability of a particular boat company-wide, locates boats needed to satisfy a particular customer request, and monitors the maintenance and service needs of customers' boats. Company representatives also utilize the system to assist in arranging financing and insurance packages.

Brunswick Agreement Relating to Acquisitions

We and the Sea Ray Division of Brunswick are parties to an agreement extending through December 2015 that provides a process for the acquisition of additional Sea Ray boat dealers that desire to be acquired by us. Under the agreement, acquisitions of Sea Ray dealers will be mutually agreed upon by us and Sea Ray with reasonable efforts to be made to include a balance of Sea Ray dealers that have been successful and those that have not been. The agreement provides that Sea Ray will not unreasonably withhold its consent to any proposed acquisition of a Sea Ray dealer by us, subject to the conditions set forth in the agreement. Among other things, the agreement provides for us to provide Sea Ray with a business plan for each proposed acquisition, including historical financial and five-year projected financial information regarding the acquisition candidate; marketing and advertising plans; service capabilities and managerial and staff personnel; information regarding the ability of the candidate to achieve performance standards within designated periods; and information regarding the success of our previous acquisitions of Sea Ray dealers. The agreement also contemplates Sea Ray reaching a good faith determination whether the acquisition would be in its best interest based on our dedication and focus of resources on the Sea Ray brand and Sea Ray's consideration of any adverse effects that the approval would have on the resulting territory configuration of adjacent or other dealers and the absence of any violation of applicable laws or rights granted by Sea Ray to others.

Dealer Agreements with Brunswick

Brunswick, through its Sea Ray division, and we, through our dealerships, are parties to Sales and Service Agreements relating to Sea Ray products extending through December 2015. Each of these dealer agreements appoints one of our dealerships as a dealer for the retail sale, display, and servicing of designated Sea Ray products, parts, and accessories currently or in the future sold by Sea Ray. Each dealer agreement designates a designated geographical territory for the dealer, which is exclusive to the dealer as long as the dealer is not in breach of the material obligations and performance standards under the agreement and Sea Ray's then current material policies and programs following notice and the expiration of any applicable cure periods without cure. Each dealer agreement also specifies retail locations, which the dealer may not close, change, or add to without the prior written consent of Sea Ray, provided that Sea Ray may not unreasonably withhold its consent. Each dealer agreement also restricts the dealer from selling, advertising (other than in recognized and established marine publications), soliciting for sale, or offering for resale any Sea Ray products outside its territory without the prior written consent of Sea Ray as long as similar restrictions also apply to all domestic Sea Ray dealers selling comparable Sea Ray products. In addition, each dealer agreement provides for the lowest product prices charged by Sea Ray from time to time to other domestic Sea Ray dealers, subject to the dealer meeting all the requirements and conditions of Sea Ray's applicable programs and the right of Sea Ray in good faith to charge lesser prices to other dealers to meet existing competitive circumstances, for unusual and non-ordinary business circumstances, or for limited duration promotional programs.

Among other things, each dealer agreement requires the dealer to

- devote its best efforts to promote, display, advertise, and sell Sea Ray products at each of its retail locations in accordance with the agreement and applicable laws;
- display and utilize at each of its retail locations signs, graphics, and image elements with Sea Ray's identification that positively reflect the Sea Ray image and promote the retail sale of Sea Ray products;
- purchase and maintain at all times sufficient inventory of current Sea Ray products to meet the reasonable demand of customers at each of its locations and to meet Sea Ray's applicable minimum inventory requirements;

- maintain at each retail location, or at another acceptable location, a service department that is properly staffed and equipped to service Sea Ray products promptly and professionally and to maintain parts and supplies to service Sea Ray products properly on a timely basis;
- perform all necessary product rigging, installation, and inspection services prior to delivery to purchasers in accordance with Sea Ray's standards and perform post-sale services of all Sea Ray products sold by the dealer and brought to the dealer for service;
- provide or arrange for warranty and service work for Sea Ray products regardless of the selling dealer or condition of sale;
- exercise reasonable efforts to address circumstances in which another dealer has made a sale to an original retail purchaser who permanently resides within the dealer's territory where such sale is contrary to the selling dealer's Sales and Service Agreement;
- provide appropriate instructions to purchasers on how to obtain warranty and service work from the dealer;
- furnish product purchasers with Sea Ray's limited warranty on new products and with information and training as to the safe and proper operation and maintenance of the products;
- assist Sea Ray in performing any product defect and recall campaigns;
- achieve sales performance in accordance with fair and reasonable standards and sales levels established by Sea Ray in consultation with the dealer based on factors such as population, sales potential, market share percentage of Sea Ray products sold in the territory compared with competitive products sold in the territory, local economic conditions, competition, past sales history, number of retail locations, and other special circumstances that may affect the sale of Sea Ray products or the dealer, in each case consistent with standards established for all domestic Sea Ray dealers selling comparable products;
- provide designated financial information that are truthful and accurate;
- conduct its business in a manner that preserves and enhances the reputation and goodwill of both Sea Ray and the dealer for providing quality products and services;
- maintain the financial ability to purchase and maintain on hand and display Sea Ray's current product models;
- maintain customer service ratings in compliance with Sea Ray's criteria;
- comply with those dealer's obligations that may be imposed or established by Sea Ray applicable to all domestic Sea Ray dealers;
- maintain a financial condition that is adequate to satisfy and perform its obligations under the agreement;
- achieve within designated time periods or maintain motor dealer status (which is Sea Ray's highest performance status) or other applicable certification requirements as established from time to time by Sea Ray applicable to all domestic Sea Ray dealers;
- notify Sea Ray of the addition or deletion of any retail locations;
- sell Sea Ray products only on the basis of Sea Ray's published applicable limited warranty and make no other warranty or representations concerning the limited warranty, expressed or implied, either verbally or in writing;
- provide timely warranty service on all Sea Ray products presented to the dealer by purchasers in accordance with Sea Ray's then current warranty program applicable to all domestic Sea Ray dealers selling comparable Sea Ray products; and
- provide Sea Ray with access to the dealer's books and records and such other information as Sea Ray may reasonably request to verify the accuracy of the warranty claims submitted to Sea Ray by the dealer with regard to such warranty claims.

Sea Ray has agreed to indemnify each of our dealers against any losses to third parties resulting from Sea Ray's negligent acts or omissions involving the design or manufacture of any of its products or any breach by it of the agreement. Each of our dealers has agreed to indemnify Sea Ray against any losses to third parties resulting from the dealer's negligent acts or omissions involving the dealer's application, use, or repair of Sea Ray products, statements or representation not specifically authorized by Sea Ray, the installation of any after market components or any other modification or alteration of Sea Ray products, and any breach by the dealer of the agreement.

Each dealer agreement may be terminated

- by Sea Ray, upon 60 days prior written notice, if the dealer fails or refuses to place a minimum stocking order of the next model year's products in accordance with requirements applicable to all Sea Ray dealers generally or fails to meet its financial obligations as they become due to Sea Ray or to the dealer's lenders;
- by Sea Ray or the dealer, upon 60 days written notice to the other, in the event of a breach or default by the other with any of the of the material obligations, performance standards, covenants, representations, warranties, or duties imposed by the agreement or the Sea Ray manual that has not been cured within 60 days of the notice of the claimed deficiency or within a reasonable period when the cure cannot be completed within a 60-day period, or at the end of the 60-day period without the opportunity to cure when the cause constitutes bad faith;
- by Sea Ray or the dealer if the other makes a fraudulent misrepresentation that is material to the agreement or the other engages in an incurable act of bad faith;
- by Sea Ray or the dealer in the event of the insolvency, bankruptcy, or receivership of the other;
- by Sea Ray in the event of the assignment of the agreement by the dealer without the prior written consent of Sea Ray;
- by Sea Ray upon at least 15 days' prior written notice in the event of the failure to pay any sums due and owing to Sea Ray that are not disputed in good faith; and
- upon the mutual consent of Sea Ray and the dealer.

Employees

As of September 30, 2010, we had 1,158 employees, 1,101 of whom were in store-level operations and 57 of whom were in corporate administration and management. We are not a party to any collective bargaining agreements. We consider our relations with our employees to be excellent.

Trademarks and Service Marks

We have registered trade names and trademarks with the U.S. Patent and Trademark Office for various names, including "MarineMax," "MarineMax Getaways," "MarineMax Care," "Delivering the Dream," "MarineMax Delivering the Boating Dream," "Newcoast Financial Services," "MarineMax Boating Gear Center," and "Women on Water." We have registered the name "MarineMax" in the European Community. We have trade name and trademark applications pending in Canada for various names, including "MarineMax," "Delivering the Dream," and "The Water Gene." There can be no assurance that any of these applications will be granted.

Seasonality and Weather Conditions

Our business, as well as the entire recreational boating industry, is highly seasonal, with seasonality varying in different geographic markets. Over the three-year period ended September 30, 2010, the average revenue for the quarters ended December 31, March 31, June 30, and September 30 represented approximately 21%, 25%, 28%, and 26%, respectively, of our average annual revenues. With the exception of Florida, we generally realize significantly lower sales and higher levels of inventories and related short-term borrowings, in the quarterly periods ending December 31 and March 31. The onset of the public boat and recreation shows in January stimulates boat sales and typically allows us to reduce our inventory levels and related short-term borrowings throughout the remainder of the fiscal year.

Our business is also subject to weather patterns, which may adversely affect our results of operations. For example, drought conditions (or merely reduced rainfall levels) or excessive rain, may close area boating locations or render boating dangerous or inconvenient, thereby curtailing customer demand for our products. In addition, unseasonably cool weather and prolonged winter conditions may lead to a shorter selling season in certain locations. Hurricanes and other storms could result in disruptions of our operations or damage to our boat inventories and facilities, as has been the case when Florida and other markets were affected by hurricanes. Although our geographic diversity is likely to reduce the overall impact to us of adverse weather conditions in any one market area, these conditions will continue to represent potential, material adverse risks to us and our future financial performance.

Environmental and Other Regulatory Issues

Our operations are subject to extensive regulation, supervision, and licensing under various federal, state, and local statutes, ordinances, and regulations. While we believe that we maintain all requisite licenses and permits and are in compliance with all applicable federal, state, and local regulations, there can be no assurance that we will be able to maintain all requisite licenses and permits. The failure to satisfy those and other regulatory requirements could have a material adverse effect on our business, financial condition, and results of operations. The adoption of additional laws, rules, and regulations could also have a material adverse effect on our business. Various federal, state, and local regulatory agencies, including the Occupational Safety and Health Administration, or OSHA, the United States Environmental Protection Agency, or EPA, and similar federal and local agencies, have jurisdiction over the operation of our dealerships, repair facilities, and other operations with respect to matters such as consumer protection, workers' safety, and laws regarding protection of the environment, including air, water, and soil.

The EPA has various air emissions regulations for outboard marine engines that impose more strict emissions standards for two-cycle, gasoline outboard marine engines. The majority of the outboard marine engines we sell are manufactured by Mercury Marine. Mercury Marine's product line of low-emission engines, including the OptiMax, Verado, and other four-stroke outboards, have achieved the EPA's mandated 2006 emission levels. Any increased costs of producing engines resulting from EPA standards, or the inability of our manufacturers to comply with EPA requirements, could have a material adverse effect on our business.

Certain of our facilities own and operate underground storage tanks, or USTs, for the storage of various petroleum products. The USTs are generally subject to federal, state, and local laws and regulations that require testing and upgrading of USTs and remediation of contaminated soils and groundwater resulting from leaking USTs. In addition, if leakage from company-owned or operated USTs migrates onto the property of others, we may be subject to civil liability to third parties for remediation costs or other damages. Based on historical experience, we believe that our liabilities associated with UST testing, upgrades, and remediation are unlikely to have a material adverse effect on our financial condition or operating results.

As with boat dealerships generally, and parts and service operations in particular, our business involves the use, handling, storage, and contracting for recycling or disposal of hazardous or toxic substances or wastes, including environmentally sensitive materials, such as motor oil, waste motor oil and filters, transmission fluid, antifreeze, freon, waste paint and lacquer thinner, batteries, solvents, lubricants, degreasing agents, gasoline, and diesel fuels.

Accordingly, we are subject to regulation by federal, state, and local authorities establishing requirements for the use, management, handling, and disposal of these materials and health and environmental quality standards, and liability related thereto, and providing penalties for violations of those standards. We are also subject to laws, ordinances, and regulations governing investigation and remediation of contamination at facilities we operate to which we send hazardous or toxic substances or wastes for treatment, recycling, or disposal.

We do not believe we have any material environmental liabilities or that compliance with environmental laws, ordinances, and regulations will, individually or in the aggregate, have a material adverse effect on our business, financial condition, or results of operations. However, soil and groundwater contamination has been known to exist at certain properties owned or leased by us. We have also been required and may in the future be required to remove aboveground and underground storage tanks containing hazardous substances or wastes. As to certain of our properties, specific releases of petroleum have been or are in the process of being remedied in accordance with state and federal guidelines. We are monitoring the soil and groundwater as required by applicable state and federal

guidelines. In addition, the shareholders of the acquired dealers have indemnified us for specific environmental issues identified on environmental site assessments performed by us as part of the acquisitions. We maintain insurance for pollutant cleanup and removal. The coverage pays for the expenses to extract pollutants from land or water at the insured property, if the discharge, dispersal, seepage, migration, release, or escape of the pollutants is caused by or results from a covered cause of loss. We also have additional storage tank liability insurance and “Superfund” coverage where applicable. In addition, certain of our retail locations are located on waterways that are subject to federal or state laws regulating navigable waters (including oil pollution prevention), fish and wildlife, and other matters.

Two of the properties we own were historically used as gasoline service stations. Remedial action with respect to prior historical site activities on these properties has been completed in accordance with federal and state law. Also, one of our properties is within the boundaries of a “Superfund” site, although neither property has been nor is expected to be identified as a contributor to the contamination in the area. We, however, do not believe that these environmental issues will result in any material liabilities to us.

Additionally, certain states have required or are considering requiring a license in order to operate a recreational boat. While such licensing requirements are not expected to be unduly restrictive, regulations may discourage potential first-time buyers, thereby limiting future sales, which could adversely affect our business, financial condition, and results of operations.

Product Liability

The products we sell or service may expose us to potential liabilities for personal injury or property damage claims relating to the use of those products. Historically, the resolution of product liability claims has not materially affected our business. Our manufacturers generally maintain product liability insurance, and we maintain third-party product liability insurance, which we believe to be adequate. However, we may experience legal claims in excess of our insurance coverage, and those claims may not be covered by insurance. Furthermore, any significant claims against us could adversely affect our business, financial condition, and results of operations and result in negative publicity. Excessive insurance claims also could result in increased insurance premiums.

Competition

We operate in a highly competitive environment. In addition to facing competition generally from recreation businesses seeking to attract consumers’ leisure time and discretionary spending dollars, the recreational boat industry itself is highly fragmented, resulting in intense competition for customers, quality products, boat show space, and suitable retail locations. We rely to a certain extent on boat shows to generate sales. Our inability to participate in boat shows in our existing or targeted markets could have a material adverse effect on our business, financial condition, and results of operations.

We compete primarily with single-location boat dealers and, with respect to sales of marine equipment, parts, and accessories, with national specialty marine stores, catalog retailers, sporting goods stores, and mass merchants. Dealer competition continues to increase based on the quality of available products, the price and value of the products, and attention to customer service. There is significant competition both within markets we currently serve and in new markets that we may enter. We compete in each of our markets with retailers of brands of boats and engines we do not sell in that market. In addition, several of our competitors, especially those selling boating accessories, are large national or regional chains that have substantial financial, marketing, and other resources. However, we believe that our integrated corporate infrastructure and marketing and sales capabilities, our cost structure, and our nationwide presence enable us to compete effectively against these companies. Private sales of used boats represent an additional significant source of competition.

Executive Officers

The following table sets forth information concerning each of our executive officers:

<u>Name</u>	<u>Age</u>	<u>Position</u>
William H. McGill Jr.	66	Chairman of the Board, President, Chief Executive Officer, and Director
Michael H. McLamb	45	Executive Vice President, Chief Financial Officer, Secretary, and Director
Edward A. Russell	50	Executive Vice President and Chief Operating Officer
Kurt M. Frahn	42	Vice President of Finance and Treasurer
Jack P. Ezzell	40	Vice President, Chief Accounting Officer, and Controller
Paulee C. Day	41	Vice President, General Counsel and Assistant Secretary

William H. McGill Jr. has served as the Chief Executive Officer of MarineMax since January 23, 1998 and as the Chairman of the Board and as a director of our company since March 6, 1998. Mr. McGill served as the President of our company from January 23, 1988 until September 8, 2000 and re-assumed the position on July 1, 2002. Mr. McGill was the principal owner and president of Gulfwind USA, Inc., one of our operating subsidiaries, from 1973 until its merger with us.

Michael H. McLamb has served as Executive Vice President of our company since October 2002, as Chief Financial Officer since January 23, 1998, as Secretary since April 5, 1998, and as a director since November 1, 2003. Mr. McLamb served as Vice President and Treasurer of our company from January 23, 1998 until October 22, 2002. Mr. McLamb, a certified public accountant, was employed by Arthur Andersen LLP from December 1987 to December 1997, serving most recently as a senior manager.

Edward A. Russell has served as Executive Vice President and Chief Operating Officer of our company since February 2010. Mr. Russell served as Executive Vice President of Operations and Sales of our company from February 2008 until February 2010. Mr. Russell served as Vice President of Operations of our company from March 2006 until February 2008, and as a Vice President of our company from October 22, 2002 until March 2006. Mr. Russell served as the Regional Manager of our Florida operations from August 1, 2002 until October 22, 2002 and as the District President for our Central and West Florida operations from March 1998 until August 1, 2002. Mr. Russell was an owner and General Sales Manager of Gulfwind USA Inc., one of our operating subsidiaries, now called MarineMax of Central Florida, from 1984 until its merger with our company in March 1998.

Kurt M. Frahn has served as Vice President of Finance and Treasurer of our company since October 22, 2002. Mr. Frahn served as Director of Taxes and Acquisitions of our company from May 15, 1998 until October 22, 2002. Mr. Frahn was employed by Arthur Andersen LLP from September 3, 1991 until May 15, 1998, serving most recently as a tax consulting manager.

Jack P. Ezzell has served as Vice President and Chief Accounting Officer of our company since October 22, 2002 and as Corporate Controller of our company since June 1, 1999. Mr. Ezzell served as Assistant Controller from January 13, 1998 until June 1, 1999. Mr. Ezzell, a certified public accountant, was employed by Arthur Andersen LLP from August 1996 until January 1998, serving most recently as a senior auditor.

Paulee C. Day has served as Vice President of our company since February 2009 and as General Counsel and Assistant Secretary since January 2003. Ms. Day, an active member of the Florida Bar, was employed by Maxxim Medical from May 1999 to November 2002, serving as Vice President, General Counsel, and Secretary. Prior to that time, Ms. Day was Corporate Attorney at Eckerd Corporation from June 1997 through May 1999 and a corporate attorney at the law firm Trenam, Kemker, Scharf, Barkin, Frye, O’Neill and Mullis, P.A. from January 1995 through June 1997.

Item 1A. Risk Factors

General economic conditions and consumer spending patterns can negatively impact our operating results, and the severe recession that began in late 2007 has adversely affected the boating industry and our company.

General economic conditions and consumer spending patterns can negatively impact our operating results. Unfavorable local, regional, national, or global economic developments or uncertainties regarding future economic prospects could reduce consumer spending in the markets we serve and adversely affect our business. Economic conditions in areas in which we operate dealerships, particularly Florida in which we generated 43%, 45%, and 54% of our revenue during fiscal 2008, 2009, and 2010 respectively, can have a major impact on our operations. Local influences, such as corporate downsizing, military base closings, and inclement weather, also could adversely affect our operations in certain markets.

In an economic downturn, consumer discretionary spending levels generally decline, at times resulting in disproportionately large reductions in the sale of luxury goods. Consumer spending on luxury goods also may decline as a result of lower consumer confidence levels, even if prevailing economic conditions are favorable. Although we have expanded our operations during periods of stagnant or modestly declining industry trends, the cyclical nature of the recreational boating industry or the lack of industry growth could adversely affect our business, financial condition, or results of operations in the future. Any period of adverse economic conditions or low consumer confidence has a negative effect on our business.

Lower consumer spending resulting from a downturn in the housing market and other economic factors adversely affected our business in fiscal 2007 and continued weakness in consumer spending resulting from substantial weakness in the financial markets and deteriorating economic conditions had a very substantial negative effect on our business in fiscal 2008, 2009, and 2010. Our revenue decreased from \$1.2 billion in fiscal 2007, to \$885.4 million in fiscal 2008, to \$588.6 million in fiscal 2009, and to \$450.3 million in fiscal 2010. Our earnings decreased from a net income of \$20.1 million in fiscal 2007 to a net loss of \$134.3 million in fiscal 2008 (including a \$122.1 million goodwill impairment charge), a net loss of \$76.8 million in fiscal 2009, and a net income of \$2.5 million in fiscal 2010 (including a \$19.2 million tax refund). These substantially deteriorating economic and financial conditions have had a greater impact on many other participants in the boating industry, with certain manufacturers and dealers ceasing business operations or filing for bankruptcy. While the reduction in boating industry participants might have a long-term positive impact on our company's competitive position, we are facing and expect to continue to face short-term competitive pressure resulting from decreased selling prices as a result of forced sales and other liquidations of excess inventory.

These conditions caused us to defer our acquisition program, delay new store openings, reduce our inventory purchases, engage in inventory reduction efforts, close some of our retail locations, reduce our headcount, and amend our credit facility. While we believe the steps we have taken to date will enable us to emerge from the current economic environment as a stronger and more profitable company, we cannot predict the length or severity of these unfavorable economic or financial conditions or the extent to which they will adversely affect our operating results nor can we predict the effectiveness of the measures we have taken to address this environment or whether additional measures will be necessary. A continuation of depressed economic factors could have additional negative effects on our company, including interfering with our supply of certain brands by manufacturers, reduced marketing and other support by manufacturers, decreased revenue, additional pressures on margins, and our failure to satisfy covenants under our credit agreement.

The availability and costs of borrowed funds can adversely affect our ability to obtain adequate boat inventory and the ability and willingness of our customers to finance boat purchases.

The availability and costs of borrowed funds can adversely affect our ability to obtain and maintain adequate boat inventory and the holding costs of that inventory as well as the ability and willingness of our customers to finance boat purchases. As of September 30, 2010, we had no long-term debt. We rely on our credit facility to purchase and maintain our inventory of boats. Our ability to borrow under our credit facility depends on our ability to continue to satisfy our covenants and other obligations under our credit facility. The aging of our inventory limits our borrowing capacity as defined provisions in our credit facility reduce the allowable advance rate as our

inventory ages. Our access to funds under our credit facility also depends upon the ability of our lender, GECDP, to meet its funding commitments, particularly if it experiences shortages of capital or experiences excessive volumes of borrowing requests from others during a short period of time. A continuation of depressed economic conditions, weak consumer spending, turmoil in the credit markets, and lender difficulties could interfere with our ability to maintain compliance with our debt covenants and to utilize our credit facility to fund our operations. Accordingly, it may be necessary for us to close additional stores, further reduce our expense structure, or modify the covenants with our lender. Any inability to utilize our credit facility or the acceleration of amounts owed, resulting from a covenant violation, insufficient collateral, or lender difficulties, could require us to seek other sources of funding to repay amounts outstanding under our credit facility or replace or supplement our credit facility, which may not be possible at all or under commercially reasonable terms.

Our credit facility provides a floor plan financing commitment of \$100 million and allows us to request a \$50 million increase to this commitment under an accordion feature, subject to GECDP approval. The collateral for our credit facility is all of our personal property with certain limited exceptions. None of our real estate has been pledged as collateral under our credit facility. As of September 30, 2010, we were in compliance with all of the credit facility covenants and our additional available borrowings under our credit facility were approximately \$4.2 million.

Similarly, decreases in the availability of credit and increases in the cost of credit adversely affect the ability of our customers to purchase boats from us and thereby adversely affects our ability to sell our products and impacts the profitability of our finance and insurance activities. Tight credit conditions during fiscal 2008, fiscal 2009, and fiscal 2010 adversely affected the ability of customers to finance boat purchases, which had a negative affect on our operating results.

Our strategies to enhance our performance may not be successful.

We are increasing our efforts to grow our financing and insurance, parts and accessory, service, and boat storage businesses to better serve our customers and thereby increase revenue and improve profitability to these higher margin businesses. In addition, we are implementing aggressive programs to substantially increase the sale over the Internet of used boats, parts, accessories, and a wide range of boating supplies and products. These efforts and programs are designed to increase our revenue and reduce our dependence on the sale of new boats. These business initiatives will require us to add personnel, enter businesses in which we do not have extensive experience, and encounter substantial competition. As a result, our strategies to enhance our performance may not be successful and we may increase our expenses.

Our success depends to a significant extent on the well being, as well as the continued popularity and reputation for quality of the boating products, of our manufacturers, particularly Brunswick's Sea Ray, Boston Whaler, Cabo, Hatteras, and Meridian boat lines and Azimut-Benetti Group's Azimut products.

Approximately 41% of our revenue in fiscal 2010 resulted from sales of new boats manufactured by Brunswick, including approximately 27% from Brunswick's Sea Ray division and approximately 14% from Brunswick's other divisions. The remainder of our fiscal 2010 revenue from new boat sales resulted from sales of products from a limited number of other manufacturers, none of which accounted for more than 10% of our revenue.

We depend on our manufacturers to provide us with products that compare favorably with competing products in terms of quality, performance, safety, and advanced features, including the latest advances in propulsion and navigation systems. Any adverse change in the production efficiency, product development efforts, technological advancement, marketplace acceptance, marketing capabilities, and financial condition of our manufacturers, particularly Brunswick given our reliance on Sea Ray, Boston Whaler, Cabo, Hatteras, and Meridian, would have a substantial adverse impact on our business. Any difficulties encountered by any of our manufacturers, particularly Brunswick, resulting from economic, financial, or other factors could adversely affect the quality and amount of products that they are able to supply to us and the services and support they provide to us.

The interruption or discontinuance of the operations of Brunswick or other manufacturers could cause us to experience shortfalls, disruptions, or delays with respect to needed inventory. Although we believe that adequate alternate sources would be available that could replace any manufacturer other than Brunswick as a product source,

those alternate sources may not be available at the time of any interruption, and alternative products may not be available at comparable quality and prices.

We maintain dealer agreements with Brunswick covering Sea Ray products. Each dealer agreement has a multi-year term and provides for the lowest product prices charged by the Sea Ray division of Brunswick from time to time to other domestic Sea Ray dealers. These terms are subject to

- the dealer meeting all the requirements and conditions of Sea Ray's applicable programs; and
- the right of Brunswick in good faith to charge lesser prices to other dealers
 - to meet existing competitive circumstances;
 - for unusual and non-ordinary business circumstances; or
 - for limited duration promotional programs.

Each dealer agreement designates a specific geographical territory for the dealer, which is exclusive to the dealer so long as the dealer is not in breach of the material obligations and performance standards under the agreement and Sea Ray's then current material policies and programs following notice and the expiration of any applicable cure periods without cure.

We also maintain dealer agreements with Hatteras covering Hatteras products. Each agreement allows Hatteras to revise prices at any time, and such new prices will supersede previous prices. Pursuant to the agreements, we must bear any losses we incur as a result of such price changes and may not recover from Hatteras for any losses. In addition, certain of our dealerships may not represent manufacturers or product lines that compete directly with Hatteras without its prior written consent.

Upon the completion of the Surfside-3 acquisition in March 2006, we became the exclusive dealer for Azimut-Benetti Group's Azimut product line for the Northeast United States. In September 2008, our geographic territory was expanded to include Florida. The Azimut dealer agreement provides a geographic territory to promote the product line and to network with the appropriate clientele through various independent locations designated for Azimut retail sales.

As is typical in the industry, we generally deal with manufacturers, other than the Sea Ray division of Brunswick, under renewable annual dealer agreements. These agreements do not contain any contractual provisions concerning product pricing or required purchasing levels. Pricing is generally established on a model year basis, but is subject to change in the manufacturer's sole discretion. Any change or termination of these arrangements for any reason could adversely affect product availability and cost and our financial performance.

Boat manufacturers exercise substantial control over our business.

We depend on our dealer agreements. Through dealer agreements, boat manufacturers, including Brunswick, exercise significant control over their dealers, restrict them to specified locations, and retain approval rights over changes in management and ownership, among other things. The continuation of our dealer agreements with most manufacturers, including Brunswick, depends upon, among other things, our achieving stated goals for customer satisfaction ratings and market share penetration in the market served by the applicable dealership. Failure to meet the customer satisfaction, market share goals, and other conditions set forth in any dealer agreement could have various consequences, including the following:

- the termination of the dealer agreement;
- the imposition of additional conditions in subsequent dealer agreements;
- limitations on boat inventory allocations;
- reductions in reimbursement rates for warranty work performed by the dealer;
- loss of certain manufacturer to dealer incentives; or
- denial of approval of future acquisitions.

Our dealer agreements with certain manufacturers, including Brunswick, do not give us the exclusive right to sell those manufacturers' products within a given geographical area. Accordingly, a manufacturer, including Brunswick, could authorize another dealer to start a new dealership in proximity to one or more of our locations, or an existing dealer could move a dealership to a location that would be directly competitive with us. These events could have a material adverse effect on our competitive position and financial performance.

The failure to receive rebates and other dealer incentives on inventory purchases or retail sales could substantially reduce our margins.

We rely on manufacturers' programs that provide incentives for dealers to purchase and sell particular boat makes and models or for consumers to buy particular boat makes or models. Any eliminations, reductions, limitations, or other changes relating to rebate or incentive programs that have the effect of reducing the benefits we receive, whether relating to the ability of manufacturers to pay or our ability to qualify for such incentive programs, could increase the effective cost of our boat purchases, reduce our margins and competitive position, and have a material adverse effect on our financial performance.

Fuel prices and supply may affect our business.

All of the recreational boats we sell are powered by diesel or gasoline engines. Consequently, an interruption in the supply, or a significant increase in the price or tax on the sale of fuel on a regional or national basis could have a material adverse effect on our sales and operating results. Increases in fuel prices (such as those that occurred during fiscal 2008) negatively impact boat sales. At various times in the past, diesel or gasoline fuel has been difficult to obtain. The supply of fuels may be interrupted, rationing may be imposed, or the price of or tax on fuels may significantly increase in the future, adversely impacting our business.

The availability of boat insurance is critical to our success.

The ability of our customers to secure reasonably affordable boat insurance that is satisfactory to lenders that finance our customers' purchases is critical to our success. Historically, affordable boat insurance has been available. With the hurricanes that have impacted the state of Florida and other markets over the past several years, insurance rates have escalated and insurance coverage has become more difficult to obtain. In addition, as a severe storm approaches land, insurance providers cease underwriting until the storm has passed. This loss of insurance prohibits lenders from lending. As a result, sales of boats can be temporarily halted making our revenue difficult to predict and potentially causing sales to be cancelled. Any difficulty of customers to obtain affordable boat insurance could impede boat sales and adversely affect our business.

Other recreational activities and poor industry perception can adversely affect the levels of boat purchases.

Other recreational activities and poor industry perception can adversely affect the levels of boat purchases. As a seller of high-end consumer products, we must compete for discretionary spending with a wide variety of other recreational activities and consumer purchases. In addition, perceived hassles of boat ownership and relatively poor customer service and customer education throughout the retail boat industry represent impediments to boat purchases. Our customer-centric strategy is intended to overcome these perceptions.

Adverse federal tax policies can have a negative effect on us.

Changes in federal and state tax laws, such as an imposition of luxury taxes on new boat purchases, increases in prevailing tax rates, and weak stock market performance also influence consumers' decisions to purchase products we offer and could have a negative effect on our sales. For example, during 1991 and 1992, the federal government imposed a luxury tax on new recreational boats with sales prices in excess of \$100,000, which coincided with a sharp decline in boating industry sales from a high of more than \$17.9 billion in 1988 to a low of \$10.3 billion in 1992. Any increase in tax rates, including those on capital gains and dividends, particularly those on high-income taxpayers, could adversely affect our boat sales.

Our success depends, in part, on our ability to continue to make successful acquisitions and to integrate the operations of acquired dealers and each dealer we acquire in the future.

Since March 1, 1998, we have acquired 20 recreational boat dealers, two boat brokerage operations, and two full-service yacht repair facilities. Each acquired dealer operated independently prior to its acquisition by us. Our success depends, in part, on our ability to continue to make successful acquisitions and to integrate the operations of acquired dealers, including centralizing certain functions to achieve cost savings and pursuing programs and processes that promote cooperation and the sharing of opportunities and resources among our dealerships. We may not be able to oversee the combined entity efficiently or to implement effectively our growth and operating strategies. To the extent that we successfully pursue our acquisition strategy, our resulting growth will place significant additional demands on our management and infrastructure. Our failure to pursue successfully our acquisition strategies or operate effectively the combined entity could have a material adverse effect on our rate of growth and operating performance.

Unforeseen expenses, difficulties, and delays frequently encountered in connection with rapid expansion through acquisitions could inhibit our growth and negatively impact our profitability.

Our growth strategy of acquiring additional recreational boat dealers involves significant risks. This strategy entails reviewing and potentially reorganizing acquired business operations, corporate infrastructure and systems, and financial controls. Unforeseen expenses, difficulties, and delays frequently encountered in connection with rapid expansion through acquisitions could inhibit our growth and negatively impact our profitability. We may be unable to identify suitable acquisition candidates or to complete the acquisitions of candidates that we identify. Increased competition for acquisition candidates or increased asking prices by acquisition candidates may increase purchase prices for acquisitions to levels beyond our financial capability or to levels that would not result in the returns required by our acquisition criteria. Acquisitions also may become more difficult in the future as we acquire more of the most attractive dealers. In addition, we may encounter difficulties in integrating the operations of acquired dealers with our own operations or managing acquired dealers profitably without substantial costs, delays, or other operational or financial problems.

We may issue common or preferred stock and incur substantial indebtedness in making future acquisitions. The size, timing, and integration of any future acquisitions may cause substantial fluctuations in operating results from quarter to quarter. Consequently, operating results for any quarter may not be indicative of the results that may be achieved for any subsequent quarter or for a full fiscal year. These fluctuations could adversely affect the market price of our common stock.

Our ability to continue to grow through the acquisition of additional dealers will depend upon various factors, including the following:

- the availability of suitable acquisition candidates at attractive purchase prices;
- the ability to compete effectively for available acquisition opportunities;
- the availability of borrowed funds or common stock with a sufficient market price to complete the acquisitions;
- the ability to obtain any requisite manufacturer or governmental approvals;
- the ability to obtain approval of our lender under our current credit agreement; and
- the absence of one or more manufacturers attempting to impose unsatisfactory restrictions on us in connection with their approval of acquisitions.

As a part of our acquisition strategy, we frequently engage in discussions with various recreational boat dealers regarding their potential acquisition by us. In connection with these discussions, we and each potential acquisition candidate exchange confidential operational and financial information, conduct due diligence inquiries, and consider the structure, terms, and conditions of the potential acquisition. In certain cases, the prospective acquisition candidate agrees not to discuss a potential acquisition with any other party for a specific period of time, grants us an option to purchase the prospective dealer for a designated price during a specific time, and agrees

to take other actions designed to enhance the possibility of the acquisition, such as preparing audited financial information and converting its accounting system to the system specified by us. Potential acquisition discussions frequently take place over a long period of time and involve difficult business integration and other issues, including in some cases, management succession and related matters. As a result of these and other factors, a number of potential acquisitions that from time to time appear likely to occur do not result in binding legal agreements and are not consummated.

We may be required to obtain the consent of Brunswick and various other manufacturers prior to the acquisition of other dealers.

In determining whether to approve acquisitions, manufacturers may consider many factors, including our financial condition and ownership structure. Manufacturers also may impose conditions on granting their approvals for acquisitions, including a limitation on the number of their dealers that we may acquire. Our ability to meet manufacturers' requirements for approving future acquisitions will have a direct bearing on our ability to complete acquisitions and effect our growth strategy. There can be no assurance that a manufacturer will not terminate its dealer agreement, refuse to renew its dealer agreement, refuse to approve future acquisitions, or take other action that could have a material adverse effect on our acquisition program.

We and the Sea Ray Division of Brunswick have an agreement extending through June 2015 that provides a process for the acquisition of additional Sea Ray boat dealers that desire to be acquired by us. Under the agreement, acquisitions of Sea Ray dealers will be mutually agreed upon by us and Sea Ray with reasonable efforts to be made to include a balance of Sea Ray dealers that have been successful and those that have not been. The agreement provides that Sea Ray will not unreasonably withhold its consent to any proposed acquisition of a Sea Ray dealer by us, subject to the conditions set forth in the agreement. Among other things, the agreement requires us to provide Sea Ray with a business plan for each proposed acquisition, including historical financial and five-year projected financial information regarding the acquisition candidate; marketing and advertising plans; service capabilities and managerial and staff personnel; information regarding the ability of the candidate to achieve performance standards within designated periods; and information regarding the success of our previous acquisitions of Sea Ray dealers. The agreement also contemplates Sea Ray reaching a good faith determination whether the acquisition would be in its best interest based on our dedication and focus of resources on the Sea Ray brand and Sea Ray's consideration of any adverse effects that the approval would have on the resulting territory configuration and adjacent or other dealers sales and the absence of any violation of applicable laws or rights granted by Sea Ray to others.

Our growth strategy also entails expanding our product lines and geographic scope by obtaining additional distribution rights from our existing and new manufacturers. We may not be able to secure additional distribution rights or obtain suitable alternative sources of supply if we are unable to obtain such distribution rights. The inability to expand our product lines and geographic scope by obtaining additional distribution rights could have a material adverse effect on the growth and profitability of our business.

Our growth strategy may require us to secure significant additional capital, the amount of which will depend upon the size, timing, and structure of future acquisitions and our working capital and general corporate needs.

If we finance future acquisitions in whole or in part through the issuance of common stock or securities convertible into or exercisable for common stock, existing stockholders will experience dilution in the voting power of their common stock and earnings per share could be negatively impacted. The extent to which we will be able and willing to use our common stock for acquisitions will depend on the market value of our common stock and the willingness of potential sellers to accept our common stock as full or partial consideration. Our inability to use our common stock as consideration, to generate cash from operations, or to obtain additional funding through debt or equity financings in order to pursue our acquisition program could materially limit our growth.

Any borrowings made to finance future acquisitions or for operations could make us more vulnerable to a downturn in our operating results, a downturn in economic conditions, or increases in interest rates on borrowings that are subject to interest rate fluctuations. If our cash flow from operations is insufficient to meet our debt service requirements, we could be required to sell additional equity securities, refinance our obligations, or dispose of assets

in order to meet our debt service requirements. In addition, our credit arrangement contains financial covenants and other restrictions with which we must comply, including limitations on the incurrence of additional indebtedness. Adequate financing may not be available if and when we need it or may not be available on terms acceptable to us. The failure to obtain sufficient financing on favorable terms and conditions could have a material adverse effect on our growth prospects and our business, financial condition, and results of operations.

Our internal growth and operating strategies of opening new locations and offering new products involve risk.

In addition to pursuing growth by acquiring boat dealers, we intend to continue to pursue a strategy of growth through opening new retail locations and offering new products in our existing and new territories. Accomplishing these goals for expansion will depend upon a number of factors, including the following:

- our ability to identify new markets in which we can obtain distribution rights to sell our existing or additional product lines;
- our ability to lease or construct suitable facilities at a reasonable cost in existing or new markets;
- our ability to hire, train, and retain qualified personnel;
- the timely integration of new retail locations into existing operations;
- our ability to achieve adequate market penetration at favorable operating margins without the acquisition of existing dealers; and
- our financial resources.

Our dealer agreements with Brunswick require Brunswick's consent to open, close, or change retail locations that sell Sea Ray products, and other dealer agreements generally contain similar provisions. We may not be able to open and operate new retail locations or introduce new product lines on a timely or profitable basis. Moreover, the costs associated with opening new retail locations or introducing new product lines may adversely affect our profitability.

As a result of these growth strategies, we expect to expend significant time and effort in opening and acquiring new retail locations and introducing new products. Our systems, procedures, controls, and financial resources may not be adequate to support expanding operations. The inability to manage our growth effectively could have a material adverse effect on our business, financial condition, and results of operations.

Our planned growth also will impose significant added responsibilities on members of senior management and require us to identify, recruit, and integrate additional senior level managers. We may not be able to identify, hire, or train suitable additions to management.

Our business, as well as the entire recreational boating industry, is highly seasonal, with seasonality varying in different geographic markets. In addition, weather and environmental conditions may adversely impact our business.

During the three-year period ended September 30, 2010, the average revenue for the quarterly periods ended December 31, March 31, June 30, and September 30 represented 21%, 25%, 28%, and 26%, respectively, of our average annual revenue. With the exception of Florida, we generally realize significantly lower sales and higher levels of inventories and related short-term borrowings in the quarterly periods ending December 31 and March 31. The onset of the public boat and recreation shows in January stimulates boat sales and allows us to reduce our inventory levels and related short-term borrowings throughout the remainder of the fiscal year. Our business could become substantially more seasonal as we acquire dealers that operate in colder regions of the United States.

Weather and environmental conditions may adversely impact our operating results. For example, drought conditions, reduced rainfall levels, excessive rain and environmental conditions, such as the BP oil spill in the Gulf of Mexico, may force boating areas to close or render boating dangerous or inconvenient, thereby curtailing customer demand for our products. While we traditionally maintain a full range of insurance coverage for any such events, there can be no assurance that such insurance coverage is adequate to cover losses that we sustain as a result

of such disasters. In addition, unseasonably cool weather and prolonged winter conditions may lead to shorter selling seasons in certain locations. Many of our dealerships sell boats to customers for use on reservoirs, thereby subjecting our business to the continued viability of these reservoirs for boating use. Although our geographic diversity and any future geographic expansion will reduce the overall impact on us of adverse weather and environmental conditions in any one market area, weather and environmental conditions will continue to represent potential material adverse risks to us and our future operating performance. As a result of the foregoing and other factors, our operating results in some future quarters could be below the expectations of stock market analysts and investors.

In addition, hurricanes and other storms could result in the disruption of our operations or damage to our boat inventories and facilities as has been the case when Florida and other markets has been affected by hurricanes. While we traditionally maintain property and casualty insurance coverage for damage caused by hurricanes and other storms, there can be no assurance that such insurance coverage is adequate to cover losses that we may sustain as a result of hurricanes and other storms.

We face intense competition.

We operate in a highly competitive environment. In addition to facing competition generally from non-boating recreation businesses seeking to attract discretionary spending dollars, the recreational boat industry itself is highly fragmented and involves intense competition for customers, product distribution rights, and suitable retail locations, particularly on or near waterways. Competition increases during periods of stagnant industry growth. During the recent recession, we have also faced competition from banks liquidating repossessed boats.

We compete primarily with single-location boat dealers and, with respect to sales of marine parts, accessories, and equipment, with national specialty marine parts and accessories stores, catalog retailers, sporting goods stores, and mass merchants. Competition among boat dealers is based on the quality of available products, the price and value of the products, and attention to customer service. There is significant competition both within markets we currently serve and in new markets that we may enter. We compete in each of our markets with retailers of brands of boats and engines we do not sell in that market. In addition, several of our competitors, especially those selling marine equipment and accessories, are large national or regional chains that have substantial financial, marketing, and other resources. Private sales of used boats represent an additional source of competition.

Due to various matters, including environmental concerns, permitting and zoning requirements, and competition for waterfront real estate, some markets in the United States have experienced an increased waiting list for marina and storage availability. In general, the markets in which we currently operate are not experiencing any unusual difficulties. However, marine retail activity could be adversely effected in markets that do not have sufficient marine and storage availability to satisfy demand.

We depend on income from financing, insurance, and extended service contracts.

A portion of our income results from referral fees derived from the placement or marketing of various finance and insurance, or F&I, products, consisting of customer financing, insurance products, and extended service contracts, the most significant component of which is the participation and other fees resulting from our sale of customer financing contracts. During fiscal 2010, F&I products accounted for 2.7% of our revenue.

The availability of financing for our boat purchasers and the level of participation and other fees we receive in connection with such financing depend on the particular agreement between us and the lender and the current rate environment. Lenders may impose terms in their boat financing arrangements with us that may be unfavorable to us or our customers, resulting in reduced demand for our customer financing programs and lower participation and other fees. Customer financing became more difficult to secure during fiscal 2008, which continued in fiscal 2009 and fiscal 2010.

The reduction of profit margins on sales of F&I products or the lack of demand for or the unavailability of these products could have a material adverse effect on our operating margins.

We depend on key personnel.

Our success depends, in large part, upon the continuing efforts and abilities of our executive officers. Although we have employment agreements with certain of our executive officers, we cannot assure that these or other executive personnel will remain with us. Expanding our operations may require us to add additional executive personnel in the future. As a result of our decentralized operating strategy, we also rely on the management teams of our dealerships. In addition, we likely will depend on the senior management of any significant businesses we acquire in the future. The loss of the services of one or more of these key employees before we are able to attract and retain qualified replacement personnel could adversely affect our business.

The products we sell or service may expose us to potential liability for personal injury or property damage claims relating to the use of those products.

Manufacturers of the products we sell generally maintain product liability insurance. We also maintain third-party product liability insurance that we believe to be adequate. We may experience claims that are not covered by or that are in excess of our insurance coverage. The institution of any significant claims against us could subject us to damages, result in higher insurance costs, and harm our business reputation with potential customers.

Environmental and other regulatory issues may impact our operations.

Our operations are subject to extensive regulation, supervision, and licensing under various federal, state, and local statutes, ordinances, and regulations. The failure to satisfy those and other regulatory requirements could have a material adverse effect on our business, financial condition, and results of operations.

Various federal, state, and local regulatory agencies, including the Occupational Safety and Health Administration, or OSHA, the United States Environmental Protection Agency, or EPA, and similar federal and local agencies, have jurisdiction over the operation of our dealerships, repair facilities, and other operations, with respect to matters such as consumer protection, workers' safety, and laws regarding protection of the environment, including air, water, and soil. The EPA promulgated emissions regulations for outboard marine engines that impose stricter emissions standards for two-cycle, gasoline outboard marine engines. The majority of the outboard marine engines we sell are manufactured by Mercury Marine. Mercury Marine's product line of low-emission engines, including the OptiMax, Verado, and other four-stroke outboards, have achieved the EPA's mandated 2006 emission levels. Any increased costs of producing engines resulting from EPA standards or the inability of our manufacturers to comply with EPA requirements, could have a material adverse effect on our business.

Certain of our facilities own and operate underground storage tanks, or USTs, for the storage of various petroleum products. USTs are generally subject to federal, state, and local laws and regulations that require testing and upgrading of USTs and remediation of contaminated soils and groundwater resulting from leaking USTs. In addition, we may be subject to civil liability to third parties for remediation costs or other damages if leakage from our owned or operated USTs migrates onto the property of others.

Our business involves the use, handling, storage, and contracting for recycling or disposal of hazardous or toxic substances or wastes, including environmentally sensitive materials, such as motor oil, waste motor oil and filters, transmission fluid, antifreeze, freon, waste paint and lacquer thinner, batteries, solvents, lubricants, degreasing agents, gasoline, and diesel fuels. Accordingly, we are subject to regulation by federal, state, and local authorities establishing investigation and health and environmental quality standards, and liability related thereto, and providing penalties for violations of those standards.

We also are subject to laws, ordinances, and regulations governing investigation and remediation of contamination at facilities we operate or to which we send hazardous or toxic substances or wastes for treatment, recycling, or disposal. In particular, the Comprehensive Environmental Response, Compensation and Liability Act, or CERCLA or "Superfund," imposes joint, strict, and several liability on

- owners or operators of facilities at, from, or to which a release of hazardous substances has occurred;
- parties that generated hazardous substances that were released at such facilities; and
- parties that transported or arranged for the transportation of hazardous substances to such facilities.

A majority of states have adopted Superfund statutes comparable to and, in some cases, more stringent than CERCLA. If we were to be found to be a responsible party under CERCLA or a similar state statute, we could be held liable for all investigative and remedial costs associated with addressing such contamination. In addition, claims alleging personal injury or property damage may be brought against us as a result of alleged exposure to hazardous substances resulting from our operations. In addition, certain of our retail locations are located on waterways that are subject to federal or state laws regulating navigable waters (including oil pollution prevention), fish and wildlife, and other matters.

Soil and groundwater contamination has been known to exist at certain properties owned or leased by us. We have also been required and may in the future be required to remove aboveground and underground storage tanks containing hazardous substances or wastes. As to certain of our properties, specific releases of petroleum have been or are in the process of being remediated in accordance with state and federal guidelines. We are monitoring the soil and groundwater as required by applicable state and federal guidelines. We also may have additional storage tank liability insurance and Superfund coverage where applicable. Environmental laws and regulations are complex and subject to frequent change. Compliance with amended, new, or more stringent laws or regulations, more strict interpretations of existing laws, or the future discovery of environmental conditions may require additional expenditures by us, and such expenditures may be material.

Two of the properties we own were historically used as gasoline service stations. Remedial action with respect to prior historical site activities on these properties has been completed in accordance with federal and state law. Also, one of our properties is within the boundaries of a Superfund site, although neither property has been identified as a contributor to the contamination in the area.

Additionally, certain states have required or are considering requiring a license in order to operate a recreational boat. These regulations could discourage potential buyers, thereby limiting future sales and adversely affecting our business, financial condition, and results of operations.

The market price of our common stock could be subject to wide fluctuations as a result of many factors.

Factors that could affect the trading price of our common stock include the following:

- variations in our operating results;
- the thin trading volume and relatively small public float of our common stock;
- our ability to continue to secure adequate levels of financing;
- variations in same-store sales;
- general economic, political, and market conditions;
- changes in earnings estimates published by analysts;
- the level and success of our acquisition program and new store openings;
- the success of dealership integration;
- relationships with manufacturers;
- seasonality and weather conditions;
- governmental policies and regulations;
- the performance of the recreational boat industry in general; and
- factors relating to suppliers and competitors.

In addition, market demand for small-capitalization stocks, and price and volume fluctuations in the stock market unrelated to our performance could result in significant fluctuations in the market price of our common stock.

The performance of our common stock could adversely affect our ability to raise equity in the public markets and adversely affect our acquisition program.

The issuance of additional capital stock in the future, including shares that we may issue pursuant to stock-based grants, including stock option grants, and future acquisitions, may result in dilution in the net tangible book value per share of our common stock.

Our board of directors has the legal power and authority to determine the terms of an offering of shares of our capital stock, or securities convertible into or exchangeable for these shares, to the extent of our shares of authorized and unissued capital stock. The issuance of additional common stock in the future, including shares that we may issue pursuant to stock-based grants, including stock option grants, and future acquisitions, may result in dilution in the net tangible book value per share of our common stock. The issuance of additional capital stock in the future, including shares that we may issue pursuant to stock-based grants, including stock option grants, and future acquisitions, may result in dilution in the net tangible book value per share of our common stock.

A substantial number of shares are eligible for future sale.

As of September 30, 2010, there were outstanding 22,148,038 shares of our common stock. Substantially all of these shares are freely tradable without restriction or further registration under the securities laws, unless held by an “affiliate” of our company, as that term is defined in Rule 144 under the securities laws. Shares held by affiliates of our company, which generally include our directors, officers, and certain principal stockholders, are subject to the resale limitations of Rule 144 described below. Outstanding shares of common stock issued in connection with the acquisition of any acquired dealers are available for resale beginning six months after the respective dates of the acquisitions, subject to compliance with the provisions of Rule 144 under the securities laws.

As of September 30, 2010, we had issued options to purchase approximately 3,523,097 shares of common stock and 830,317 restricted stock awards under our incentive stock plan, and we issued 348,319 shares of common stock under our employee stock purchase plan. We have filed a registration statement under the securities laws to register the common stock to be issued under these plans. As a result, shares issued under these plans will be freely tradable without restriction unless acquired by affiliates of our company, who will be subject to the volume and other limitations of Rule 144.

We may issue additional shares of common stock or preferred stock under the securities laws as part of any acquisition we may complete in the future. If issued pursuant to an effective registration statement, these shares generally will be freely tradable after their issuance by persons not affiliated with us or the acquired companies.

We do not pay cash dividends.

We have never paid cash dividends on our common stock.

Our stockholders’ rights plan may adversely affect existing stockholders.

Our Stockholders’ Rights Plan may have the effect of deterring, delaying, or preventing a change in control that might otherwise be in the best interests of our stockholders. Under the Rights Plan, we issued a dividend of one Preferred Share Purchase Right for each share of our common stock held by stockholders of record as of the close of business on September 7, 2001.

In general, subject to certain limited exceptions, the stock purchase rights become exercisable when a person or group acquires 15% or more of our common stock or a tender offer or exchange offer for 15% or more of our common stock is announced or commenced. After any such event, our other stockholders may purchase additional shares of our common stock at 50% of the then-current market price. The rights will cause substantial dilution to a person or group that attempts to acquire us on terms not approved by our board of directors. The rights may be redeemed by us at \$0.01 per stock purchase right at any time before any person or group acquires 15% or more of our outstanding common stock. The rights should not interfere with any merger or other business combination approved by our board of directors. The rights expire on August 28, 2011.

Certain provisions of our restated certificate of incorporation and bylaws and Delaware law may make a change in the control of our company more difficult to complete, even if a change in control were in the stockholders' interest or might result in a premium over the market price for the shares held by the stockholders.

Our certificate of incorporation and bylaws divide our board of directors into three classes of directors elected for staggered three-year terms. The certificate of incorporation also provides that the board of directors may authorize the issuance of one or more series of preferred stock from time to time and may determine the rights, preferences, privileges, and restrictions and fix the number of shares of any such series of preferred stock, without any vote or action by our stockholders. The board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of common stock. The certificate of incorporation also allows our board of directors to fix the number of directors and to fill vacancies on the board of directors.

We also are subject to the anti-takeover provisions of Section 203 of the Delaware General Corporation Law, which prohibits us from engaging in a “business combination” with an “interested stockholder” for a period of three years after the date of the transaction in which the person became an “interested stockholder,” unless the business combination is approved in a prescribed manner.

Certain of our dealer agreements could also make it difficult for a third party to attempt to acquire a significant ownership position in our company. In addition, the stockholders' agreement and governance agreement will have the effect of increasing the control of our directors, executive officers, and persons associated with them.

Our sales of Azimut-Benetti Group products may be adversely affected by fluctuations in currency exchange rates between the U.S. dollar and the euro.

Products purchased from Italy-based Azimut-Benetti Group are subject to fluctuations in the euro to U.S. dollar exchange rate, which ultimately may impact the retail price at which we can sell such products. As a result, fluctuations in the value of the euro compared with the U.S. dollar may impact the price points at which we can sell profitably Azimut-Benetti Group products, and such price points may not be competitive with other product lines in the United States. Accordingly, such fluctuations in exchange rates ultimately may impact the amount of revenue, cost of goods sold, cash flows, and earnings we recognize for the Azimut-Benetti Group product lines. The impact of these currency fluctuations could increase, particularly if our revenue from the Azimut-Benetti Group products increase as a percentage of our total revenue. We also could incur losses from hedging transactions designed to reduce our risk to fluctuation in exchange rates. We cannot predict the effects of exchange rate fluctuations or currency rate hedges on our operating results. Therefore, in certain cases, we may, from time to time, enter into foreign currency cash flow hedges to reduce the variability of cash flows associated with firm commitments to purchase boats and yachts from Azimut-Benetti Group. We cannot assure that our strategies will adequately protect our operating results from the effects of exchange rate fluctuations.

Item 1B. *Unresolved Staff Comments*

Not applicable.

Item 2. *Properties*

We lease our corporate offices in Clearwater, Florida. We also lease 29 of our retail locations under leases, many of which contain multi-year renewal options and some of which grant us a first right of refusal to purchase the property at fair value. In most cases, we pay a fixed rent at negotiated rates. In substantially all of the leased locations, we are responsible for taxes, utilities, insurance, and routine repairs and maintenance. We own the property associated with 26 other retail locations we operate and one joint venture as noted below. Additionally, we own two retail locations that are currently closed and one retail location that is closed and available for sale.

Table of Contents

The following table reflects the status, approximate size, and facilities of the various retail locations we operate as of the date of this report.

<u>Location</u>	<u>Location Type</u>	<u>Square Footage(1)</u>	<u>Facilities at Property</u>	<u>Operated Since(2)</u>	<u>Waterfront</u>
Alabama					
Gulf Shores	Company owned	4,000	Retail and service	1998	—
Arizona					
Tempe	Company owned	34,000	Retail and service	1992	—
California					
San Diego (Shelter Island)	Third-party lease	930	Retail and service; 20 wet slips	2005	San Diego Bay
Colorado					
Grand Junction	Third-party lease	9,300	Retail, service, and storage	1986	—
Connecticut					
Norwalk	Third-party lease	7,000	Retail and service	1994	Norwalk Harbor
Florida					
Cape Haze	Company owned	18,000	Retail, 8 wet slips	1972	Intracoastal Waterway
Clearwater	Company owned	42,000	Retail and service; 20 wet slips	1973	Tampa Bay
Cocoa	Company owned	15,000	Retail and service	1968	—
Coconut Grove	Third-party lease	2,000	Retail only; 24 wet slips	2002	Biscayne Bay
Dania	Company owned	32,000	Repair and service; 16 wet slips	1991	Port Everglades
Destin	Third-party lease	2,000	Retail only	2010	—
Fort Myers	Third-party lease	8,000	Retail and service; 18 wet slips	1983	Caloosahatchee River
Jacksonville	Company owned	15,000	Retail and service	2004	—
Jacksonville	Third-party lease	1,000	Retail only; 7 wet slips	1995	St Johns River
Key Largo	Third-party lease	8,900	Retail and service; 6 wet slips	2002	Card Sound
Miami	Company owned	7,200	Retail and service; 15 wet slips	1980	Little River
Miami	Company owned	5,000	Service only; 11 wet slips	2005	Little River
Naples	Company owned	19,600	Retail and service; 14 wet slips	1997	Naples Bay
Pensacola	Third-party lease	24,300	Retail and service	1974	—
Pompano Beach	Company owned	23,000	Retail and service; 16 wet slips	1990	Intracoastal Waterway
Pompano Beach	Company owned	5,400	Retail and service; 24 wet slips	2005	Intracoastal Waterway
Sarasota	Third-party lease	26,500	Retail, service, and storage; 15 wet slips	1972	Sarasota Bay
St. Petersburg(3)	Joint venture	15,000	Yacht service, 20 wet slips	2006	Boca Ciega Bay
Stuart	Company owned	29,100	Retail and service; 66 wet slips	2002	Intracoastal Waterway
Tampa	Company owned	13,100	Retail and service	1995	—
Venice	Company owned	62,000	Retail, service, and storage; 90 wet slips	1972	Intracoastal Waterway
Georgia					
Buford (Atlanta)	Company owned	13,500	Retail and service	2001	—
Cumming (Atlanta)	Third-party lease	13,000	Retail and service; 50 wet slips	1981	Lake Lanier
Maryland					
Baltimore	Third-party lease	7,600	Retail and service; 17 wet slips	2005	Baltimore Inner Harbor
Joppa	Company owned	28,400	Retail, service, and storage; 294 wet slips	1966	Gunpowder River
White Marsh	Company owned	19,800	Retail and service	1958	—
Minnesota					
Bayport	Third-party lease	450	Retail only; 10 wet slips	1996	St Croix River
Rogers	Company owned	70,000	Retail, service, and storage	1991	—
Walker	Company owned	76,400	Retail, service, and storage	1989	—
Walker	Company owned	6,800	Retail and service; 93 wet slips	1977	Leech Lake

Table of Contents

<u>Location</u>	<u>Location Type</u>	<u>Square Footage(1)</u>	<u>Facilities at Property</u>	<u>Operated Since(2)</u>	<u>Waterfront</u>
Missouri					
Lake Ozark	Company owned	60,300	Retail and service; 300 wet slips	1987	Lake of the Ozarks
Kimberling City	Third-party lease	500	Retail only; 7 wet slips	2000	Table Rock Lake
New Jersey					
Brant Beach	Third-party lease	3,800	Retail and service; 36 wet slips	1965	Barneget Bay
Brick	Company owned	20,000	Retail and service; 225 wet slips	1977	Manasquan River
Lake Hopatcong	Third-party lease	4,600	Retail and service; 80 wet slips	1998	Lake Hopatcong
Ship Bottom	Third-party lease	19,300	Retail and service	1972	—
Somers Point	Third-party lease	31,000	Retail, service and storage; 33 wet slips	1987	Little Egg Harbor Bay
New York					
Copiague	Third-party lease	15,000	Retail only	1993	—
Huntington	Third-party lease	1,200	Retail and service	1995	Huntington Harbor and Long Island Sound
Lindenhurst (Delivery Center)	Third-party lease	54,000	Retail, service, and dry storage	1968	Neguntatogue Creek to Great South Bay
Lindenhurst (Marina)	Third-party lease	14,600	Marina and service; 370 wet slips	1968	Neguntatogue Creek to Great South Bay
Manhattan	Third-party lease	1,200	Retail only; 75 wet slips	1996	Hudson River
New Rochelle	Third-party lease	4,650	Retail and service	2008	Long Island Sound
North Carolina					
Southport	Third-party lease	1,600	Retail only	2008	Cape Fear River
Wrightsville Beach	Third-party lease	34,500	Retail, service, and storage	1996	Intracoastal Waterway
Ohio					
Port Clinton	Company owned	80,000	Retail, service and storage; 8 wet slips	1997	Lake Erie
Oklahoma					
Afton	Third-party lease	3,500	Retail and service; 23 wet slips	2003	Grand Lake
Rhode Island					
Wakefield	Third-party lease	1,800	Retail only; 3 wet slips	2006	Narragansett Bay
Tennessee					
Chattanooga	Third-party lease	3,000	Retail only; 12 wet slips	2005	Tennessee River
Texas					
Lewisville (Dallas)	Company owned	22,000	Retail and service	2002	—
Seabrook	Company owned	32,000	Retail and service; 30 wet slips	2002	Clear Lake

(1) Square footage is approximate and does not include outside sales space or dock or marina facilities.

(2) Operated since date is the date the facility was opened by us or opened prior to its acquisition by us.

(3) Joint venture entered into with Brunswick to acquire marina and service facility.

Item 3. Legal Proceedings

We are party to various legal actions arising in the ordinary course of business. While it is not feasible to determine the actual outcome of these actions as of September 30, 2010, we do not believe that these matters will have a material adverse effect on our consolidated financial condition, results of operations, or cash flows.

Item 4. Removed and Reserved

PART II

Item 5. Market for the Registrant’s Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities

Our common stock has been traded on the New York Stock Exchange under the symbol HZO since our initial public offering on June 3, 1998 at \$12.50 per share. The following table sets forth high and low sale prices of the common stock for each calendar quarter indicated as reported on the New York Stock Exchange.

	<u>High</u>	<u>Low</u>
2008		
First quarter	\$16.18	\$10.38
Second quarter	\$13.82	\$ 6.99
Third quarter	\$ 9.66	\$ 4.92
Fourth quarter	\$ 7.45	\$ 1.25
2009		
First quarter	\$ 3.61	\$ 1.19
Second quarter	\$ 6.15	\$ 1.84
Third quarter	\$ 8.52	\$ 3.01
Fourth quarter	\$ 9.46	\$ 6.44
2010		
First quarter	\$11.99	\$ 8.63
Second quarter	\$12.79	\$ 6.91
Third quarter	\$ 8.51	\$ 6.17
Fourth quarter (through November 30, 2010)	\$ 8.27	\$ 6.85

On November 30, 2010, the closing sale price of our common stock was \$7.63 per share. On November 30, 2010, there were approximately 100 record holders and approximately 5,000 beneficial owners of our common stock.

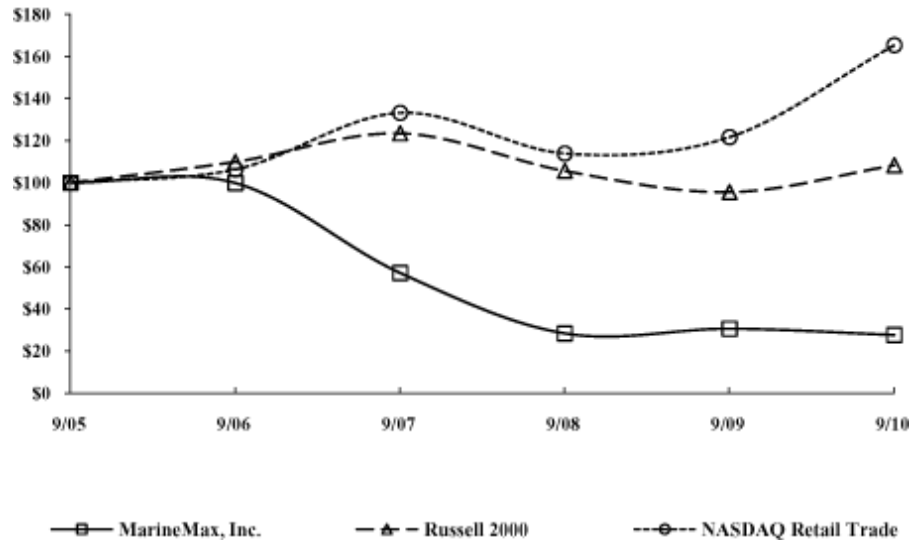
Dividends

We have never declared or paid cash dividends on our common stock. We currently plan to retain any earnings to finance the growth of our business rather than to pay cash dividends. Payments of any cash dividends in the future will depend on our financial condition, results of operations, and capital requirements as well as other factors deemed relevant by our board of directors.

Performance Graph

The following line graph compares cumulative total stockholder returns for the five years ended September 30, 2010 for (i) our common stock, (ii) the Russell 2000 Index, and (iii) the Nasdaq Retail Trade Index. The graph assumes an investment of \$100 on September 30, 2005. The calculations of cumulative stockholder return on the Russell 2000 Index and the Nasdaq Retail Trade Index include reinvestment of dividends. The calculation of cumulative stockholder return on our common stock does not include reinvestment of dividends because we did not pay any dividends during the measurement period. The historical performance shown is not necessarily indicative of future performance.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*
 Among MarineMax, Inc., the Russell 2000 Index
 and the NASDAQ Retail Trade Index



* \$100 invested on 9/30/05 in stock or index, including reinvestment of dividends. Fiscal year ending September 30.

The performance graph above shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or Exchange Act, or otherwise subject to the liability of that section. The performance graph above will not be deemed incorporated by reference into any filing of our company under the Exchange Act or the Securities Act of 1933, as amended.

Item 6. Selected Financial Data

The following table contains certain financial and operating data and is qualified by the more detailed consolidated financial statements and notes thereto included elsewhere in this report. The balance sheet and statement of operations data were derived from the consolidated financial statements and notes thereto that have been audited by Ernst & Young LLP, an independent registered certified public accounting firm. The financial data shown below should be read in conjunction with the consolidated financial statements and the related notes thereto and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included elsewhere in this report.

	Fiscal Year Ended September 30,					
	2006	2007	2008	2009	2010	
(Amounts in thousands except share, per share, and retail location data)						
Statement of Operations Data:						
Revenue	\$ 1,213,541	\$ 1,255,985	\$ 885,407	\$ 588,585	\$ 450,340	
Cost of sales	<u>906,781</u>	<u>956,251</u>	<u>679,164</u>	<u>499,925</u>	<u>339,533</u>	
Gross profit	306,760	299,734	206,243	88,660	110,807	
Selling, general, and administrative expenses	222,806	245,224	217,426	159,998	123,972	
Goodwill and intangible asset impairment charge	—	—	122,091	—	—	
Income (loss) from operations	83,954	54,510	(133,274)	(71,338)	(13,165)	
Interest expense, net	<u>18,616</u>	<u>26,955</u>	<u>20,164</u>	<u>14,064</u>	<u>3,926</u>	
Income (loss) before income tax provision (benefit)	65,338	27,555	(153,438)	(85,402)	(17,091)	
Income tax provision (benefit)	<u>25,956</u>	<u>7,486</u>	<u>(19,161)</u>	<u>(8,630)</u>	<u>(19,588)</u>	
Net income (loss)	<u>\$ 39,382</u>	<u>\$ 20,069</u>	<u>\$ (134,277)</u>	<u>\$ (76,772)</u>	<u>\$ 2,497</u>	
Net income (loss) per share:						
Diluted	<u>\$ 2.08</u>	<u>\$ 1.04</u>	<u>\$ (7.30)</u>	<u>\$ (4.11)</u>	<u>\$ 0.11</u>	
Weighted average number of shares:						
Diluted	<u>18,928,735</u>	<u>19,289,231</u>	<u>18,391,488</u>	<u>18,685,423</u>	<u>22,597,953</u>	
Other Data (as of year-end):						
Number of retail locations(1)	87	88	80	55	56	
Sales per store(2)(4)	\$ 17,064	\$ 15,246	\$ 12,492	\$ 11,285	\$ 8,779	
Same-store sales growth(3)(4)	7%	(1)%	(28)%	(29)%	(17)%	
Balance Sheet Data:						
			September 30,			
	2006	2007	2008	2009	2010	
Working capital		\$153,465	\$170,389	\$134,458	\$ 97,179	\$104,519
Total assets		801,563	825,878	661,323	393,644	336,760
Long-term debt (including current portion)(5)		37,186	30,833	—	—	—
Total stockholders’ equity		349,887	373,559	248,583	197,756	202,030

(1) Includes only those retail locations open at period end.

(2) Includes only those stores open for the entire preceding 12-month period.

- (3) New and acquired stores are included in the comparable base at the end of the store's thirteenth month of operations.
- (4) A store is one or more retail locations that are adjacent or operate as one entity. Sales per store and same-store sales growth is intended only as supplemental information and is not a substitute for revenue or net income presented in accordance with generally accepted accounting principles.
- (5) Amount excludes our short-term borrowings for working capital and inventory financing.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following should be read in conjunction with Part I, including the matters set forth in the "Risk Factors" section of this report, and our Consolidated Financial Statements and notes thereto included elsewhere in this report.

Overview

We are the largest recreational boat retailer in the United States with fiscal 2010 revenue in excess of \$450 million. Through our current 56 retail locations in 19 states, we sell new and used recreational boats and related marine products, including engines, trailers, parts, and accessories. We also arrange related boat financing, insurance, and extended warranty contracts; provide boat repair and maintenance services; and offer yacht and boat brokerage services, and, where available, offer slip and storage accommodations.

MarineMax was incorporated in January 1998. We commenced operations with the acquisition of five independent recreational boat dealers on March 1, 1998. Since the initial acquisitions in March 1998, we have acquired 20 recreational boat dealers, two boat brokerage operations, and two full-service yacht repair facilities. As a part of our acquisition strategy, we frequently engage in discussions with various recreational boat dealers regarding their potential acquisition by us. Potential acquisition discussions frequently take place over a long period of time and involve difficult business integration and other issues, including, in some cases, management succession and related matters. As a result of these and other factors, a number of potential acquisitions that from time to time appear likely to occur do not result in binding legal agreements and are not consummated. We did not complete any significant acquisitions during the fiscal years ended September 30, 2008, 2009, and 2010.

General economic conditions and consumer spending patterns can negatively impact our operating results. Unfavorable local, regional, national, or global economic developments or uncertainties regarding future economic prospects could reduce consumer spending in the markets we serve and adversely affect our business. Economic conditions in areas in which we operate dealerships, particularly Florida in which we generated 43%, 45%, and 54% of our revenue during fiscal 2008, 2009, and 2010, respectively, can have a major impact on our operations. Local influences, such as corporate downsizing, military base closings, inclement weather, and environmental conditions, such as the BP oil spill in the Gulf of Mexico, also could adversely affect our operations in certain markets.

In an economic downturn, consumer discretionary spending levels generally decline, at times resulting in disproportionately large reductions in the sale of luxury goods. Consumer spending on luxury goods also may decline as a result of lower consumer confidence levels, even if prevailing economic conditions are favorable. Although we have expanded our operations during periods of stagnant or modestly declining industry trends, the cyclical nature of the recreational boating industry or the lack of industry growth could adversely affect our business, financial condition, or results of operations in the future. Any period of adverse economic conditions or low consumer confidence has a negative effect on our business.

Lower consumer spending resulting from a downturn in the housing market and other economic factors adversely affected our business in fiscal 2007, and continued weakness in consumer spending resulting from substantial weakness in the financial markets and deteriorating economic conditions had a very substantial negative effect on our business in fiscal 2008, 2009, and 2010. These conditions caused us to defer our acquisition program, delay new store openings, reduce our inventory purchases, engage in inventory reduction efforts, close a significant portion of our retail locations, reduce our headcount, and amend and replace our credit facility. We cannot predict the length or severity of these unfavorable economic or financial conditions or the extent to which they will continue to adversely affect our operating results nor can we predict the effectiveness of the measures we have taken to address this environment or whether additional measures will be necessary.

Although economic conditions have adversely affected our operating results, we have capitalized on our core strengths to substantially outperform the industry, resulting in market share gains. Our ability to produce such market share supports the alignment of our retailing strategies with the desires of consumers. We believe the steps we have taken to address weak market conditions may yield an increase in future revenue. As general economic trends improve, we expect our core strengths and retailing strategies will position us to capitalize on growth opportunities as they occur and will allow us to emerge from this challenging economic environment with greater earnings potential.

Application of Critical Accounting Policies

We have identified the policies below as critical to our business operations and the understanding of our results of operations. The impact and risks related to these policies on our business operations is discussed throughout Management's Discussion and Analysis of Financial Condition and Results of Operations when such policies affect our reported and expected financial results.

In the ordinary course of business, we make a number of estimates and assumptions relating to the reporting of results of operations and financial condition in the preparation of our financial statements in conformity with accounting principles generally accepted in the United States. We base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances. The results form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ significantly from those estimates under different assumptions and conditions. We believe that the following discussion addresses our most critical accounting policies, which are those that are most important to the portrayal of our financial condition and results of operations and require our most difficult, subjective, and complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain.

Revenue Recognition

We recognize revenue from boat, motor, and trailer sales, and parts and service operations at the time the boat, motor, trailer, or part is delivered to or accepted by the customer or service is completed. We recognize deferred revenue from service operations and slip and storage services on a straight-line basis over the term of the contact or when service is completed. We recognize commissions earned from a brokerage sale at the time the related brokerage transaction closes. We recognize commissions earned by us for placing notes with financial institutions in connection with customer boat financing when we recognize the related boat sales. We also recognize marketing fees earned on credit life, accident and disability, and hull insurance products sold by third-party insurance companies at the later of customer acceptance of the insurance product as evidenced by contract execution or when the related boat sale is recognized. We also recognize commissions earned on extended warranty service contracts sold on behalf of third-party insurance companies at the later of customer acceptance of the service contract terms as evidenced by contract execution or recognition of the related boat sale.

Certain finance and extended warranty commissions and marketing fees on insurance products may be charged back if a customer terminates or defaults on the underlying contract within a specified period of time. Based upon our experience of repayments and defaults, we maintain a chargeback allowance that was not material to our financial statements taken as a whole as of September 30, 2009 or 2010. Should results differ materially from our historical experiences, we would need to modify our estimate of future chargebacks, which could have a material adverse effect on our operating margins.

Vendor Consideration Received

We account for consideration received from our vendors in accordance with FASB Accounting Standards Codification 605-50, "Revenue Recognition, Customer Payments and Incentives" ("ASC 605-50"), previously referred to as Emerging Issues Task Force Issue No. 02-16, "Accounting by a Customer (Including a Reseller) for Certain Consideration Received from a Vendor." ASC 605-50 requires us to classify interest assistance received from manufacturers as a reduction of inventory cost and related cost of sales as opposed to netting the assistance

against our interest expense incurred with our lenders. Pursuant to ASC 605-50, amounts received by us under our co-op assistance programs from our manufacturers are netted against related advertising expenses.

Inventories

Inventory costs consist of the amount paid to acquire the inventory, net of vendor consideration and purchase discounts, the cost of equipment added, reconditioning costs, and transportation costs relating to acquiring inventory for sale. We state new boat, motor, and trailer inventories at the lower of cost, determined on a specific-identification basis, or market. We state used boat, motor, and trailer inventories, including trade-ins, at the lower of cost, determined on a specific-identification basis, or market. We state parts and accessories at the lower of cost, determined on an average cost basis, or market. We utilize our historical experience, the aging of the inventories, and our consideration of current market trends as the basis for determining lower of cost or market valuation allowance. As of September 30, 2009 and 2010, our lower of cost or market valuation allowance was \$17.7 million and \$7.3 million, respectively. If events occur and market conditions change, causing the fair value to fall below carrying value, the lower of cost or market valuation allowance could increase.

Valuation of Goodwill and Other Intangible Assets

We account for goodwill and identifiable intangible assets in accordance with FASB Accounting Standards Codification 350, “Intangibles — Goodwill and Other” (“ASC 350”), previously referred to as Statement of Financial Accounting Standards No. 142, “Goodwill and Other Intangible Assets.” Under this standard, we assess the impairment of goodwill and identifiable intangible assets at least annually and whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The first step in the assessment is the estimation of fair value. If step one indicates that impairment potentially exists, we perform the second step to measure the amount of impairment, if any. Goodwill and identifiable intangible asset impairment exists when the estimated fair value is less than its carrying value.

During the three months ended June 30, 2008, we experienced a significant decline in market valuation driven primarily by weakness in the marine retail industry and an overall soft economy, which hindered our financial performance. Accordingly, we completed a step one analysis (as noted above) and estimated the fair value of the reporting unit as prescribed by ASC 350, which indicated potential impairment. As a result, we completed a fair value analysis of indefinite lived intangible assets and a step two goodwill impairment analysis, as required by ASC 350. We determined that indefinite lived intangible assets and goodwill were impaired and recorded a non-cash charge of \$121.1 million based on our assessment. We were not required to make any current or future cash expenditures as a result of this impairment charge.

Impairment of Long-Lived Assets

FASB Accounting Standards Codification 360-10-40, “Property, Plant, and Equipment, Impairment or Disposal of Long-Lived Assets” (“ASC 360-10-40”), previously referred to as Statement of Financial Accounting Standards No. 144, “Accounting for Impairment or Disposal of Long-Lived Assets,” requires that long-lived assets, such as property and equipment and purchased intangibles subject to amortization, be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the asset is measured by comparison of its carrying amount to undiscounted future net cash flows the asset is expected to generate. If such assets are considered to be impaired, the impairment to be recognized is measured as the amount by which the carrying amount of the asset exceeds its fair market value. Estimates of expected future cash flows represent our best estimate based on currently available information and reasonable and supportable assumptions. Any impairment recognized in accordance with ASC 360-10-40 is permanent and may not be restored. As of September 30, 2010, we had not recognized any impairment of long-lived assets in connection with ASC 360-10-40 based on our reviews.

During the three months ended June 30, 2008, we experienced a significant decline in market valuation driven primarily by weakness in the marine retail industry and an overall soft economy, which adversely affected our financial performance. As a result of this weakness, we realized a goodwill and intangible asset impairment charge, see Note 6 — “Other Long-Term Assets” of Notes to Consolidated Financial Statements. Based on these events, we

reviewed the valuation of our investment in Gulfport in accordance with ASC 323 and recoverability of the assets contained within the joint venture. ASC 323 requires the recognition of a loss in value of an investment, which is other than a temporary decline. We reviewed our investment and assets contained within the Gulfport joint venture, which consists of land, buildings, equipment, and goodwill. As a result, we determined that our investment in the joint venture was impaired and recorded a non-cash charge of \$1.0 million based on our assessment. We were not required to make any current or future cash expenditures as a result of this impairment charge.

Stock-Based Compensation

We account for our share-based compensation plans following the provisions of FASB Accounting Standards Codification 718, “Compensation — Stock Compensation” (“ASC 718”), previously referred to as Statement of Financial Accounting Standards No. 123R, “Share-Based Payment.” In accordance with ASC 718, we use the Black-Scholes valuation model for valuing all stock-based compensation and shares granted under our Employee Stock Purchase Plan. We measure compensation for restricted stock awards and restricted stock units at fair value on the grant date based on the number of shares expected to vest and the quoted market price of our common stock. We recognize compensation cost for all awards in earnings, net of estimated forfeitures, on a straight-line basis over the requisite service period for each separately vesting portion of the award.

Income Taxes

We account for income taxes in accordance with FASB Accounting Standards Codification 740, “Income Taxes” (“ASC 740”), previously referred to as Statement of Financial Accounting Standards No. 109, “Accounting for Income Taxes,” and Financial Accounting Standard Board Interpretation No. 48, “Accounting for Uncertainty in Income Taxes.” Under ASC 740, we recognize deferred tax assets and liabilities for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. We measure deferred tax assets and liabilities using enacted tax rates expected to apply to taxable income in the years in which we expect those temporary differences to be recovered or settled. We record valuation allowances to reduce our deferred tax assets to the amount expected to be realized by considering all available positive and negative evidence.

Pursuant to ASC 740, we must consider all positive and negative evidence regarding the realization of deferred tax assets, including past operating results and future sources of taxable income. Under the provisions of ASC 740-10, we determined that our net deferred tax asset needed to be fully reserved given recent earnings and industry trends.

The Worker, Homeownership, and Business Assistance Act of 2009 (the “Act”) was signed into law in November 2009. The Act allowed us to carryback the 2009 net operating loss, which had a valuation allowance recorded against the entire amount and which we were not able to carryback under the prior tax law. The additional carryback generated a tax refund of \$19.2 million. The tax refund was recorded as income tax benefit during our quarter ended December 31, 2009, the period the Act was enacted. We filed a carryback claim with the Internal Revenue Service, and we received a \$19.2 million refund in the quarter ended March 31, 2010.

For a more comprehensive list of our accounting policies, including those which involve varying degrees of judgment, see Note 2 — “Significant Accounting Policies” of Notes to Consolidated Financial Statements.

Results of Operations

The following table sets forth certain financial data as a percentage of revenue for the periods indicated:

	Fiscal Year Ended September 30,					
	2008		2009		2010	
	(Amounts in thousands)					
Revenue	\$ 885,407	100.0%	\$588,585	100%	\$450,340	100%
Cost of sales	679,164	76.7%	499,925	84.9%	339,533	75.4%
Gross profit	206,243	23.3%	88,660	15.1%	110,807	24.6%
Selling, general, and administrative expenses	217,426	24.6%	159,998	27.2%	123,972	27.5%
Goodwill and intangible asset impairment charge	122,091	13.8%	—	0%	—	0%
Loss from operations	(133,274)	(15.1)%	(71,338)	(12.1)%	(13,165)	(2.9)%
Interest expense	20,164	2.3%	14,064	2.4%	3,926	0.9%
Loss before income tax benefit	(153,438)	(17.3)%	(85,402)	(14.5)%	(17,091)	(3.8)%
Income tax benefit	19,161	2.2%	8,630	1.5%	19,588	4.4%
Net income (loss)	<u>\$(134,277)</u>	<u>(15.2)%</u>	<u>\$(76,772)</u>	<u>(13.0)%</u>	<u>\$ 2,497</u>	<u>0.6%</u>

Fiscal Year Ended September 30, 2010 Compared with Fiscal Year Ended September 30, 2009

Revenue. Revenue decreased \$138.3 million, or 23.5%, to \$450.3 million for the fiscal year ended September 30, 2010 from \$588.6 million for the fiscal year ended September 30, 2009. Of this decrease, \$89.0 million was attributable to a decline in comparable-store sales and \$49.3 million was attributable to stores opened or closed that were not eligible for inclusion in the comparable-store base for the 12 months ended September 30, 2010. The decline in our comparable-store sales was due to the ongoing economic pressure on our industry caused by the widely reported recession, a difficult retail financing environment, and the impact of the BP oil spill in the Gulf of Mexico on customer's purchasing decisions, all of which have adversely impacted our retail sales.

Gross Profit. Gross profit increased \$22.1 million, or 25.0%, to \$110.8 million for the fiscal year ended September 30, 2010 from \$88.7 million for the fiscal year ended September 30, 2009. Gross profit as a percentage of revenue increased to 24.6% for the fiscal year ended September 30, 2010 from 15.1% for the fiscal year ended September 30, 2009. The increase in gross profit as a percentage of revenue was a result of the actions we have taken to dramatically reduce inventory levels and improve its aging. This has resulted in a reduction in the amount of discounting required on new and used boat sales. Gross profit has also been positively impacted by a product mix shift from boat sales to our higher margin brokerage services, finance and insurance products, and service, parts and accessories products.

Selling, General, and Administrative Expenses. Selling, general, and administrative expenses decreased \$36.0 million, or 22.5%, to \$124.0 million for the fiscal year ended September 30, 2010 from \$160.0 million for the fiscal year ended September 30, 2009. The overall decrease in selling, general, and administrative expenses resulted from the strategic store reductions that we enacted throughout our 2009 fiscal year. Additionally, through reductions in workforce, we reduced personnel costs, commissions, and manager bonuses along with reductions in marketing, travel, and entertainment expenses. The fiscal year ended September 30, 2010 included the reversal of approximately \$3.9 million of stock compensation expense, resulting from the performance criteria of certain restricted stock units no longer being probable. The fiscal year ended September 30, 2009 included approximately \$6.2 million in store closing costs. Additionally, the fiscal year ended September 30, 2010 included approximately \$1.2 million in store closing costs and \$1.0 million of debt extinguishment costs related to our previous credit facility. Excluding these items would result in an increase of selling, general, and administrative expenses as a percentage of revenue of approximately 1.8% from 26.1% for the fiscal year ended September 30, 2009 to 27.9% for the fiscal year ended September 30, 2010. This increase in selling, general, and administrative expenses (with such adjustments) as a percentage of revenue, was primarily attributable to the reported same-store sales decline, which resulted in a reduction in our ability to leverage our expense structure.

Interest Expense. Interest expense decreased \$10.2 million, or 72.1%, to \$3.9 million for the fiscal year ended September 30, 2010 from \$14.1 million for the fiscal year ended September 30, 2009. The decrease was primarily a result of decreased borrowings under our credit facility. Interest expense as a percentage of revenue decreased to 0.9% for the fiscal year ended September 30, 2010 from 2.4% for the fiscal year ended September 30, 2009 because of the reductions in average borrowings on our credit facility.

Income Tax Benefit. Our income tax benefit for the fiscal year ended September 30, 2010 was \$19.6 million compared with \$8.6 million for the fiscal year ended September 30, 2009. The increase in our tax benefit was primarily due to the enactment of the Worker, Homeownership, and Business Assistance Act of 2009 (the “Act”), which was signed into law in November 2009. The Act allowed us to carryback our 2009 net operating loss, which had a valuation allowance recorded against the entire amount and which we were not able to carryback under the prior tax law. The additional carryback generated a tax refund of \$19.2 million. The tax refund was recorded as income tax benefit during the quarter ended December 31, 2009, the period the Act was enacted. We filed a carryback claim with the Internal Revenue Service, and we received a \$19.2 million refund in the quarter ended March 31, 2010.

Fiscal Year Ended September 30, 2009 Compared with Fiscal Year Ended September 30, 2008

Revenue. Revenue decreased \$296.8 million, or 33.5%, to \$588.6 million for the fiscal year ended September 30, 2009 from \$885.4 million for the fiscal year ended September 30, 2008. Of this decrease, \$234.4 million was attributable to a decline in comparable-store sales and \$62.5 million was attributable to 26 stores closed in fiscal 2009 that were not eligible for inclusion in the comparable-store base for the 12 months ended September 30, 2009. The decline in our comparable-store sales was due to the widely reported weak economic conditions and tighter retail lending environment, which have adversely impacted our retail sales.

Gross Profit. Gross profit decreased \$117.5 million, or 57.0%, to \$88.7 million for the fiscal year ended September 30, 2009 from \$206.2 million for the fiscal year ended September 30, 2008. Gross profit as a percentage of revenue decreased to 15.1% for fiscal 2009 from 23.3% for fiscal 2008. The decrease in gross profit dollars reflected the combination of the significant reduction in revenue because of the soft economic environment and the decreases in gross profit percentage. The decrease in gross profit as a percentage of revenue was due to margin pressure arising from the difficult retail environment and the aggressive pricing strategy that we deployed to drive a significant reduction to our inventory levels. Additionally, during fiscal 2009, we incurred losses and increased reserves for expected losses associated with market declines in brands we no longer carry by approximately \$12.6 million. Lastly, we strategically decided to forego certain manufacturer purchase incentives and ordered substantially less boats in fiscal 2009 than in fiscal 2008.

Selling, General, and Administrative Expenses. Selling, general, and administrative expenses decreased \$57.4 million, or 26.4%, to \$160.0 million for the fiscal year ended September 30, 2009 from \$217.4 million for the fiscal year ended September 30, 2008. Selling, general, and administrative expenses as a percentage of revenue increased to 27.2% for the year ended September 30, 2009 from 24.6% for the year ended September 30, 2008. The fiscal year ended September 30, 2009 included \$6.2 million in charges associated with store closures. The fiscal year ended September 30, 2008 included \$3.0 million in charges associated with store closures, partially offset by \$1.0 million in gains recorded as an expense offset related to proceeds from business interruption insurance claims and the favorable settlement of certain interest rate swaps. Excluding these items would result in a comparable selling, general, and administrative expense reduction of \$65.1 million, or 29.8%, and selling, general, and administrative expenses as a percent of revenue increased to 26.0% for the year ended September 30, 2009 from 24.7% for the year ended September 30, 2008. This increase in selling, general, and administrative expenses as a percentage of revenue was primarily attributable to the reported same-store sales decline, which resulted in a reduction in our ability to leverage our expense structure. The reduction in the dollar level of selling, general, and administrative expenses was due to the significant reductions we have made in personnel, retail locations, and most other expense categories.

Goodwill and intangible asset impairment. During the fiscal year ended September 30, 2008, we were required to write-off our goodwill and indefinite lived intangible assets as a result of the decline in our market valuation and the continuation of the difficult retail environment, as prescribed by ASC 350.

Interest Expense. Interest expense decreased \$6.1 million, or 30.3%, to \$14.1 million for the fiscal year ended September 30, 2009 from \$20.2 million for the fiscal year ended September 30, 2008. Interest expense as a percentage of revenue increased to 2.4% for fiscal 2009 from 2.3% for fiscal 2008. The decrease in interest expense was primarily a result of the decline in average borrowings throughout fiscal 2009.

Income Tax Benefit. Our income tax benefit decreased \$10.5 million to a benefit of \$8.6 million for the fiscal year ended September 30, 2009 from an income tax benefit of \$19.2 million for the fiscal year ended September 30, 2008, primarily as a result of limitations on the carryback of our pretax loss and recording a valuation allowance on the carryforward pretax loss. The effective tax rate for the fiscal year ended September 30, 2008 differed from previous periods primarily as a result of the recording of a non-cash valuation allowance that offsets the majority of income tax benefit that would have arisen from the goodwill and intangible asset impairment charge.

Quarterly Data and Seasonality

Our business, as well as the entire recreational boating industry, is highly seasonal, with seasonality varying in different geographic markets. With the exception of Florida, we generally realize significantly lower sales and higher levels of inventories, and related short-term borrowings, in the quarterly periods ending December 31 and March 31. The onset of the public boat and recreation shows in January stimulates boat sales and typically allows us to reduce our inventory levels and related short-term borrowings throughout the remainder of the fiscal year. Our business could become substantially more seasonal if we acquire dealers that operate in colder regions of the United States or close retail locations in warm climates.

Our business is also subject to weather patterns, which may adversely affect our results of operations. For example, drought conditions (or merely reduced rainfall levels) or excessive rain, may close area boating locations or render boating dangerous or inconvenient, thereby curtailing customer demand for our products. In addition, unseasonably cool weather and prolonged winter conditions may lead to a shorter selling season in certain locations. Hurricanes and other storms could result in disruptions of our operations or damage to our boat inventories and facilities, as has been the case when Florida and other markets were affected by hurricanes. Although our geographic diversity is likely to reduce the overall impact to us of adverse weather conditions in any one market area, these conditions will continue to represent potential, material adverse risks to us and our future financial performance.

Liquidity and Capital Resources

Our cash needs are primarily for working capital to support operations, including new and used boat and related parts inventories, off-season liquidity, and growth through acquisitions and new store openings. We regularly monitor the aging of our inventories and current market trends to evaluate our current and future inventory needs. We also use this evaluation in conjunction with our review of our current and expected operating performance and expected business levels to determine the adequacy of our financing needs. These cash needs have historically been financed with cash generated from operations and borrowings under our credit facility. Our ability to utilize our credit facility to fund operations depends upon the collateral levels and compliance with the covenants of the credit facility. Turmoil in the credit markets and weakness in the retail markets may interfere with our ability to remain in compliance with the covenants of the credit facility and therefore utilize the credit facility to fund operations. At September 30, 2010, we were in compliance with all of the credit facility covenants. We currently depend upon dividends and other payments from our dealerships and our credit facility to fund our current operations and meet our cash needs. Currently, no agreements exist that restrict this flow of funds from our dealerships.

For the fiscal years ended September 30, 2009 and 2010, cash provided by operating activities approximated \$209.1 million and \$40.2 million, respectively. For the fiscal year ended September 30, 2008, cash used in operating activities was approximately \$8.8 million. For the fiscal year ended September 30, 2008, cash used in operating activities was due primarily to our net loss, a decrease in accounts payable because of reductions in purchases from our manufacturers, and a decrease in customer deposits due to a reduction in pending sales. These amounts were primarily offset by noncash charges, including the impairment of goodwill, stock-based compensation, and depreciation and amortization expense. The cash used in operating activities was further offset by reductions

in inventories and accounts receivables due to the reduction in sales trends. For the fiscal year ended September 30, 2009, cash provided by operating activities was due primarily to the significant reduction of inventories. For the fiscal year ended September 30, 2010, cash provided by operating activities was primarily related to a decrease in inventories due to our reduction in purchasing and our comparable-store sales, a decrease in accounts receivable from our manufacturers, and a decrease in income tax receivable, partially offset by a decrease in our accounts payable.

For the fiscal years ended September 30, 2008, 2009, and 2010, cash used in investing activities was approximately \$7.9 million, \$1.9 million, and \$2.0 million, respectively. For the fiscal year ended September 30, 2008, cash used in investing activities was primarily used to purchase property and equipment associated with opening new retail facilities or improving and relocating existing retail facilities. For the fiscal year ended September 30, 2009, cash used in investing activities was primarily used to purchase property and equipment associated with improving and relocating existing retail facilities. For the fiscal year ended September 30, 2010, cash used in investing activities was primarily used to purchase property and equipment associated with improving existing retail facilities.

For the fiscal years ended September 30, 2009 and 2010, cash used in financing activities was approximately \$212.0 million and \$47.2 million, respectively. For the fiscal year ended September 30, 2008, cash provided by financing activities was approximately \$16.5 million. For the fiscal year ended September 30, 2008, cash provided by financing activities was primarily attributable to a net increase in short-term borrowings, partially offset by repayments of long-term debt. For the fiscal year ended September 30, 2009, cash used by financing activities was primarily attributable to the repayments of short-term borrowings, partially offset by proceeds from our common stock sale. For the fiscal year ended September 30, 2010, cash used by financing activities was primarily attributable to net payments on our short-term borrowings as a result of decreased inventory levels.

In June 2010, we entered into an Inventory Financing Agreement (the "Credit Facility") with GE Commercial Distribution Finance Company ("GECDF"). The Credit Facility provides a floor plan financing commitment of \$100 million and allows us to request a \$50 million increase to this commitment under an accordion feature, subject to GECDF approval. The Credit Facility matures in June 2013 and is subject to extension for two one-year periods, subject to GECDF approval.

The Credit Facility has certain financial covenants as specified in the agreement. The covenants include provisions that our leverage ratio not exceed 2.75 to 1.0 and that our current ratio must be greater than 1.2 to 1.0. At September 30, 2010, we were in compliance with all of the covenants under the Credit Facility. The interest rate for amounts outstanding under the Credit Facility is 378 basis points above the one-month London Inter-Bank Offering Rate. There is an unused line fee of ten basis points on the unused portion of the Credit Facility.

Advances under the Credit Facility will be initiated by the acquisition of eligible new and used inventory or will be re-advances against eligible new and used inventory that have been partially paid-off. Advances on new inventory will mature 1,081 days from the original invoice date. Advances on used inventory will mature 361 days from the date we acquire the used inventory. Each advance is subject to a curtailment schedule, which requires that we pay down the balance of each advance on a periodic basis starting after six months. The curtailment schedule varies based on the type and value of the inventory. The collateral for the Credit Facility is all of our personal property with certain limited exceptions. None of our real estate has been pledged for collateral for the Credit Facility.

On October 7, 2010, we entered into an Inventory Financing Agreement (the "CGI Facility") with CGI Finance, Inc. The CGI Facility provides a floor plan financing commitment of \$30 million and is designed to provide financing for our Azimut inventory needs. The CGI Facility has a one-year term, which is typical in the industry for similar floor plan facilities; however, each advance under the CGI Facility can remain outstanding for 18 months. The interest rate for amounts outstanding under the CGI Facility is 350 basis points above the one month London Inter-Bank Offering Rate.

Advances under the CGI Facility will be initiated by the acquisition of eligible new and used inventory or will be re-advances against eligible new and used inventory that has been partially paid-off. Advances on new inventory will mature 550 days from the original invoice date. Advances on used inventory will mature 366 days from the date

we acquire the used inventory. Each advance is subject to a curtailment schedule, which requires that we pay down the balance of each advance on a periodic basis starting after six months for used inventory and one year for new inventory. The curtailment schedule varies based on the type of inventory.

The collateral for the CGI Facility is our entire Azimut inventory financed by the CGI Facility with certain limited exceptions. None of our real estate has been pledged for collateral for the CGI Facility. We must maintain compliance with various covenants, including balance sheet related covenants of current and leverage ratios, as defined in the CGI Facility. The CGI Facility contemplates that other lenders may be added by us to finance other inventory not financed under the CGI Facility, if needed.

The Credit Facility and CGI Facility replace our prior \$180 million credit facility that provided for a line of credit with asset-based borrowing availability. The prior credit facility had certain financial covenants as specified in the agreement. The interest rate for amounts outstanding under the prior credit facility was 490 basis points above the one-month LIBOR. During the quarter ended June 30, 2010, we accelerated the amortization of the prior credit facility loan costs of approximately \$1.0 million.

As of September 30, 2009 and 2010, our indebtedness associated with financing our inventory and working capital needs totaled approximately \$142.0 million and \$93.8 million, respectively, and we were in compliance with all of the credit facility covenants. At September 30, 2009 and 2010, the interest rate on the outstanding short-term borrowings was 5.2% and 4.0%. At September 30, 2010, our additional available borrowings under our Credit Facility were approximately \$4.2 million.

Except as specified in this “Management’s Discussion and Analysis of Financial Condition, and Results of Operations” and in our consolidated financial statements, we have no material commitments for capital for the next 12 months. We believe that our existing capital resources will be sufficient to finance our operations for at least the next 12 months, except for possible significant acquisitions.

Contractual Commitments and Commercial Commitments

The following table sets forth a summary of our material contractual obligations and commercial commitments as of September 30, 2010:

<u>Year Ending September 30,</u>	<u>Short-Term Borrowings(1)</u>	<u>Other Long-Term Liabilities(2)</u>	<u>Operating Leases(3)</u>	<u>Total</u>
	(Amounts in thousands)			
2011	\$ 93,844	\$ —	\$ 6,469	\$100,313
2012	—	3,748	5,141	8,889
2013	—	—	3,755	3,755
2014	—	—	2,582	2,582
2015	—	—	2,402	2,402
Thereafter	—	—	3,727	3,727
Total	<u>\$ 93,844</u>	<u>\$ 3,748</u>	<u>\$ 24,076</u>	<u>\$121,668</u>

- (1) Estimates of future interest payments for short-term borrowings have been excluded in the tabular presentation. Amounts due are contingent upon the outstanding balances and the variable interest rates. As of September 30, 2010, the interest rate on our short-term borrowings was 4.0%.
- (2) The amounts included in other long-term liabilities consist primarily of our estimated liability for claims on certain workers’ compensation insurance policies. While we estimate the amount to be paid in excess of 12 months, the ultimate timing of the payments is subject to certain variability. Accordingly, we have classified all amounts as due in the following year for the purposes of this table.
- (3) Amounts for operating lease commitments do not include certain operating expenses such as maintenance, insurance, and real estate taxes. These amounts are not a material component of operating expenses.

Off-Balance Sheet Arrangements

We do not have any transactions, arrangements, or other relationships with unconsolidated entities that are reasonably likely to affect our financial condition, liquidity, or capital resources. We have no special purpose or limited purpose entities that provide off-balance sheet financing, liquidity, or market or credit risk support; we do not engage in leasing, hedging, or research and development services; and we do not have other relationships that expose us to liability that is not reflected in the financial statements.

Item 7A. *Quantitative and Qualitative Disclosures about Market Risk*

At September 30, 2010, all of our short-term debt bore interest at a variable rate, tied to LIBOR as a reference rate. Changes in the underlying LIBOR interest rate or the spread charged under our performance pricing grid on our short-term debt could affect our earnings. For example, a hypothetical 100 basis point increase in the interest rate on our short-term debt would result in an increase of approximately \$900,000 in annual pre-tax interest expense. This estimated increase is based upon the outstanding balance of our short-term debt as of September 30, 2010 and assumes no mitigating changes by us to reduce the outstanding balances, no additional interest assistance that could be received from vendors due to the interest rate increase, and no changes in the base LIBOR rate.

Products purchased from Italian-based manufacturers are subject to fluctuations in the euro to U.S. dollar exchange rate, which ultimately may impact the retail price at which we can sell such products. Accordingly, fluctuations in the value of the euro as compared with the U.S. dollar may impact the price points at which we can profitably sell Italian products, and such price points may not be competitive with other product lines in the United States. Accordingly, such fluctuations in exchange rates ultimately may impact the amount of revenue, cost of goods sold, cash flows, and earnings we recognize for Italian product lines. We cannot predict the effects of exchange rate fluctuations on our operating results. In certain cases, we may enter into foreign currency cash flow hedges to reduce the variability of cash flows associated with forecasted purchases of boats and yachts from Italian-based manufacturers. We are not currently engaged in foreign currency exchange hedging transactions to manage our foreign currency exposure. If and when we do engage in foreign currency exchange hedging transactions, we cannot assure that our strategies will adequately protect our operating results from the effects of exchange rate fluctuations.

Item 8. *Financial Statements and Supplementary Data*

Reference is made to the financial statements, the notes thereto, and the report thereon, commencing on page F-1 of this report, which financial statement, notes, and report are incorporated herein by reference.

Item 9. *Changes in and Disagreements with Accountants on Accounting and Financial Disclosure*

Not applicable.

Item 9A. *Controls and Procedures*

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that material information required to be disclosed by us in Securities Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Our Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) as of the end of the period covered by this report. Based on such evaluation, such officers have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective.

Changes in Internal Controls

During the quarter ended September 30, 2010, there were no changes in our internal controls over financial reporting that materially affected, or were reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, a control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

CEO and CFO Certifications

Exhibits 31.1 and 31.2 are the Certifications of the Chief Executive Officer and Chief Financial Officer, respectively. The Certifications are required in accordance with Section 302 of the Sarbanes-Oxley Act of 2002 (the "Section 302 Certifications"). This Item of this report, which you are currently reading is the information concerning the Evaluation referred to in the Section 302 Certifications and this information should be read in conjunction with the Section 302 Certifications for a more complete understanding of the topics presented.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) of the Securities Exchange Act of 1934. Under the supervision and with the participation of the Company's management, including its principal executive officer and principal financial officer, the Company conducted an evaluation of the effectiveness of the Company's internal control over financial reporting as of September 30, 2010 as required by the Securities Exchange Act of 1934 Rule 13a-15(c). In making this assessment, the Company used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in *Internal Control — Integrated Framework*. Based on its evaluation, management concluded that its internal control over financial reporting was effective as of September 30, 2010.

Our internal control over financial reporting as of September 30, 2010 has been audited by Ernst and Young LLP, an independent registered public accounting firm, as stated in their report which appears below.

Report of Independent Registered Certified Public Accounting Firm

The Board of Directors and Stockholders
of MarineMax, Inc.

We have audited MarineMax, Inc.'s internal control over financial reporting as of September 30, 2010, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the "COSO criteria"). MarineMax, Inc.'s management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying management's report on internal control over financial reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, MarineMax, Inc. maintained, in all material respects, effective internal control over financial reporting as of September 30, 2010, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of MarineMax, Inc. as of September 30, 2010 and 2009, and the related consolidated statements of operations, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended September 30, 2010 of MarineMax, Inc. and our report dated December 2, 2010 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Certified Public Accountants
Tampa, Florida
December 2, 2010

PART III

Item 10. *Directors, Executive Officers, and Corporate Governance*

The information required by this Item relating to our directors is incorporated herein by reference to the definitive Proxy Statement (particularly under the caption “Corporate Governance”) to be filed pursuant to Regulation 14A of the Exchange Act for our 2011 Annual Meeting of Stockholders. The information required by this Item relating to our executive officers is included in “Business — Executive Officers.”

We have adopted a code of ethics that applies to our principal executive officer, principal financial officer, and other senior accounting personnel. The “Code of Ethics for the CEO and Senior Financial Officers” is located on our website at www.MarineMax.com in the Investor Relations section under Corporate Governance.

We intend to satisfy the disclosure requirement under Item 5.05(c) of Form 8-K regarding any amendment to, or waiver from, a provision of this code of ethics by posting such information on our website, at the address and location specified above.

Item 11. *Executive Compensation*

The information required by this Item is incorporated herein by reference to the definitive Proxy Statement (particularly under the caption “Executive Compensation”) to be filed pursuant to Regulation 14A of the Exchange Act for our 2011 Annual Meeting of Stockholders.

Item 12. *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*

The information required by this Item is incorporated herein by reference to the definitive Proxy Statement (particularly under the caption “Security Ownership of Principal Stockholders, Directors, and Officers”) to be filed pursuant to Regulation 14A of the Exchange Act for our 2011 Annual Meeting of Stockholders.

Item 13. *Certain Relationships and Related Transactions, and Director Independence*

The information required by this Item is incorporated herein by reference to the definitive Proxy Statement (particularly under the caption “Certain Relationships and Related Transactions”) to be filed pursuant to Regulation 14A of the Exchange Act for our 2011 Annual Meeting of Stockholders.

Item 14. *Principal Accountant Fees and Services*

The information required by this Item is incorporated herein by reference to the definitive Proxy Statement (particularly under the caption “ratification of Appointment of Independent Auditor”) to be filed pursuant to Regulation 14A of the Exchange Act for our 2011 Annual Meeting of Stockholders.

PART IV

Item 15. *Exhibits and Financial Statement Schedules*

(a) Financial Statements and Financial Statement Schedules

(1) Financial Statements are listed in the Index to Consolidated Financial Statements on page F-1 of this report.

(2) No financial statement schedules are included because such schedules are not applicable, are not required, or because required information is included in the consolidated financial statements or notes thereto.

(b) Exhibits

<u>Exhibit Number</u>	<u>Exhibit</u>
3.1	Restated Certificate of Incorporation of the Registrant, including all amendments to date(1)
3.1(a)	Certificate of Amendment of Restricted Certificate of Incorporation of the Registrant(2)
3.2	Second Amended and Restated Bylaws of the Registrant(3)
3.3	Certificate of Designation of Series A Junior Participating Preferred Stock(1)
4.1	Specimen of Common Stock Certificate(1)
4.2	Rights Agreement, dated August 28, 2001 between Registrant and American Stock Transfer & Trust Company, as Rights Agent(4)
10.3(h)	Employment Agreement between Registrant and William H. McGill Jr.(5)
10.3(i)	Employment Agreement between Registrant and Michael H. McLamb(5)
10.3(j)	Employment Agreement between Registrant and Edward A. Russell(5)
10.3(l)†	Asset Purchase Agreement dated as of March 30, 2006 among MarineMax of New York, Inc.; Surfside-3 Marina, Inc.; Matthew Barbara, Paul Barbara, Diane Keeney, and Angela Chianese; and certain affiliates of Surfside-3 Marina, Inc.(6)
10.4	1998 Incentive Stock Plan, as amended through February 27, 2001(7)
10.5	1998 Employee Stock Purchase Plan(8)
10.18†	Hatteras Sales and Service Agreement, effective August 1, 2006 among the Registrant, MarineMax Motor Yachts, LLC, and Hatteras Yachts Division of Brunswick Corporation(7)
10.20	Agreement Relating to Acquisitions between Registrant and Brunswick Corporation, dated December 7, 2005(10)
10.20(a)	Sea Ray Sales and Service Agreement(10)
10.21	Second Amended and Restated Credit and Security Agreement dated June 19, 2006 among the Registrant and its subsidiaries, as Borrowers, and Bank of America, N.A., KeyBank, N.A., General Electric Commercial Distribution Finance Corporation, Wachovia Bank, N.A., Wells Fargo Bank, N.A., National City Bank, N.A., U.S. Bank, N.A., and Branch Banking and Trust company, as Lenders(11)
10.21(a)	First Amendment to Second Amended and Restated Credit and Security Agreement executed on June 5, 2007 effective as of May 31, 2007 among the Registrant and its subsidiaries, as Borrowers, and Bank of America, N.A., KeyBank, N.A., General Electric Commercial Distribution Finance Corporation, Branch Banking and Trust Company, as Lenders(12)
10.21(b)	Third Amendment to Second Amended and Restated Credit and Security Agreement executed on March 7, 2008, among MarineMax, Inc. and its subsidiaries, as Borrowers, and Bank of America, N.A., Keybank, N.A., General Electric Commercial Distribution Finance Corporation, Wachovia Bank, N.A., Wells Fargo Bank, N.A., U.S. Bank, N.A., Branch Banking and Trust Company, and Bank of the West, as Lenders.(13)
10.21(c)†	Fourth Amendment to Second Amended and Restated Credit and Security Agreement executed on December 15, 2008, by and among MarineMax, Inc. and its subsidiaries, as Borrowers, and Bank of America, N.A., Keybank, N.A., GE Commercial Distribution Finance Corporation, Wachovia Bank, N.A., Wells Fargo Bank, N.A., U.S. Bank, N.A., Branch Banking & Trust Company, and Bank of the West, as Lenders.(14)
10.21(d)†	Fifth Amendment to Second Amended and Restated Credit and Security Agreement executed on June 5, 2009, by and among MarineMax, Inc. and its subsidiaries, as Borrowers, and Bank of America, N.A., Keybank, N.A., GE Commercial Distribution Finance Corporation, Wachovia Bank, N.A., Wells Fargo Bank, N.A., U.S. Bank, N.A., Branch Banking & Trust Company, and Bank of the West, as Lenders. (15)
10.21(e)†	Sixth Amendment to Second Amended and Restated Credit and Security Agreement executed on September 10, 2009, by and among MarineMax, Inc. and its subsidiaries, as Borrowers, and Bank of America, N.A., Keybank, N.A., GE Commercial Distribution Finance Corporation, Wachovia Bank, N.A., Wells Fargo Bank, N.A., U.S. Bank, N.A., Branch Banking & Trust Company, and Bank of the West, as Lenders.(16)

Table of Contents

<u>Exhibit Number</u>	<u>Exhibit</u>
10.21(f)†	Inventory Financing Agreement executed on June 24, 2010, among MarineMax, Inc. and its subsidiaries, as Borrowers, and GE Commercial Distribution Finance Corporation, as Lender.(17)
10.21(g)†	Program Terms Letter executed on June 24, 2010, among MarineMax, Inc. and its subsidiaries, as Borrowers, and GE Commercial Distribution Finance Corporation, as Lender.(17)
10.22	MarineMax, Inc. 2007 Incentive Compensation Plan(18)
10.23	Form Stock Option Agreement for 2007 Incentive Compensation Plan(18)
10.24	Form Restricted Stock Unit Award Agreement for 2007 Incentive Compensation Plan(18)
10.25	Director Fee Share Purchase Program(19)
10.26†	Floor Plan Loan Agreement executed on October 7, 2010, by and among MarineMax, Inc. and its subsidiaries, as Borrowers, and CGI Finance, Inc., as Lender.
10.27†	Floor Plan Credit Loan Note executed on October 7, 2010, by MarineMax, Inc. and its subsidiaries, as Borrowers, payable to CGI Finance, Inc., as Lender.
10.28	Pledge and Security Agreement executed on October 7, 2010, by and among MarineMax, Inc. and its subsidiaries, as Borrowers, and CGI Finance, Inc., as Lender.
21	List of Subsidiaries
23.1	Consent of Ernst & Young LLP
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a), promulgated under the Securities Exchange Act of 1934, as amended.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a), promulgated under the Securities Exchange Act of 1934, as amended.
32.1	Certification pursuant to U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

† Certain information in this exhibit has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

- (1) Incorporated by reference to Registration Statement on Form 10-K for the year ended September 30, 2001, as filed on December 20, 2001.
- (2) Incorporated by reference to Registrant's Form 8-K as filed February 19, 2010.
- (3) Incorporated by reference to Registrant's Form 8-K as filed on November 26, 2008.
- (4) Incorporated by reference to Registrant's Form 8-K as filed on September 5, 2001.
- (5) Incorporated by reference to Registrant's Form 8-K as filed on June 13, 2006.
- (6) Incorporated by reference to Registrant's Form 10-Q for the quarter ended March 31, 2006, as filed on May 10, 2006.
- (7) Incorporated by reference to Registrant's Form 10-Q for the quarterly period ended December 31, 2001, as filed on February 14, 2002.
- (8) Incorporated by reference to Registration Statement on Form S-1 (Registration 333-47873) as filed on March 12, 1998.
- (9) Incorporated by reference to Registrant's Form 10-Q/A for the quarterly period ended March 31, 2007, as filed on September 23, 2008.
- (10) Incorporated by reference to Registrant's Form 8-K as filed on December 9, 2005.
- (11) Incorporated by reference to Registrant's Form 10-Q for the quarterly period ended June 30, 2006, as filed on August 4, 2006.
- (12) Incorporated by reference to Registrant's Form 8-K as filed on June 11, 2007.
- (13) Incorporated by reference to Registrant's form 8-K as filed on March 12, 2008.

Table of Contents

- (14) Incorporated by reference to Registrant's Form 10-Q for the quarterly period ended December 31, 2008, as filed on February 9, 2009.
- (15) Incorporated by reference to Registrant's Form 10-Q for the quarterly period ended June 30, 2009, as filed on August 6, 2009.
- (16) Incorporated by reference to Registrant's Form 10-K for the year ended September 30, 2009, as filed on December 14, 2009.
- (17) Incorporated by reference to Registrant's Form 10-Q for the quarterly period ended June 30, 2010, as filed on August 9, 2010.
- (18) Incorporated by reference to Registrant's Form 8-K as filed on March 6, 2007.
- (19) Incorporated by reference to Registrant's Form S-8 (File No. 333-141657) as filed March 29, 2007.

(c) Financial Statements Schedules

- (1) See Item 15(a) above.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MARINEMAX, INC.

/s/ William H. McGill Jr.

William H. McGill Jr.

Chairman of the Board and Chief Executive Officer

Date: December 2, 2010

In accordance with the Securities Exchange Act of 1934, the following persons on behalf of the registrant and in the capacities and on the date indicated have signed this report below.

<u>Signature</u>	<u>Capacity</u>	<u>Date</u>
<u>/s/ William H. McGill Jr.</u> William H. McGill Jr.	Chairman of the Board, President, and Chief Executive Officer (Principal Executive Officer)	December 2, 2010
<u>/s/ Michael H. McLamb</u> Michael H. McLamb	Executive Vice President, Chief Financial Officer, Secretary, and Director (Principal Accounting and Financial Officer)	December 2, 2010
<u>/s/ Hilliard M. Eure III</u> Hilliard M. Eure III	Director	December 2, 2010
<u>/s/ John B. Furman</u> John B. Furman	Director	December 2, 2010
<u>/s/ Robert S. Kant</u> Robert S. Kant	Director	December 2, 2010
<u>/s/ Russell J. Knittel</u> Russell J. Knittel	Director	December 2, 2010
<u>/s/ Joseph A. Watters</u> Joseph A. Watters	Director	December 2, 2010
<u>/s/ Dean S. Woodman</u> Dean S. Woodman	Director	December 2, 2010

MARINEMAX, INC. AND SUBSIDIARIES
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	<u>Page</u>
CONSOLIDATED FINANCIAL STATEMENTS	
Report of Independent Registered Certified Public Accounting Firm	F-2
Consolidated Balance Sheets	F-3
Consolidated Statements of Operations	F-4
Consolidated Statements of Comprehensive Income	F-5
Consolidated Statements of Stockholders' Equity	F-6
Consolidated Statements of Cash Flows	F-7
Notes to Consolidated Financial Statements	F-8

Report of Independent Registered Certified Public Accounting Firm

The Board of Directors and Stockholders
of MarineMax, Inc.

We have audited the accompanying consolidated balance sheets of MarineMax, Inc. and subsidiaries as of September 30, 2010 and 2009, and the related consolidated statements of operations, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended September 30, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of MarineMax, Inc. and subsidiaries at September 30, 2010 and 2009, and the consolidated results of their operations and their cash flows for each of the three years in the period ended September 30, 2010, in conformity with U.S generally accepted accounting principles.

As discussed in Note 2 to the financial statements, in 2008 the Company changed its method for accounting for income tax uncertainties.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), MarineMax, Inc.'s internal control over financial reporting as of September 30, 2010, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated December 2, 2010 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Certified Public Accountants
Tampa, Florida
December 2, 2010

MARINEMAX, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	September 30, 2009	September 30, 2010
	(Amounts in thousands except share and per share data)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 25,508	\$ 16,539
Accounts receivable, net	35,497	22,774
Income tax receivable	9,983	—
Inventories, net	205,934	188,724
Prepaid expenses and other current assets	12,314	7,464
Total current assets	289,236	235,501
Property and equipment, net	102,316	99,705
Other long-term assets	2,092	1,554
Total assets	<u>\$ 393,644</u>	<u>\$ 336,760</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 15,847	\$ 7,002
Customer deposits	4,882	5,412
Accrued expenses	29,328	24,724
Short-term borrowings	142,000	93,844
Total current liabilities	192,057	130,982
Other long-term liabilities	3,831	3,748
Total liabilities	195,888	134,730
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Preferred stock, \$.001 par value, 1,000,000 shares authorized, none issued or outstanding at September 30, 2009 and 2010	—	—
Common stock, \$.001 par value; 24,000,000 and 40,000,000 shares authorized, 22,496,659 and 22,938,938 shares issued and 21,705,759 and 22,148,038 shares outstanding at September 30, 2009 and 2010, respectively	22	22
Additional paid-in capital	204,772	206,549
Retained earnings	8,772	11,269
Treasury stock, at cost, 790,900 shares held at September 30, 2009 and 2010	(15,810)	(15,810)
Total stockholders' equity	197,756	202,030
Total liabilities and stockholders' equity	<u>\$ 393,644</u>	<u>\$ 336,760</u>

See accompanying notes to consolidated financial statements.

MARINEMAX, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year Ended September 30,		
	2008	2009	2010
	(Amounts in thousands except share and per share data)		
Revenue	\$ 885,407	\$ 588,585	\$ 450,340
Cost of sales	679,164	499,925	339,533
Gross profit	206,243	88,660	110,807
Selling, general, and administrative expenses	217,426	159,998	123,972
Goodwill and intangible asset impairment charge	122,091	—	—
Loss from operations	(133,274)	(71,338)	(13,165)
Interest expense	20,164	14,064	3,926
Loss before income tax benefit	(153,438)	(85,402)	(17,091)
Income tax benefit	19,161	8,630	19,588
Net income (loss)	\$ (134,277)	\$ (76,772)	\$ 2,497
Basic net income (loss) per common share	\$ (7.30)	\$ (4.11)	\$ 0.11
Diluted net income (loss) per common share	\$ (7.30)	\$ (4.11)	\$ 0.11
Weighted average number of common shares used in computing net income (loss) per common share:			
Basic	18,391,488	18,685,423	21,998,743
Diluted	18,391,488	18,685,423	22,597,953

See accompanying notes to consolidated financial statements.

MARINEMAX, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	<u>For the Year Ended September 30,</u>		
	<u>2008</u>	<u>2009</u>	<u>2010</u>
	(Amounts in thousands)		
Net income (loss)	\$(134,277)	\$(76,772)	\$2,497
Other comprehensive income (loss):			
Change in fair market value of derivative instruments, net of tax benefit of \$228 for the year ended September 30, 2008	(365)	—	—
Reclassification adjustment for gains included in net loss, net of tax of \$211 for the year ended September 30, 2008	337	—	—
Comprehensive income (loss)	<u>\$(134,305)</u>	<u>\$(76,772)</u>	<u>\$2,497</u>

See accompanying notes to consolidated financial statements.

MARINEMAX, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income	Treasury Stock	Total Stockholders' Equity
	Shares	Amount					
(Amounts in thousands except share data)							
BALANCE, September 30, 2007	18,379,864	\$ 19	\$167,912	\$ 220,375	\$ 28	\$(14,775)	\$ 373,559
Net loss	—	—	—	(134,277)	—	—	(134,277)
Purchase of treasury stock	(71,300)	—	—	—	—	(1,035)	(1,035)
Shares issued pursuant to employee stock purchase plan	105,390	—	1,207	—	—	—	1,207
Shares issued upon exercise of stock options	102,352	—	1,024	—	—	—	1,024
Stock-based compensation	8,181	—	8,464	—	—	—	8,464
Tax benefits of options exercised	—	—	223	—	—	—	223
Cumulative effect of adoption of FIN 48	—	—	—	(554)	—	—	(554)
Conversion of restricted stock awards to restricted stock units	(100,000)	—	—	—	—	—	—
Change in fair market value of derivative instruments, net of tax	—	—	—	—	(28)	—	(28)
BALANCE, September 30, 2008	18,424,487	19	178,830	85,544	—	(15,810)	248,583
Net loss	—	—	—	(76,772)	—	—	(76,772)
Shares issued pursuant to employee stock purchase plan	198,298	—	630	—	—	—	630
Shares issued upon vesting of equity awards	45,407	—	74	—	—	—	74
Shares issued upon exercise of stock options	20,554	—	62	—	—	—	62
Issuance of common stock	2,990,000	3	19,611	—	—	—	19,614
Stock-based compensation	27,013	—	5,565	—	—	—	5,565
BALANCE, September 30, 2009	21,705,759	22	204,772	8,772	—	(15,810)	197,756
Net income	—	—	—	2,497	—	—	2,497
Shares issued pursuant to employee stock purchase plan	172,371	—	483	—	—	—	483
Shares issued upon vesting of equity awards	61,624	—	(177)	—	—	—	(177)
Shares issued upon exercise of stock options	185,834	—	923	—	—	—	923
Stock-based compensation	22,450	—	529	—	—	—	529
Tax benefits of options exercised	—	—	19	—	—	—	19
BALANCE, September 30, 2010	22,148,038	\$ 22	\$206,549	\$ 11,269	\$ —	\$(15,810)	\$ 202,030

See accompanying notes to consolidated financial statements.

MARINEMAX, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	<u>For the Year Ended September 30,</u>		
	<u>2008</u>	<u>2009</u>	<u>2010</u>
(Amounts in thousands)			
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	\$(134,277)	\$ (76,772)	\$ 2,497
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Goodwill and intangible asset impairment	122,091	—	—
Depreciation and amortization	11,090	10,969	7,357
Deferred income tax provision (benefit)	(6,303)	1,513	—
Loss (gain) on sale of property and equipment	259	(64)	357
Stock-based compensation expense, net	8,464	5,565	529
Loss on extinguishment and modification of debt and short-term borrowings	160	492	1,023
Tax benefits from options exercised	223	—	19
Excess tax benefits from stock-based compensation	(169)	—	(19)
(Increase) decrease in —			
Accounts receivable, net	28,402	(6,566)	12,723
Income tax receivable	(6,744)	(3,239)	9,983
Inventories, net	9,410	262,695	17,210
Prepaid expenses and other assets	2,633	1,362	1,539
(Decrease) increase in —			
Accounts payable	(16,749)	11,366	(8,845)
Customer deposits	(26,915)	(1,623)	530
Accrued expenses	(361)	3,405	(4,687)
Net cash provided by (used in) operating activities	<u>(8,786)</u>	<u>209,103</u>	<u>40,216</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of property and equipment	(7,969)	(2,101)	(4,159)
Proceeds from sale of property and equipment	112	240	2,166
Net cash used in investing activities	<u>(7,857)</u>	<u>(1,861)</u>	<u>(1,993)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayments of long-term debt	(30,833)	—	—
Net (repayments) borrowings on short-term borrowings	46,000	(230,000)	(48,156)
Purchases of treasury stock	(1,035)	—	—
Excess tax benefits from stock-based compensation	169	—	19
Debt modification costs	—	(2,378)	(284)
Net proceeds from issuance of common stock	—	19,614	—
Net proceeds from issuance of common stock under incentive compensation and employee purchase plans	2,231	766	1,229
Net cash provided by (used in) financing activities	<u>16,532</u>	<u>(211,998)</u>	<u>(47,192)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS:	<u>(111)</u>	<u>(4,756)</u>	<u>(8,969)</u>
CASH AND CASH EQUIVALENTS, beginning of period	30,375	30,264	25,508
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 30,264</u>	<u>\$ 25,508</u>	<u>\$ 16,539</u>
Supplemental Disclosures of Cash Flow Information:			
Cash paid for:			
Interest	20,630	14,493	4,469
Income taxes	2,617	—	31

See accompanying notes to consolidated financial statements.

MARINEMAX, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. COMPANY BACKGROUND AND BASIS OF PRESENTATION:

We are the largest recreational boat retailer in the United States. We engage primarily in the retail sale, brokerage, and service of new and used boats, motors, trailers, marine parts, and accessories and offer slip and storage accommodations in certain locations. In addition, we arrange related boat financing, insurance, and extended service contracts. As of September 30, 2010, we operated through 56 retail locations in 19 states, consisting of Alabama, Arizona, California, Colorado, Connecticut, Florida, Georgia, Kansas, Maryland, Minnesota, Missouri, New Jersey, New York, North Carolina, Ohio, Oklahoma, Rhode Island, Tennessee, and Texas.

We are the nation's largest retailer of Sea Ray, Boston Whaler, Meridian, Cabo, and Hatteras recreational boats and yachts, all of which are manufactured by Brunswick Corporation ("Brunswick"). Sales of new Brunswick boats accounted for approximately 41% of our revenue in fiscal 2010. Brunswick is the world's largest manufacturer of marine products and marine engines. We believe we represented in excess of 7% of all Brunswick marine sales, including approximately 46% of its Sea Ray boat sales, during our 2010 fiscal year.

We have dealership agreements with Sea Ray, Boston Whaler, Cabo, Hatteras, Meridian, and Mercury Marine, all subsidiaries or divisions of Brunswick. We also have dealer agreements with Azimut Yachts. These agreements allow us to purchase, stock, sell, and service these manufacturers' boats and products. These agreements also allow us to use these manufacturers' names, trade symbols, and intellectual properties in our operations.

We are a party to a multi-year dealer agreement with Brunswick covering Sea Ray products that appoints us as the exclusive dealer of Sea Ray boats in our geographic markets. We are a party to a multi-year dealer agreement with Hatteras Yachts that gives us the exclusive right to sell Hatteras Yachts throughout the states of Florida (excluding the Florida panhandle), New Jersey, New York, and Texas. We are also the exclusive dealer for Cabo Yachts throughout the states of Florida, New Jersey, and New York through a multi-year dealer agreement. We are also the exclusive dealer for Italy-based Azimut-Benetti Group's product line, Azimut Yachts, for the Northeast United States from Maryland to Maine and for the state of Florida through a multi-year dealer agreement. We believe non-Brunswick brands offer a migration for our existing customer base or fill a void in our product offerings, and accordingly, do not compete with the business generated from our other prominent brands.

As is typical in the industry, we deal with manufacturers, other than Sea Ray, Boston Whaler, Hatteras, Cabo, and Azimut Yachts, under renewable annual dealer agreements, each of which gives us the right to sell various makes and models of boats within a given geographic region. Any change or termination of these agreements, or the agreements discussed above, for any reason, or changes in competitive, regulatory, or marketing practices, including rebate or incentive programs, could adversely affect our results of operations. Although there are a limited number of manufacturers of the type of boats and products that we sell, we believe that adequate alternative sources would be available to replace any manufacturer other than Sea Ray as a product source. These alternative sources may not be available at the time of any interruption, and alternative products may not be available at comparable terms, which could affect operating results adversely.

General economic conditions and consumer spending patterns can negatively impact our operating results. Unfavorable local, regional, national, or global economic developments or uncertainties regarding future economic prospects could reduce consumer spending in the markets we serve and adversely affect our business. Economic conditions in areas in which we operate dealerships, particularly Florida in which we generated 43%, 45%, and 54% of our revenue during fiscal 2008, 2009, and 2010, respectively, can have a major impact on our operations. Local influences, such as corporate downsizing and military base closings, also could adversely affect our operations in certain markets.

In an economic downturn, consumer discretionary spending levels generally decline, at times resulting in disproportionately large reductions in the sale of luxury goods. Consumer spending on luxury goods also may decline as a result of lower consumer confidence levels, even if prevailing economic conditions are favorable. Although we have expanded our operations during periods of stagnant or modestly declining industry trends, the cyclical nature of the recreational boating industry or the lack of industry growth may adversely affect our business,

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

financial condition, and results of operations. Any period of adverse economic conditions or low consumer confidence has a negative effect on our business.

Lower consumer spending resulting from a downturn in the housing market and other economic factors adversely affected our business in fiscal 2007 and continued weakness in consumer spending resulting from substantial weakness in the financial markets and deteriorating economic conditions had a very substantial negative effect on our business in fiscal 2008, 2009, and 2010. These conditions caused us to defer our acquisition program, delay new store openings, reduce our inventory purchases, engage in inventory reduction efforts, close some of our retail locations, reduce our headcount, and amend and replace our credit facility. We cannot predict the length or severity of these unfavorable economic or financial conditions or the extent to which they will continue to adversely affect our operating results nor can we predict the effectiveness of the measures we have taken to address this environment or whether additional measures will be necessary.

In order to provide comparability between periods presented, certain amounts have been reclassified from the previously reported consolidated financial statements to conform to the consolidated financial statement presentation of the current period. The consolidated financial statements include our accounts and the accounts of our subsidiaries, all of which are wholly owned. All significant intercompany transactions and accounts have been eliminated.

2. SIGNIFICANT ACCOUNTING POLICIES:

Cash and Cash Equivalents

We consider all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Vendor Consideration Received

We account for consideration received from our vendors in accordance with FASB Accounting Standards Codification 605-50, "Revenue Recognition, Customer Payments and Incentives" ("ASC 605-50"), previously referred to as Emerging Issues Task Force Issue No. 02-16, "Accounting by a Customer (Including a Reseller) for Certain Consideration Received from a Vendor." ASC 605-50 requires us to classify interest assistance received from manufacturers as a reduction of inventory cost and related cost of sales as opposed to netting the assistance against our interest expense incurred with our lenders. Pursuant to ASC 605-50, amounts received by us under our co-op assistance programs from our manufacturers are netted against related advertising expenses.

Inventories

Inventory costs consist of the amount paid to acquire the inventory, net of vendor consideration and purchase discounts, the cost of equipment added, reconditioning costs, and transportation costs relating to acquiring inventory for sale. We state new boat, motor, and trailer inventories at the lower of cost, determined on a specific-identification basis, or market. We state used boat, motor, and trailer inventories, including trade-ins, at the lower of cost, determined on a specific-identification basis, or market. We state parts and accessories at the lower of cost, determined on an average cost basis, or market. We utilize our historical experience, the aging of the inventories, and our consideration of current market trends as the basis for determining lower of cost or market valuation allowance. As of September 30, 2009 and 2010, our lower of cost or market valuation allowance was \$17.7 million and \$7.3 million, respectively. If events occur and market conditions change, causing the fair value to fall below carrying value, the lower of cost or market valuation allowance could increase.

Property and Equipment

We record property and equipment at cost, net of accumulated depreciation, and depreciate property and equipment over their estimated useful lives using the straight-line method. We capitalize and amortize leasehold

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

improvements over the lesser of the life of the lease or the estimated useful life of the asset. Useful lives for purposes of computing depreciation are as follows:

	<u>Years</u>
Buildings and improvements	5-40
Machinery and equipment	3-10
Furniture and fixtures	5-10
Vehicles	3-5

We remove the cost of property and equipment sold or retired and the related accumulated depreciation from the accounts at the time of disposition and include any resulting gain or loss in the consolidated statements of operations. We charge maintenance, repairs, and minor replacements to operations as incurred, and we capitalize and amortize major replacements and improvements over their useful lives.

Valuation of Goodwill and Other Intangible Assets

We account for goodwill and identifiable intangible assets in accordance with FASB Accounting Standards Codification 350, “Intangibles — Goodwill and Other” (“ASC 350”), previously referred to as Statement of Financial Accounting Standards No. 142, “Goodwill and Other Intangible Assets.” Under this standard, we assess the impairment of goodwill and identifiable intangible assets at least annually and whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The first step in the assessment is the estimation of fair value. If step one indicates that impairment potentially exists, we perform the second step to measure the amount of impairment, if any. Goodwill and identifiable intangible asset impairment exists when the estimated fair value is less than its carrying value.

During the three months ended June 30, 2008, we experienced a significant decline in market valuation driven primarily by weakness in the marine retail industry and an overall soft economy, which hindered our financial performance. Accordingly, we completed a step one analysis (as noted above) and estimated the fair value of the reporting unit as prescribed by ASC 350, which indicated potential impairment. As a result, we completed a fair value analysis of indefinite lived intangible assets and a step two goodwill impairment analysis, as required by ASC 350. We determined that indefinite lived intangible assets and goodwill were impaired and recorded a non-cash charge of \$121.1 million based on our assessment. We were not required to make any current or future cash expenditures as a result of this impairment charge.

Impairment of Long-Lived Assets

FASB Accounting Standards Codification 360-10-40, “Property, Plant, and Equipment, Impairment or Disposal of Long-Lived Assets” (“ASC 360-10-40”), previously referred to as Statement of Financial Accounting Standards No. 144, “Accounting for Impairment or Disposal of Long-Lived Assets,” requires that long-lived assets, such as property and equipment and purchased intangibles subject to amortization, be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the asset is measured by comparison of its carrying amount to undiscounted future net cash flows the asset is expected to generate. If such assets are considered to be impaired, the impairment to be recognized is measured as the amount by which the carrying amount of the asset exceeds its fair market value. Estimates of expected future cash flows represent our best estimate based on currently available information and reasonable and supportable assumptions. Any impairment recognized in accordance with ASC 360-10-40 is permanent and may not be restored. As of September 30, 2010, we had not recognized any impairment of long-lived assets in connection with ASC 360-10-40 based on our reviews.

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Customer Deposits

Customer deposits primarily include amounts received from customers toward the purchase of boats. We recognize these deposits as revenue upon delivery or acceptance of the related boats to customers.

Insurance

We retain varying levels of risk relating to the insurance policies we maintain, most significantly workers' compensation insurance and employee medical benefits. We are responsible for the claims and losses incurred under these programs, limited by per occurrence deductibles and paid claims or losses up to pre-determined maximum exposure limits. Our third-party insurance carriers pay any losses above the pre-determined exposure limits. We estimate our liability for incurred but not reported losses using our historical loss experience, our judgment, and industry information.

Derivative Instruments

We account for derivative instruments in accordance with FASB Accounting Standards Codification 815, "Derivatives and Hedging" ("ASC 815"), previously referred to as Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Certain Hedging Activities," Statement of Financial Accounting Standards No. 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activity, an Amendment of SFAS 133" and Statement of Financial Accounting Standards No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities". Under these standards, all derivative instruments are recorded on the balance sheet at their respective fair values.

We utilize certain derivative instruments, from time to time, including interest rate swaps and forward contracts, to manage variability in cash flows associated with interest rates and forecasted purchases of boats and yachts from certain of our foreign suppliers in euros. At September 30, 2009 and 2010, no such instruments were outstanding.

Revenue Recognition

We recognize revenue from boat, motor, and trailer sales, and parts and service operations at the time the boat, motor, trailer, or part is delivered to or accepted by the customer or service is completed. We recognize deferred revenue from service operations and slip and storage services on a straight-line basis over the term of the contract or when service is completed. We recognize commissions earned from a brokerage sale at the time the related brokerage transaction closes. We recognize commissions earned by us for placing notes with financial institutions in connection with customer boat financing when we recognize the related boat sales. We recognize marketing fees earned on credit life, accident and disability, and hull insurance products sold by third-party insurance companies at the later of customer acceptance of the insurance product as evidenced by contract execution or when the related boat sale is recognized. Pursuant to negotiated agreements with financial and insurance institutions, we are charged back for a portion of these fees should the customer terminate or default on the related finance or insurance contract before it is outstanding for a stipulated minimal period of time. We base the chargeback allowance, which was not material to the consolidated financial statements taken as a whole as of September 30, 2009 or 2010, on our experience with repayments or defaults on the related finance or insurance contracts.

We also recognize commissions earned on extended warranty service contracts sold on behalf of third-party insurance companies at the later of customer acceptance of the service contract terms as evidenced by contract execution or recognition of the related boat sale. We are charged back for a portion of these commissions should the customer terminate or default on the service contract prior to its scheduled maturity. We determine the chargeback allowance, which was not material to the consolidated financial statements taken as a whole as of September 30, 2009 or 2010, based upon our experience with repayments or defaults on the service contracts.

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table sets forth percentages of our revenue generated by certain products and services, for each of last three years.

	<u>2008</u>	<u>2009</u>	<u>2010</u>
New boat sales	63.5%	60.7%	54.4%
Used boat sales	20.5%	22.5%	24.0%
Maintenance and repair services	6.6%	7.9%	9.8%
Finance and insurance products	3.6%	2.7%	2.7%
Parts and accessories	4.4%	5.0%	6.4%
Brokerage services	1.4%	1.2%	2.7%
Total Revenue	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Stock-Based Compensation

We account for our share-based compensation plans following the provisions of FASB Accounting Standards Codification 718, “Compensation — Stock Compensation” (“ASC 718”), previously referred to as Statement of Financial Accounting Standards No. 123R, “Share-Based Payment.” In accordance with ASC 718, we use the Black-Scholes valuation model for valuing all stock-based compensation and shares granted under our Employee Stock Purchase Plan. We measure compensation for restricted stock awards and restricted stock units at fair value on the grant date based on the number of shares expected to vest and the quoted market price of our common stock. We recognize compensation cost for all awards in earnings, net of estimated forfeitures, on a straight-line basis over the requisite service period for each separately vesting portion of the award.

Advertising and Promotional Costs

We expense advertising and promotional costs as incurred and include them in selling, general, and administrative expenses in the accompanying consolidated statements of operations. Pursuant to ASC 605-50, we net amounts received by us under our co-op assistance programs from our manufacturers against the related advertising expenses. Total advertising and promotional expenses approximated \$19.3 million, \$9.4 million, and \$8.5 million, net of related co-op assistance of approximately \$700,000, \$526,000, and \$334,000, for the fiscal years ended September 30, 2008, 2009, and 2010, respectively.

Income Taxes

We account for income taxes in accordance with FASB Accounting Standards Codification 740, “Income Taxes” (“ASC 740”), previously referred to as Statement of Financial Accounting Standards No. 109, “Accounting for Income Taxes,” and Financial Accounting Standard Board Interpretation No. 48, “Accounting for Uncertainty in Income Taxes (“FIN 48”).” In 2008 we adopted the provisions of FIN 48. Under ASC 740, we recognize deferred tax assets and liabilities for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. We measure deferred tax assets and liabilities using enacted tax rates expected to apply to taxable income in the years in which we expect those temporary differences to be recovered or settled. We record valuation allowances to reduce our deferred tax assets to the amount expected to be realized by considering all available positive and negative evidence.

Pursuant to ASC 740, we must consider all positive and negative evidence regarding the realization of deferred tax assets, including past operating results and future sources of taxable income. Under the provisions of ASC 740-10, we determined that our net deferred tax asset needed to be fully reserved given recent earnings and industry trends.

The Worker, Homeownership, and Business Assistance Act of 2009 (the “Act”) was signed into law in November 2009. The Act allowed us to carryback the 2009 net operating loss, which had a valuation allowance

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

recorded against the entire amount and which we were not able to carryback under the prior tax law. The additional carryback generated a tax refund of \$19.2 million. The tax refund was recorded as income tax benefit during our quarter ended December 31, 2009, the period the Act was enacted. We filed a carryback claim with the Internal Revenue Service, and we received a \$19.2 million refund in the quarter ended March 31, 2010.

New Accounting Pronouncements

In June 2009 the Financial Accounting Standards Board issued FASB Accounting Standards Codification 810, “Consolidation” (“ASC 810”), previously referred to as Statement of Financial Accounting Standards No. 167, “Amendments to FASB Interpretation No. 46(R)” (“SFAS 167”). SFAS 167, addresses the effects of eliminating the qualifying special-purpose entity (“QSPE”) concept from Statement of Financial Accounting Standards No. 140, “Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities” and addresses certain key provisions of FIN 46(R), including transparency of enterprises’ involvement with variable interest entities (“VIEs”). ASC 810 is effective for fiscal years beginning after November 15, 2009 and interim periods within those fiscal years. We do not expect the adoption of this standard to have a material impact on our consolidated financial statements.

Concentrations of Credit Risk

Financial instruments, which potentially subject us to concentrations of credit risk, consist principally of cash and cash equivalents and accounts receivable. Concentrations of credit risk with respect to our cash and cash equivalents are limited primarily to amounts held with financial institutions. Concentrations of credit risk arising from our receivables are limited primarily to amounts due from manufacturers and financial institutions.

Fair Value of Financial Instruments

The carrying amount of our financial instruments approximates fair value due either to length to maturity or existence of interest rates that approximate prevailing market rates unless otherwise disclosed in these consolidated financial statements.

Use of Estimates and Assumptions

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant estimates made by us in the accompanying consolidated financial statements relate to valuation allowances, valuation of long-lived assets, and valuation of accruals. Actual results could differ materially from those estimates.

3. ACCOUNTS RECEIVABLE:

Trade receivables consist primarily of receivables from financial institutions, which provide funding for customer boat financing and amounts due from financial institutions earned from arranging financing with our customers. We normally collect these receivables within 30 days of the sale. Trade receivables also include amounts due from customers on the sale of boats, parts, service, and storage. Amounts due from manufacturers represent receivables for various manufacturer programs and parts and service work performed pursuant to the manufacturers’ warranties.

The allowance for uncollectible receivables, which was not material to the consolidated financial statements as of September 30, 2009 or 2010, was based on our consideration of customer payment practices, past transaction history with customers, and economic conditions. When an account becomes uncollectable, we expense it as a bad debt and we credit payments subsequently received to the bad debt expense account. We review the allowance for

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

uncollectible receivables when an event or other change in circumstances results in a change in the estimate of the ultimate collectability of a specific account.

Accounts receivable, net consisted of the following at September 30,

	<u>2009</u>	<u>2010</u>
	(Amounts in thousands)	
Trade receivables	\$11,598	\$10,415
Amounts due from manufacturers	23,501	12,021
Other receivables	398	338
	<u>\$35,497</u>	<u>\$22,774</u>

4. INVENTORIES:

Inventories, net consisted of the following at September 30,

	<u>2009</u>	<u>2010</u>
	(Amounts in thousands)	
New boats, motors, and trailers	\$160,303	\$166,282
Used boats, motors, and trailers	39,113	16,737
Parts, accessories, and other	6,518	5,705
	<u>\$205,934</u>	<u>\$188,724</u>

5. PROPERTY AND EQUIPMENT:

Property and equipment consisted of the following at September 30,

	<u>2009</u>	<u>2010</u>
	(Amounts in thousands)	
Land	\$ 40,410	\$ 41,847
Buildings and improvements	76,411	77,498
Machinery and equipment	28,002	26,536
Furniture and fixtures	4,982	4,680
Vehicles	5,717	5,165
	155,522	155,726
Less — Accumulated depreciation and amortization	(53,206)	(56,021)
	<u>\$102,316</u>	<u>\$ 99,705</u>

Depreciation and amortization expense on property and equipment totaled approximately \$10.9 million, \$10.4 million, and \$6.6 million for the fiscal years ended September 30, 2008, 2009, and 2010, respectively.

During fiscal 2009, we closed certain owned retail locations in an effort to better match our fixed costs with the decline in retail business caused by the soft economic conditions. Accordingly, we entered into plans to market and sell certain locations we have exited. We assessed our plans to sell certain locations with the criteria identified in FASB Accounting Standards Codification 360, "Property, Plant, and Equipment" ("ASC 360"), previously referred to as Statement of Financial Accounting Standards No. 144, "Accounting for Impairment or Disposal of Long-Lived Assets," and determined the locations should be classified as available for sale. As of September 30, 2009 and 2010, we have reclassified \$4.8 million and \$2.5 million, respectively, from property and equipment to prepaid expenses and other current assets within the consolidated balance sheets.

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

6. OTHER LONG-TERM ASSETS:

During February 2006, we became party to a joint venture with Brunswick that acquired certain real estate and assets of Great American Marina for an aggregate purchase price of approximately \$11.0 million, of which we contributed approximately \$4.0 million and Brunswick contributed approximately \$7.0 million. The terms of the agreement specify that we operate and maintain the service business and that Brunswick operate and maintain the marina business. Simultaneously with the closing, the acquired entity became Gulfport Marina, LLC (“Gulfport”). We account for our investment in Gulfport in accordance with Financial Accounting Standards Board Accounting Standards Codification 323, “Investment — Equity Method and Joint Venture” (“ASC 323”), previously referred to as Accounting Principles Board Opinion No. 18, “The Equity Method of Accounting for Investments in Common Stock.” Accordingly, we adjust the carrying amount of our investment in Gulfport to recognize our share of earnings or losses, based on the service business we operate.

During the three months ended June 30, 2008, we experienced a significant decline in market valuation driven primarily by weakness in the marine retail industry and an overall soft economy, which adversely affected our financial performance. As a result of this weakness, we realized a goodwill and intangible asset impairment charge. Based on these events, we reviewed the valuation of our investment in Gulfport in accordance with ASC 323 and recoverability of the assets contained within the joint venture. ASC 323 requires the recognition of a loss in value of an investment, which is other than a temporary decline. We reviewed our investment and assets contained within the Gulfport joint venture, which consists of land, buildings, equipment, and goodwill. As a result, we determined that our investment in the joint venture was impaired and recorded a non-cash charge of \$1.0 million based on our assessment. We were not required to make any current or future cash expenditures as a result of this impairment charge.

7. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITY:

During fiscal 2008, we entered into six interest rate swap agreements with a total notional amount of approximately \$23.2 million, which were designated as cash flow hedges that effectively converted a portion of the floating rate debt to fixed rates ranging from 4.36% to 4.87%. During fiscal 2008, we prepaid the outstanding balances of our long-term debt. With this prepayment, the swaps were terminated and the pretax fair market value of the swaps of approximately \$550,000 was reclassified from accumulated other comprehensive income and recognized as income in the statements of operations.

During fiscal 2009 and 2010, we have not entered into any interest rate swaps or currency hedging activity.

8. SHORT-TERM BORROWINGS:

In June 2010, we entered into an Inventory Financing Agreement (the “Credit Facility”) with GE Commercial Distribution Finance Company (“GECDF”). The Credit Facility provides a floor plan financing commitment of \$100 million and allows us to request a \$50 million increase to this commitment under an accordion feature, subject to GECDF approval. The Credit Facility matures in June 2013 and is subject to extension for two one-year periods, subject to GECDF approval.

The Credit Facility has certain financial covenants as specified in the agreement. The covenants include provisions that our leverage ratio not exceed 2.75 to 1.0 and that our current ratio must be greater than 1.2 to 1.0. At September 30, 2010, we were in compliance with all the covenants under the Credit Facility. The interest rate for amounts outstanding under the Credit Facility is 378 basis points above the one-month London Inter-Bank Offering Rate. There is an unused line fee of ten basis points on the unused portion of the Credit Facility.

Advances under the Credit Facility will be initiated by the acquisition of eligible new and used inventory or will be re-advances against eligible new and used inventory that have been partially paid-off. Advances on new inventory will mature 1,081 days from the original invoice date. Advances on used inventory will mature 361 days from the date we acquire the used inventory. Each advance is subject to a curtailment schedule, which requires that

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

we pay down the balance of each advance on a periodic basis starting after six months. The curtailment schedule varies based on the type and value of the inventory. The collateral for the Credit Facility is all of our personal property with certain limited exceptions. None of our real estate has been pledged for collateral for the Credit Facility.

The Credit Facility replaces our prior \$180 million credit facility that provided for a line of credit with asset-based borrowing availability. The prior credit facility had certain financial covenants as specified in the agreement. The interest rate for amounts outstanding under the prior credit facility was 490 basis points above the one-month LIBOR. During the quarter ended June 30, 2010, we accelerated the amortization of the prior credit facility loan costs of approximately \$1.0 million.

As of September 30, 2009 and 2010, our indebtedness associated with financing our inventory and working capital needs totaled approximately \$142.0 million and \$93.8 million, respectively and were in compliance with all of the credit facility covenants. At September 30, 2009 and 2010, the interest rate on the outstanding short-term borrowings was 5.2% and 4.0%. At September 30, 2010, our additional available borrowings under our Credit Facility were approximately \$4.2 million.

As is common in our industry, we receive interest assistance directly from boat manufacturers, including Brunswick. The interest assistance programs vary by manufacturer but generally include periods of free financing or reduced interest rate programs. The interest assistance may be paid directly to us or our lender depending on the arrangements the manufacturer has established. We classify interest assistance received from manufacturers as a reduction of inventory cost and related cost of sales as opposed to netting the assistance against our interest expense incurred with our lender.

The availability and costs of borrowed funds can adversely affect our ability to obtain adequate boat inventory and the holding costs of that inventory as well as the ability and willingness of our customers to finance boat purchases. As of September 30, 2010, we had no long-term debt. However, we rely on our Credit Facility to purchase our inventory of boats. The aging of our inventory limits our borrowing capacity as defined curtailments reduce the allowable advance rate as our inventory ages. Our access to funds under our Credit Facility also depends upon the ability of GECDP to meet its funding commitments, particularly if it experiences shortages of capital or experiences excessive volumes of borrowing requests from others during a short period of time. A continuation of depressed economic conditions, weak consumer spending, turmoil in the credit markets, and lender difficulties could interfere with our ability to utilize our Credit Facility to fund our operations. Any inability to utilize our Credit Facility could require us to seek other sources of funding to repay amounts outstanding under the credit agreement or replace or supplement our credit agreement, which may not be possible at all or under commercially reasonable terms.

Similarly, decreases in the availability of credit and increases in the cost of credit adversely affect the ability of our customers to purchase boats from us and thereby adversely affect our ability to sell our products and impact the profitability of our finance and insurance activities. Tight credit conditions, during fiscal 2009 and continuing in fiscal 2010, adversely affected the ability of customers to finance boat purchases, which had a negative affect on our operating results.

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

9. INCOME TAXES:

The components of our provision for income taxes consisted of the following for the fiscal years ended September 30,

	<u>2008</u>	<u>2009</u>	<u>2010</u>
	(Amounts in thousands)		
Current provision (benefit):			
Federal	\$(12,776)	\$(10,004)	\$(19,244)
State	(82)	(139)	(344)
Total current provision (benefit)	<u>(12,858)</u>	<u>(10,143)</u>	<u>(19,588)</u>
Deferred provision (benefit):			
Federal	(5,726)	1,380	—
State	(577)	133	—
Total deferred provision (benefit)	<u>(6,303)</u>	<u>1,513</u>	<u>—</u>
Total income tax provision (benefit)	<u><u>\$(19,161)</u></u>	<u><u>\$ (8,630)</u></u>	<u><u>\$(19,588)</u></u>

Below is a reconciliation of the statutory federal income tax rate to our effective tax rate for the fiscal years ended September 30,

	<u>2008</u>	<u>2009</u>	<u>2010</u>
Federal tax provision	(35.0)%	(35.0)%	(35.0)%
State taxes, net of federal effect	(4.4)%	(4.0)%	(8.8)%
Stock based compensation	0.3%	0.4%	0.5%
Valuation allowance	25.5%	29.5%	(71.0)%
Other	1.1%	(1.0)%	(0.3)%
Effective tax rate	<u>(12.5)%</u>	<u>(10.1)%</u>	<u>(114.6)%</u>

Deferred income taxes reflect the impact of temporary differences between the amount of assets and liabilities recognized for financial reporting purposes and such amounts recognized for income tax purposes. The tax effects of these temporary differences representing the components of deferred tax assets (liabilities) at September 30 were as follows:

	<u>2009</u>	<u>2010</u>
	(Amounts in thousands)	
Current deferred tax assets:		
Inventories	\$ 5,169	\$ 2,690
Accrued expenses	4,093	3,496
Current deferred tax assets	9,262	6,186
Valuation Allowance	(9,262)	(6,186)
Net current deferred tax assets	<u>\$ —</u>	<u>\$ —</u>
Long-term deferred tax assets:		
Depreciation and amortization	\$ 21,393	\$ 19,142
Stock based compensation	6,010	4,712
FIN 48 deferred tax asset	588	547
Tax loss carryforwards	23,495	17,139
Other	111	106
Long-term deferred tax assets	51,597	41,646
Valuation allowance	(51,597)	(41,646)
Net long-term deferred tax assets	<u>\$ —</u>	<u>\$ —</u>

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Pursuant to ASC 740, we must consider all positive and negative evidence regarding the realization of deferred tax assets, including past operating results and future sources of taxable income. Under the provisions of ASC 740, we determined that the entire net deferred tax asset (“DTA”) needed to be reserved given recent earnings and industry trends. The total valuation allowance at September 30, 2009 and 2010 was \$60.9 million and \$47.8 million, respectively. The change in valuation allowance primarily consisted of the reversal of the DTA for the 2009 federal Net Operating Loss (“NOL”), due to the change in law allowing for a 5-year carryback, offset by the additional DTA for this year’s NOL carryforward. The reduction in the valuation allowance related to the 2009 federal NOL DTA and the addition to the valuation allowance due to the current year federal NOL DTA was \$19.1 million and \$9.9 million respectively. The tax loss carryforwards consists of \$7.2 million of state NOLs, which expire at various intervals, and a \$9.9 million federal NOL generated this fiscal year which will expire in twenty-years.

We have adopted the provisions of FIN 48, now under ASC 740. Under ASC 740, the impact of an uncertain tax position taken or expected to be taken on an income tax return must be recognized in the financial statements at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant taxing authority. An uncertain income tax position will not be recognized in the financial statements unless it is more likely than not of being sustained. As of September 30, 2009 and 2010, we had approximately \$1.9 million and \$1.7 million, respectively, of gross unrecognized tax benefits, of which approximately \$1.3 million and \$1.2 million, respectively, if recognized, would impact the effective tax rate before considering a change in valuation allowance.

The reconciliation of the total amount recorded for unrecognized tax benefits at the beginning and end of the fiscal years ended September 30, 2009 and 2010 is as follows:

	<u>2009</u>	<u>2010</u>
	(Amounts in thousands)	
Unrecognized tax benefits at the beginning of the year	\$2,064	\$1,894
Increases in tax positions for prior years	69	60
Decreases in tax positions for prior years	(62)	(57)
Lapse of statute of limitations	(177)	(159)
Unrecognized tax benefits at September 30,	<u>\$1,894</u>	<u>\$1,738</u>

Consistent with our prior practices, we recognize interest and penalties related to uncertain tax positions as a component of income tax expense. As of September 30, 2010, interest and penalties represented approximately \$663,000 of the gross unrecognized tax benefits. There have been no significant changes to the balance of interest and penalties subsequent to adoption.

We are subject to tax by both federal and state taxing authorities. Until the respective statutes of limitations expire, we are subject to income tax audits in the jurisdictions in which we operate. We are no longer subject to U.S. federal tax examinations for fiscal years prior to 2008, and we are not subject to audits prior to the 2007 fiscal year for the majority of the state jurisdictions.

It is reasonably possible that a change to the total amount of unrecognized tax benefits could occur in the next 12 months based on examinations by tax authorities, the expiration of statutes of limitations, or potential settlements of outstanding positions. It is not possible to estimate a range of the possible changes at this time. However, we do not expect the change to be significant to the overall balance of unrecognized tax benefits.

10. STOCKHOLDERS’ EQUITY:

In November 2005, our Board of Directors approved a share repurchase plan allowing our company to repurchase up to 1,000,000 shares of our common stock. Under the plan, we may buy back common stock from time to time in the open market or in privately negotiated blocks, dependent upon various factors, including price and availability of the shares, and general market conditions. Through September 30, 2010, we had purchased an

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

aggregate of 790,900 shares of common stock under the plan for an aggregate purchase price of approximately \$15.8 million.

In September 2009, we completed a public offering of 2,990,000 shares of common stock at a price to the public of \$7.00 per share for total gross proceeds of approximately \$20.9 million. The net proceeds of the offering were used to reduce our short-term borrowings and general corporate purposes.

11. STOCK-BASED COMPENSATION:

In accordance with ASC 718, we use the Black-Scholes valuation model for valuing all stock-based compensation and shares granted under the Employee Stock Purchase Plan. We measure compensation for restricted stock awards and restricted stock units at fair value on the grant date based on the number of shares expected to vest and the quoted market price of our common stock. We recognize compensation cost for all awards in earnings, net of estimated forfeitures, on a straight-line basis over the requisite service period for each separately vesting portion of the award.

Cash received from option exercises under all share-based compensation arrangements for the fiscal years ended September 30, 2008, 2009, and 2010 was approximately \$2.2 million, \$766,000, and \$1.2 million, respectively. Tax benefits realized for tax deductions from option exercises for the fiscal years ended September 30, 2008 and 2010 was approximately \$223,000 and \$19,000, respectively. There were no tax benefits realized for tax deductions from option exercises for the fiscal year ended September 30, 2009. We currently expect to satisfy share-based awards with registered shares available to be issued.

12. THE INCENTIVE STOCK PLANS:

During February 2007, our stockholders approved a proposal to approve our 2007 Incentive Compensation Plan (“2007 Plan”), which replaced our 1998 Incentive Stock Plan (“1998 Plan”). Our 2007 Plan provides for the grant of stock options, stock appreciation rights, restricted stock, stock units, bonus stock, dividend equivalents, other stock related awards, and performance awards (collectively, “awards”), that may be settled in cash, stock, or other property. Our 2007 Plan is designed to attract, motivate, retain, and reward our executives, employees, officers, directors, and independent contractors by providing such persons with annual and long-term performance incentives to expend their maximum efforts in the creation of stockholder value. The total number of shares of our common stock that may be subject to awards under the 2007 Plan is equal to 1,000,000 shares, plus (i) any shares available for issuance and not subject to an award under the 1998 Plan, (ii) the number of shares with respect to which awards granted under the 2007 Plan and the 1998 Plan terminate without the issuance of the shares or when the shares are forfeited or repurchased; (iii) with respect to awards granted under the 2007 Plan and the 1998 Plan, the number of shares that are not issued as a result of the award being settled for cash or otherwise not issued in connection with the exercise or payment of the award; and (iv) the number of shares that are surrendered or withheld in payment of the exercise price of any award or any tax withholding requirements in connection with any award granted under the 2007 Plan and the 1998 Plan. The 2007 Plan terminates in February 2017, and awards may be granted at any time during the life of the 2007 Plan. The date on which awards vest are determined by the Board of Directors or the Plan Administrator. The exercise prices of options are determined by the Board of Directors or the Plan Administrator and are at least equal to the fair market value of shares of common stock on the date of grant. The term of options under the 2007 Plan may not exceed ten years. The options granted have varying vesting periods. To date, we have not settled or been under any obligation to settle any awards in cash.

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes option activity from September 30, 2009 through September 30, 2010:

	<u>Shares Available for Grant</u>	<u>Options Outstanding</u>	<u>Aggregate Intrinsic Value</u> (In thousands)	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Remaining Contractual Life</u>
Balance at September 30, 2009	1,007,875	1,995,194	\$ 5,173	\$ 10.37	7.0
Options granted	(432,300)	432,300		\$ 7.93	
Options cancelled/forfeited/expired	139,779	(139,779)		\$ 11.36	
Restricted stock awards issued	(119,100)	—		—	
Restricted stock awards forfeited	17,835	—		—	
Options exercised	—	(185,834)		\$ 4.97	
Balance at September 30, 2010	<u>614,089</u>	<u>2,101,881</u>	<u>\$ 3,713</u>	\$ 10.27	6.8
Exercisable at September 30, 2010		<u>1,193,322</u>	<u>\$ 1,770</u>	\$ 12.34	5.7

The weighted-average grant date fair value of options granted during the fiscal years ended September 30, 2008, 2009, and 2010 was \$6.12, \$1.75, and \$5.41, respectively. The total intrinsic value of options exercised during the fiscal years ended September 30, 2008, 2009, and 2010 was approximately \$541,000, \$54,000, and \$969,000, respectively.

As of September 30, 2009 and 2010, there was approximately \$1.2 million and \$1.1 million, respectively, of unrecognized compensation costs related to non-vested options that are expected to be recognized over a weighted average period of 2.1 years and 2.1 years, respectively. The total fair value of options vested during the fiscal years ended September 30, 2008, 2009, and 2010 was approximately \$2.1 million, \$1.2 million, and \$2.4 million, respectively.

We continued using the Black-Scholes model to estimate the fair value of options granted during fiscal 2010. The expected term of options granted is derived from the output of the option pricing model and represents the period of time that options granted are expected to be outstanding. Volatility is based on the historical volatility of our common stock. The risk-free rate for periods within the contractual term of the options is based on the U.S. Treasury yield curve in effect at the time of grant.

The following are the weighted-average assumptions used for the fiscal years ended September 30:

	<u>2008</u>	<u>2009</u>	<u>2010</u>
Dividend yield	0.0%	0.0%	0.0%
Risk-free interest rate	3.4%	2.2%	2.3%
Volatility	44.2%	63.4%	85.8%
Expected life	7.5 years	6.0 years	5.0 years

13. EMPLOYEE STOCK PURCHASE PLAN:

During February 2008, our stockholders approved our 2008 Employee Stock Purchase Plan (“Stock Purchase Plan”). The Stock Purchase Plan provides for up to 500,000 shares of common stock to be available for purchase by our regular employees who have completed at least one year of continuous service. In addition there were 52,837 shares of common stock available under our 1998 Employee Stock Purchase Plan which have been made available for issuance under our Stock Purchase Plan. The Stock Purchase Plan provides for implementation of up to 10 annual offerings beginning on the first day of October starting in 2008, with each offering terminating on September 30 of the following year. Each annual offering may be divided into two six-month offerings. For each offering, the purchase price per share will be the lower of (i) 85% of the closing price of the common stock on the first day of the offering or (ii) 85% of the closing price of the common stock on the last day of the offering. The

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

purchase price is paid through periodic payroll deductions not to exceed 10% of the participant's earnings during each offering period. However, no participant may purchase more than \$25,000 worth of common stock annually.

We continued using the Black-Scholes model to estimate the fair value of options granted to purchase shares issued pursuant to the Stock Purchase Plan. The expected term of options granted is derived from the output of the option pricing model and represents the period of time that options granted are expected to be outstanding. Volatility is based on the historical volatility of our common stock. The risk-free rate for periods within the contractual term of the options is based on the U.S. Treasury yield curve in effect at the time of grant.

The following are the weighted-average assumptions used for the fiscal years ended September 30:

	2008	2009	2010
Dividend yield	0.0%	0.0%	0.0%
Risk-free interest rate	2.3%	0.5%	0.2%
Volatility	75.6%	160.4%	65.4%
Expected life	six months	six months	six months

As of September 30, 2010, we had issued 348,319 shares of common stock under our Stock Purchase Plan.

14. RESTRICTED STOCK AWARDS:

During fiscal 2008, 2009, and 2010, we granted non-vested (restricted) stock awards or restricted stock units (collectively, "restricted stock awards") to certain key employees pursuant to the 1998 Plan or the 2007 Plan. The restricted stock awards have varying vesting periods, but generally become fully vested at either the end of year four or the end of year five, depending on the specific award. Certain awards granted in fiscal 2008 require certain levels of performance by us after the grant before they are earned. Such performance metrics must be achieved by September 2011, or the awards will be forfeited. The stock underlying the vested restricted stock units will be delivered upon vesting. Certain awards granted in fiscal 2010 require a minimum level of performance of our stock price compared to an index before they are earned. Such performance metrics must be achieved by September 2012, or the awards will be forfeited. The stock underlying the vested restricted stock units will be delivered upon vesting. During fiscal 2010, we reversed approximately \$3.9 million of stock compensation expense, resulting from the performance criteria of certain awards no longer being probable.

We accounted for the restricted stock awards granted during fiscal 2008, 2009, and 2010 using the measurement and recognition provisions of ASC 718. Accordingly, the fair value of the restricted stock awards is measured on the grant date and recognized in earnings over the requisite service period for each separately vesting portion of the award.

The following table summarizes restricted stock award activity from September 30, 2009 through September 30, 2010:

	Shares	Weighted Average Grant Date Fair Value
Non-vested balance at September 30, 2009	520,070	\$22.65
Changes during the period		
Awards granted	119,100	\$ 7.00
Awards vested	(187,166)	\$23.48
Awards forfeited	(17,835)	\$15.11
Non-vested balance at September 30, 2010	<u>434,169</u>	\$18.31

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

As of September 30, 2010, we had approximately \$1.0 million of total unrecognized compensation cost related to non-vested restricted stock awards. We expect to recognize that cost over a weighted-average period of 1.8 years.

15. NET INCOME/LOSS PER SHARE:

The following is a reconciliation of the shares used in the denominator for calculating basic and diluted net income/loss per share for the fiscal years ended September 30:

	<u>2008</u>	<u>2009</u>	<u>2010</u>
Weighted average common shares outstanding used in calculating basic income (loss) per share	18,391,488	18,685,423	21,998,743
Effect of dilutive options	<u>—</u>	<u>—</u>	<u>599,210</u>
Weighted average common and common equivalent shares used in calculating diluted income (loss) per share	<u>18,391,488</u>	<u>18,685,423</u>	<u>22,597,953</u>

Options to purchase approximately 1,700,000, 764,000 and 979,000 shares of common stock were outstanding at September 30, 2008, 2009, and 2010, respectively, but were not included in the computation of income (loss) per share because the options' exercise prices were greater than the average market price of our common stock, and therefore, their effect would be anti-dilutive. Accordingly, there is no dilutive effect of shares used in the denominator for calculating basic and diluted loss per share.

16. COMMITMENTS AND CONTINGENCIES:**Lease Commitments**

We lease certain land, buildings, machinery, equipment, and vehicles related to our dealerships under non-cancelable third-party operating leases. Certain of our leases include options for renewal periods and provisions for escalation. Rental expenses, including month-to-month rentals, were approximately \$13.9 million, \$9.2 million, and \$6.7 million for the fiscal years ended September 30, 2008, 2009, and 2010, respectively.

The rental payments to related parties, under both cancelable and non-cancelable operating leases during fiscal 2008, 2009, and 2010, represent rental payments for buildings to an entity partially owned by a former officer of our company. We believe the terms of the transaction are consistent with those that we would obtain from third parties.

Future minimum lease payments under non-cancelable operating leases at September 30, 2010, were as follows:

	(Amounts in thousands)	
2011	\$	6,469
2012		5,141
2013		3,755
2014		2,582
2015		2,402
Thereafter		3,727
Total	<u>\$</u>	<u>24,076</u>

Other Commitments and Contingencies

We are party to various legal actions arising in the ordinary course of business. The ultimate liability, if any, associated with these matters was not believed to be material at September 30, 2010. While it is not feasible to

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

determine the actual outcome of these actions as of September 30, 2010, we do not believe that these matters will have a material adverse effect on our consolidated financial condition, results of operations, or cash flows.

During fiscal 2008, 2009, and 2010, we incurred costs associated with store closings of approximately \$3.0 million, \$6.2 million, and \$1.2 million, respectively. These costs primarily related to the future minimum operating lease payments of the closed locations. The store closings were a key component in our effort to better match our fixed costs with the decline in retail business caused by the soft economic conditions. The store closing costs have been included in selling, general, and administrative expenses in the consolidated statements of operations during fiscal 2008, 2009, and 2010.

In connection with our workers compensation insurance policies, the Company maintains a letter of credit in the amount of \$2.5 million with our policy holder. The letter of credit is collateralized by a certificate of deposit held by the bank that issued the letter of credit. The certificate of deposit is classified as cash and cash equivalents in the accompanying consolidated balance sheets as of September 30, 2010.

We are subject to federal and state environmental regulations, including rules relating to air and water pollution and the storage and disposal of gasoline, oil, other chemicals and waste. We believe that we are in compliance with such regulations.

17. EMPLOYEE 401(k) PROFIT SHARING PLANS:

Employees are eligible to participate in our 401(k) Profit Sharing Plan (the “Plan”) following their 90-day introductory period starting either April 1 or October 1, provided that they are 21 years of age. Under the Plan, we match 25% of participants’ contributions, up to a maximum of 5% of each participant’s compensation. We contributed, under the Plan, or pursuant to previous similar plans, approximately \$1.5 million, \$167,000, and \$150,000 for the fiscal years ended September 30, 2008, 2009, and 2010, respectively.

18. PREFERRED SHARE PURCHASE RIGHTS:

During September 2001, we adopted a Stockholders’ Rights Plan (the “Rights Plan”) that may have the effect of deterring, delaying, or preventing a change in control that might otherwise be in the best interests of our stockholders. Under the Rights Plan, a dividend of one Preferred Share Purchase Right was issued for each share of common stock held by the stockholders of record as of the close of business on September 7, 2001. Each right entitles stockholders to purchase, at an exercise price of \$50 per share, one-thousandth of a share of a newly created Series A Junior Participating Preferred Stock.

In general, subject to certain limited exceptions, the stock purchase rights become exercisable when a person or group acquires 15% or more of our common stock or a tender offer or exchange offer for 15% or more of our common stock is announced or commenced. After any such event, other stockholders may purchase additional shares of our common stock at 50% of the then-current market price. The rights will cause substantial dilution to a person or group that attempts to acquire us on terms not approved by our Board of Directors. The rights should not interfere with any merger or other business combination approved by the Board of Directors. The rights may be redeemed by us at \$0.01 per stock purchase right at any time before any person or group acquires 15% or more of the outstanding common stock. The rights expire on August 28, 2011.

The Rights Plan adoption and Rights Distribution is a non-taxable event with no impact on our financial results.

19. SUBSEQUENT EVENTS:

On October 7, 2010, we entered into an Inventory Financing Agreement (the “CGI Facility”) with CGI Finance, Inc. The CGI Facility provides a floor plan financing commitment of \$30 million and is designed to provide financing for our Azimut inventory needs. The CGI Facility has a one-year term, which is typical in the

MARINEMAX, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

industry for similar floor plan facilities; however, each advance under the CGI Facility can remain outstanding for 18 months. The interest rate for amounts outstanding under the CGI Facility is 350 basis points above the one month London Inter-Bank Offering Rate.

Advances under the CGI Facility will be initiated by the acquisition of eligible new and used inventory or will be re-advances against eligible new and used inventory that has been partially paid-off. Advances on new inventory will mature 550 days from the original invoice date. Advances on used inventory will mature 366 days from the date we acquire the used inventory. Each advance is subject to a curtailment schedule, which requires that we pay down the balance of each advance on a periodic basis starting after six months for used inventory and one year for new inventory. The curtailment schedule varies based on the type of inventory.

The collateral for the CGI Facility is our entire Azimut inventory financed by the CGI Facility with certain limited exceptions. None of our real estate has been pledged for collateral for the CGI Facility. We must maintain compliance with various covenants, including balance sheet related covenants of current and leverage ratios, as defined in the CGI Facility. The CGI Facility contemplates that other lenders may be added by us to finance other inventory not financed under the CGI Facility, if needed.

20. QUARTERLY FINANCIAL DATA (UNAUDITED):

The following table sets forth certain unaudited quarterly financial data for each of our last eight quarters. The information has been derived from unaudited financial statements that we believe reflect all adjustments, consisting only of normal recurring adjustments, necessary for the fair presentation of such quarterly financial information.

	December 31, 2008	March 31, 2009	June 30, 2009	September 30, 2009	December 31, 2009	March 31, 2010	June 30, 2010	September 30, 2010
	(Amounts in thousands except share and per share data)							
Revenue	\$ 100,224	\$ 129,608	\$ 151,514	\$ 207,239	\$ 100,449	\$ 110,116	\$ 115,383	\$ 124,392
Cost of sales	76,521	109,894	118,898	194,612	78,478	85,910	80,829	94,316
Gross profit	23,703	19,714	32,616	12,627	21,971	24,206	34,554	30,076
Selling, general, and administrative expenses	38,862	36,360	38,975	45,801	29,629	29,631	33,340	31,372
Income (loss) from operations	(15,159)	(16,646)	(6,359)	(33,174)	(7,658)	(5,425)	1,214	(1,296)
Interest expense	4,062	3,774	3,380	2,848	1,462	1,059	702	703
Income (loss) before income tax benefit	(19,221)	(20,420)	(9,739)	(36,022)	(9,120)	(6,484)	512	(1,999)
Income tax benefit	(4,881)	(151)	(559)	(3,039)	(19,273)	(146)	—	(169)
Net income (loss)	\$ (14,340)	\$ (20,269)	\$ (9,180)	\$ (32,983)	\$ 10,153	\$ (6,338)	\$ 512	\$ (1,830)
Net income (loss) per share: Diluted	\$ (0.78)	\$ (1.09)	\$ (0.49)	\$ (1.72)	\$ 0.45	\$ (0.29)	\$ 0.02	\$ (0.08)
Weighted average number of shares: Diluted	18,500,794	18,512,104	18,575,332	19,148,498	22,344,687	21,982,631	22,793,218	22,139,158

NOTE: PORTIONS OF THIS EXHIBIT INDICATED BY “[****]” ARE SUBJECT TO A CONFIDENTIAL TREATMENT REQUEST, AND HAVE BEEN OMITTED FROM THIS EXHIBIT. COMPLETE, UNREDACTED COPIES OF THIS EXHIBIT HAVE BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION AS PART OF THIS COMPANY’S CONFIDENTIAL TREATMENT REQUEST.

**FLOOR PLAN LOAN AGREEMENT
FOR
MARINEMAX, INC. & SUBSIDIARIES**

THIS FLOOR PLAN LOAN AGREEMENT (the “Agreement”) is made as of October 7, 2010, by and among MARINEMAX, INC., a Delaware corporation, MARINEMAX EAST, INC., a Delaware corporation, MARINEMAX SERVICES, INC., a Delaware corporation, MARINEMAX NORTHEAST, LLC, a Delaware limited liability company, BOATING GEAR CENTER, LLC, a Delaware limited liability company, US LIQUIDATORS, LLC, a Delaware limited liability company, and NEWCOAST FINANCIAL SERVICES, LLC, a Delaware limited liability company (each a “Borrower” and collectively the “Borrowers”), and CGI FINANCE, INC., a Delaware corporation having its principal business address at 1407 Fleet Street, Baltimore, Maryland 21231 (together with its successors and assigns, “Lender”).

WHEREAS, Borrowers have requested Lender to loan money to and otherwise extend credit to Borrowers to finance the purchase of Borrowers’ inventory of new and used luxury Azimut yachts (the “Floor Plan Credit”);

WHEREAS, Lender has required, as a condition to extending the Floor Plan Credit, that this Agreement and certain other Credit Documents (as defined herein) be executed and delivered by Borrowers;

WHEREAS, Lender has loaned and/or extended credit and/or may in the future loan and/or extend credit to Borrowers by reason of the request of Borrowers and in reliance upon this Agreement and the other Credit Documents;

NOW, THEREFORE, in consideration of the foregoing, of the promises herein contained, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, each intending to be legally bound hereby, agree as follows:

ARTICLE 1. DEFINITIONS

1.01 Defined Terms.

As used herein the following capitalized terms will have the following meanings:

“Advance” shall mean an extension of Floor Plan Credit pursuant to the Credit Documents.

“Advance Date” shall mean the date on which the relevant Advance is made.

“Affiliate” shall mean, as to any Person, (i) any other Person which directly, or indirectly through one or more intermediaries, controls such Person, (ii) any other Person which directly, or indirectly through one or more intermediaries, is controlled by or is under common control with such Person, (iii) any other Person of which such Person owns, directly or indirectly, ten percent (10%) or more of the common stock or equivalent equity interests or (iv) such Person’s officers, managers, directors and partners. As used herein, the term “control” means possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities or otherwise.

“Azimut Yachts” shall mean a Vessel manufactured by or for Azimut-Benetti or its Affiliate as a luxury yacht.

“Bankruptcy Code” means, with respect to any matter subject to the laws of the United States of America (“United States”), title 11, United States Code, as in effect in the United States, as amended from time to time, and with respect to any matter subject to the laws of a foreign jurisdiction, any statute or code providing for proceedings in bankruptcy or insolvency under the laws of that other jurisdiction, as they may be in effect, and as amended from time to time.

“Business Day” shall mean each day (other than a Saturday or Sunday) on which banks generally are open for business in Baltimore, Maryland.

“Charges” shall have the meaning assigned to that term in **Section 3.03(e) (Other Charges)** of this Agreement.

“Closing Date” means the date of this Agreement.

“Collateral” shall have the meaning assigned to that term in the Security Agreement.

“Collateral Compliance Check” shall have the meaning assigned to that term in the Security Agreement.

“Credit Documents” means this Agreement, the Note, the Security Agreement, the Powers of Attorney and any other document now or hereafter given to Lender by any Borrower to evidence or secure payment of any of the Obligations.

“Current Ratio” means the number derived by dividing the amount of Borrowers’ current assets by the amount of its current liabilities, as those amounts are determined under GAAP.

“Default” shall mean any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“Default Rate” shall mean the Interest Rate plus **two percent (2%) per annum**.

“Documents of Title” shall have the meaning assigned to that term in the Security Agreement.

“Enforcement Expenses” means all expenses, charges, costs, and fees (including without limitation reasonable attorneys’ fees and expenses, including as to proceedings in any court or other forum and regardless whether suit is filed) of any nature whatsoever paid or incurred by or on behalf of Lender in connection with the collection or enforcement of any of the Obligations and/or any of the Credit Documents, including but not limited to all such costs of recovery, repair, preservation, maintenance, and disposition of any Collateral.

“Event of Default” shall have the meaning assigned to that term in **Section 7.01** (*Events of Default*) of this Agreement.

“Floor Plan Credit” shall mean and include any and all extensions by Lender of credit hereunder to, or for the benefit of, Borrowers.

“GE” shall mean General Electric Commercial Distribution Finance Corporation.

“GAAP” shall mean the generally accepted accounting principles in the United States as of the date hereof.

“HIN” shall mean the hull identification number affixed to a vessel as prescribed by 33 C.F.R. part 181, as amended.

“Indebtedness” shall mean, as to any Person, any indebtedness for or in respect of:

(a) moneys borrowed;

(b) any amount raised by acceptance under any acceptance credit facility or any dematerialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease;

(e) amounts received as payment for any receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(f) any liability arising from a derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, except for the purpose of **Section 7.01(d)** when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);

(g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing (other than trade credit in the ordinary course of business);

(h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; or

(i) without double counting, the amount of any liability in respect of any guarantee or indemnity for any item referred to in paragraphs (a) to (h) above.

“Intercreditor Agreement” shall mean that certain Intercreditor Agreement, of even date herewith, between GE and Lender.

“Interest” shall have the meaning assigned to that term in **Section 3.02(a)** (*Interest*) of this Agreement.

“Interest Rate” shall mean the variable rate of interest equal to **LIBOR plus 350 basis points**, determined on a monthly basis, or such other rate of interest provided for in this Agreement or to which Borrowers and Lender agree in writing.

“Inventory” shall mean and include the inventory, as defined in the UCC, of new and used luxury Azimut Yachts acquired or to be acquired by Borrowers wherever located, now owned or hereafter held or acquired for sale by Borrowers, including such Azimut Yachts as may from time to time be “equipment” of Borrowers as that term is defined in the UCC and including any Azimut Yacht accepted by Borrowers as a Trade-In Vessel, and all insurances in relation thereto and all contracts for the acquisition of such Vessel, together with (a) all rights of any Borrower in any price protection payments, rebates, discounts, credits, factory holdbacks, incentive payments and other amounts which at any time are due any Borrower with respect to, or in connection with, any such inventory, (b) all parts, accessions, accessories and replacements to or of any such inventory, (c) all accounts, general intangibles, contract rights, instruments and chattel paper representing proceeds of any of the foregoing, and (d) all other proceeds (including without limitation, insurance and cash proceeds) and products of the foregoing.

“Late Fee” shall have the meaning assigned to that term in **Section 3.02(d)** (*Late Fees*) of this Agreement.

“Leverage Ratio” means the number derived by dividing the amount of Borrowers’ total debt by the amount of its total shareholder equity, as those amounts are determined under GAAP.

“LIBOR” shall mean for any month, the one (1) month London Interbank Offered Rate as published in the *Wall Street Journal* as of the last Business Day of the preceding month.

“Lien” means any mortgage, pledge, chose, hypothecation, assignment, encumbrance, lien (statutory or other), maritime lien, security interest, or other agreement or arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement), and any financing lease having substantially the same economic effect.

“LOA” shall mean length overall.

“Loss” shall have the meaning assigned to that term in the Security Agreement.

“Material Adverse Effect” shall mean a material adverse effect, taken as a whole, on either (i) the ability of Borrowers to pay or perform any of their respective obligations under the Credit Documents or (ii) the legality, validity or enforceability of any of the Credit Documents.

“Maximum Credit” shall mean Thirty Million Dollars (**\$30,000,000.00**). Lender may, in its sole discretion without any obligation or requirement to do so, extend additional credit to Borrowers in excess of the Maximum Credit, which additional credit shall be subject to the terms and conditions of this Agreement and the other Credit Documents.

“NADA Value” shall mean the value of a previously owned Vessel as most recently published by the National Automobile Dealers Association.

“Net Invoice Price” shall mean the price payable to a Seller for a Borrower’s acquisition of Inventory, without reduction for any Seller Credits that may apply.

“Notice of Borrowing” shall have the meaning assigned to that term in the **Section 2.02(a)** (*Requirements*) of this Agreement.

“Obligations” shall mean and include the performance of the covenants and agreements set forth in this Agreement and the payment and performance of all of all loans, Advances, Principal, Principal Amounts, Principal Balance, Interest, Late Fees, Charges, Enforcement Expenses, Indebtedness, and other fees and charges and liabilities and other obligations of Borrowers owed to Lender, of every kind and description arising under this Agreement or any other Credit Document, whether now existing or hereafter arising including without limitation those owed to others and acquired by Lender (by purchase, assignment or otherwise) and whether direct or indirect, primary or as guarantor or surety, absolute or contingent, due or to become due, liquidated or unliquidated, matured or unmatured, whether or not secured by additional collateral, and all liabilities and obligations in connection with the financing or purchase of Inventory, including advances to boat or boat motor manufacturers, boat auction companies and other Sellers, and all liabilities, obligations and Indebtedness arising under this Agreement, the Security Agreement, or any other Credit Document and all other instruments and agreements evidencing, guarantying or securing any of the foregoing, and all obligations to perform or forbear from performing acts, and all Enforcement Expenses and other expenses and reasonable attorneys’ fees incurred or other sums disbursed by Lender under this Agreement, any other Credit Document or any other document or instrument related thereto or related to any of the foregoing or related to the preservation, realization, enforcement and exercise of rights, powers and remedies of Lender under any or all of the Credit Documents or related to any of the foregoing, including but not limited to all obligations owed under this Agreement.

“Organizational Documents” shall mean, as to any corporation, the articles of incorporation and bylaws of such corporation with all amendments thereto and as in effect in the jurisdiction of organization of such corporation; and as to any limited liability company the articles of organization and the operating agreement of such limited company, with all amendments thereto and as in effect in the jurisdiction of organization of such limited liability company.

“Permitted Liens” shall have the meaning assigned to that term in Section 6.02 (Liens) of this Agreement.

“Person” shall mean any individual, corporation, partnership, association, joint stock company, trust, limited liability company or partnership, incorporated organization, joint venture, court or government or political subdivision or agency.

“Pledged Collateral” shall have the meaning assigned to that term in the Security Agreement.

“Powers of Attorney” shall have the meaning assigned to that term in the Security Agreement.

“Principal Amount” shall mean the total amount of each Advance of Floor Plan Credit extended to Borrowers by Lender.

“Principal Balance” shall mean the unpaid balance of the Principal Amounts outstanding and unpaid as of the date of computation; such Principal Balance shall be included within the meaning of the term “Principal” as used in this Agreement and the other Credit Documents.

“Principal Curtailment” shall have the meaning assigned to that term in **Section 3.03(a)** (*Repayment of Advance, Proceeds Held in Trust*) of this Agreement.

“Principal Curtailment Due Date” shall have the meaning assigned to that term in **Section 3.03(a)** (*Repayment of Advance, Proceeds Held in Trust*) of this Agreement.

“Principal Reduction” shall have the meaning assigned to that term in **Section 3.05(a)** (*Allocation of Principal Reduction Payments*) of this Agreement.

“Rights” shall have the meaning assigned to that term in **Section 8.05** (*Rights and Remedies of Lender; No Waiver*) of this Agreement.

“Security Agreement” shall mean the Pledge and Security Agreement dated on or about the date of this Agreement between Borrowers and Lender (as amended, restated, or supplemented from time to time), together with all exhibits thereto.

“Seller” shall mean any manufacturer, builder, or other distributor who sells, transfers, or assigns Inventory to any Borrower.

“Seller Credits” shall mean the rights of Borrowers to any price protection payments, rebates, discounts, credits, factory holdbacks, incentive payments and other amounts which at any time are due to any Borrower from a Seller.

“Termination Date” shall mean the date falling one (1) year after the Closing Date unless extended by Lender in accordance with **Section 2.04(b)** (*Extension of Termination*) of this Agreement.

“Trade-In Vessel” shall mean a Vessel which is accepted in trade and acquired as Inventory by any Borrower.

“Unpaid Sums” shall have the meaning assigned to that term in **Section 3. 02(c)** (*Default Interest*) of this Agreement.

“Vessel” shall mean and include any watercraft used or capable of being used as a means of transportation on water, together with all goods identified to any such Vessel, together with its engines, spare parts, and all work in progress, materials, finished goods, tackle, rigging, sails, navigation equipment, electronics, tenders, fishing gear, accessories, apparel, furniture, and other goods and items and necessities ordered or delivered to or for, or incorporated into or placed on any Vessel by whomever supplied, on board or ashore, whether now or hereafter acquired, and regardless whether affixed to any Vessel, and the specifications and plans for any Vessel.

1.02 Uniform Commercial Code Terms. Unless otherwise defined herein, or unless the context otherwise requires, all terms used herein which are defined in the Uniform Commercial Code of the State of Maryland, Md. Code, Ann., Comm. Law Art. Title 9, in effect from time to time, unless by application of that law the Uniform Commercial Code in effect from time to time in the jurisdiction where the Pledgor as to an item of Collateral, as applicable, is located (and if a different jurisdiction, where the Collateral is located) (collectively, the “UCC”) shall have the meanings therein stated.

ARTICLE 2. FLOOR PLAN CREDIT LOAN

2.01 Amount of Floor Plan Credit; Use of Loan Proceeds.

a. Floor Plan Credit. Lender hereby undertakes to make available to Borrowers the Floor Plan Credit in a total maximum amount equal to the Maximum Credit. The Floor Plan Credit is subject to the terms, covenants, and conditions set forth in this Agreement and in the other Credit Documents. The obligations of repayment hereunder shall be secured by the Security Agreement and by the Powers of Attorney. Borrowers acknowledge that Lender is relying on the Credit Documents in its decision to extend credit to Borrowers under this Agreement, and would not enter into this Agreement without the execution and delivery of these foregoing Credit Documents.

b. Use of Proceeds. Borrowers agree that in all cases, the proceeds of all Floor Plan Credit will only be used to enable Borrowers to (i) refinance existing loan balances owed by one or more Borrowers to other lenders for Azimut Yachts owned by one or more Borrowers, (ii) finance the acquisition of previously owned Azimut Yachts, or (iii) acquire ownership of, or rights or interests in, Inventory. Borrowers understand and acknowledge that Lender will not finance under the Floor Plan Credit any Vessel that is not Inventory. Borrowers agree that no more than Seven Million, Five Hundred Thousand Dollars (**\$7,500,000.00**) of the Maximum Credit may be used for financing the Borrowers' Inventory of Trade-In Vessels which are previously owned Azimut Yachts.

NOTE: PORTIONS OF THIS EXHIBIT INDICATED BY “[****]” ARE SUBJECT TO A CONFIDENTIAL TREATMENT REQUEST, AND HAVE BEEN OMITTED FROM THIS EXHIBIT. COMPLETE, UNREDACTED COPIES OF THIS EXHIBIT HAVE BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION AS PART OF THIS COMPANY’S CONFIDENTIAL TREATMENT REQUEST.

2.02 Procedure; Amounts of Advances; Conditions Precedent .

a. Requirements . In order for a Borrower to request an Advance, that Borrower will deliver to Lender written notice (a “ Notice of Borrowing ”) no later than 11:00 a.m. Baltimore, Maryland time at least one (1) Business Day, and no more than thirty (30) calendar days, prior to the date the Advance is requested to be made. Each Notice of Borrowing shall be irrevocable and shall be signed by an authorized officer of a Borrower, and (i) specify the aggregate amount of the Advance(s) requested, (ii) specify the proposed Advance Date, which shall be a Business Day, (iii) include a description identifying each item of Inventory being financed by such Advance, including the HIN for each Vessel or other serial number for all other such Inventory item(s), (iv) specify the Net Invoice Price of such Inventory item(s), (v) identify the location at which such Inventory item(s) will be delivered to that Borrower, and (vi) specify the manner in which Borrowers shall comply with the Security Agreement as to that item of Inventory. Borrowers are permitted to request no more than one (1) Advance in each Notice of Borrowing.

b. Amount of Advances .

(i) For all Inventory purchases of new Azimut Yachts less than or equal to [****], the Notice of Borrowing for each Advance hereunder shall not specify an aggregate amount exceeding ninety percent (**90%**) of the Net Invoice Price of the relevant Inventory item.

(ii) For all Inventory purchases of new Azimut Yachts greater than [****], the Notice of Borrowing for each Advance hereunder shall not specify an aggregate amount exceeding eighty-five percent (**85%**) of the Net Invoice Price of the relevant Inventory item.

(iii) For all Inventory purchases of previously owned Azimut Yachts, Borrowers’ Notice of Borrowing for each Advance hereunder shall not specify an aggregate amount exceeding eighty percent (**80%**) of the lesser of (aa) the NADA Value of the relevant Inventory Item(s), and (bb) the fair market value of the Inventory item, or such other reasonable amount as determined by Lender as the value for such Inventory item, as would reasonably be determined as the price of similar goods in a sale of such goods by a manufacturer to a dealer of such goods (the “ Floor Plan Value ”).

c. Representations and Warranties as of Each Advance Date. Each Notice of Borrowing delivered hereunder shall be deemed a representation and warranty by Borrowers that all conditions precedent to such Advance referred to in **Section 4.02 (b) through (e)** of this Agreement are satisfied as of (i) the date of such Notice of Borrowing and as of (ii) the date of such Advance.

d. Making of the Advance. If the conditions set out in this Agreement have been met Lender shall make the Advance available by the Advance Date.

2.03 Method of Payment and Statements.

a. Method of Payment. To facilitate the financing of acquisition of Inventory, Borrowers acknowledge and agree that Advances made hereunder by Lender may be evidenced through drafts (including but not limited to electronic drafts) drawn on Lender by Borrowers by electronic payment by wired funds through the Federal Reserve system or by drafts or checks. Borrowers hereby agree to reimburse Lender for any and all electronic payments or drafts or checks so drawn.

b. Periodic Statements. Borrowers acknowledge and agree that until the amount of each Advance is repaid in full, the terms of the financing stated on any periodic statement sent by Lender to Borrowers with respect to that Advance, including the Interest Rate, Late Fees, Charges, terms of repayment, and other terms applicable to each Advance made to or on behalf of Borrowers shall, in the absence of manifest error, be conclusive and govern Borrowers' terms of repayment and performance as to that Advance, provided, however, that if any of the terms of financing stated on any periodic statement sent by Lender to Borrowers contains any financing terms, including, but not limited to, Interest Rate, Late Fees, Charges, or other terms of repayment, that differ from the terms contained in this Agreement, then the financing terms contained in this Agreement shall apply.

2.04 Expiration of Floor Plan Credit; Extension of Termination Date.

a. Expiration, Termination. Subject to the provisions herein for early termination and for extension of the term of the Floor Plan Credit, after the Termination Date, Lender shall have no further obligation whatsoever to make any new Advance, including any new Advance of a prepayment, provided, however, that the unpaid balance of any Advance outstanding as of the Termination Date, and all payments required by Borrowers in connection with any such Advance, including all accrued Interest, Late Fees, Charges, and Enforcement Expenses thereon, if any, shall be due and payable to Lender as prescribed on **Schedule 3.03**

b. Extension of Termination. Borrowers may request that Lender extend the Termination Date of the Floor Plan Credit by Borrowers' written notice of extension request given to Lender no less than thirty (30) days prior to the Termination Date. Lender may by notice to Borrowers extend the Termination Date for an additional term of one (1) year; such an extension to be granted by Lender on no more than four (4) occasions, unless otherwise agreed; each such extension to be granted or declined by Lender in its sole and absolute discretion.

ARTICLE 3. PAYMENT TO LENDER

3.01 Repayment.

Repayment Obligations. Borrowers, jointly and severally, hereby promise to pay in full to Lender when due the amount of all Obligations, including all Principal Amounts, together with accrued Interest, Late Fees, Charges, Enforcement Expenses, any other fees and expenses, and all other amounts of Obligations due, all in accordance with the terms of this Agreement and the other Credit Documents.

3.02 Interest.

a. Rate and Computation. Interest shall accrue on the unpaid Principal Balance of all Principal Amounts outstanding from time to time at the Interest Rate, determined and applied on a monthly basis. Interest shall be calculated on the basis of a year of three hundred sixty (360) days applied to the actual days on which there exists an unpaid Principal Balance under this Agreement. All accrued and unpaid interest on the unpaid Principal Balance from time to time outstanding under this Agreement shall be included within the meaning of the term “Interest” as used herein.

b. Interest Payment. Except as accelerated or otherwise sooner payable hereunder, accrued and unpaid Interest shall be due and payable on the due date prescribed in **Section 3.04** (*Billing and Payment Date*) as any part of the Obligations remains outstanding and unpaid.

c. Default Interest. Notwithstanding the entry of any decree, order judgment or other judicial action under, pursuant to, in connection with, or otherwise concerning this Agreement, upon the occurrence of a Default continuing past any applicable cure period or an Event of Default (defined herein), Borrowers promise to pay to Lender, whenever demanded by Lender, interest on the unpaid Principal Balance of all Principal Amounts outstanding from time to time and all other amounts then and thereafter due and payable hereunder (“Unpaid Sums”) at a fixed rate of interest equal at all times to the Default Rate from the date of such Default or Event of Default for so long as such Default continues past any applicable cure period or such Event of Default exists, plus any Late Fees, Charges, and Enforcement Expenses due and payable.

d. Late Fees. If Borrowers fail to make any payment of Principal, Interest, or Charges becoming due pursuant to this Agreement within fifteen (15) days of the date due and payable, Borrowers shall pay to Lender a late fee equal to **five percent (5%)** of the amount of such payment (a “Late Fee”). Such fifteen (15) day period shall not be construed in any way to extend the due date of any such payment. Except as accelerated or otherwise sooner payable hereunder, unpaid Late Fees shall be due and payable on the first day of the following month for long as any part of the Obligations remains outstanding and unpaid.

3.03 Repayment of Advance; Proceeds of Sales Held In Trust.

a. Repayment of Advance. Except as accelerated or otherwise sooner paid or payable hereunder, Borrowers, jointly and severally, shall repay Lender the Principal Balance of each Advance in an amount equal to the specified percentage of the Advance (each a “Principal Curtailment”) on or before the due date specified by the periodic billing statement sent by Lender for that Principal Curtailment (the “Principal Curtailment Due Date”) in accordance with the schedule and requirements set forth on **Schedule 3.03** attached hereto, together with all accrued Interest, plus any Late Fees, Charges, and Enforcement Expenses incurred, and any other Obligations then due and payable, if any.

b. Upon Transfer or Loss. Borrowers, jointly and severally, agree to repay Lender the entire Principal Balance of any Advance relating to any item of Inventory, in no event later than five (5) Business Days after the date that any Borrower receives substantially all the proceeds of a sale or transfer of any such Inventory to any Person, or the date that any Borrower

receives the proceeds of an insurance claim in respect of a Loss of such an item of Inventory. Until so paid, Borrowers shall hold the proceeds of such sale, transfer or insurance claim, **in trust** for the sole benefit of Lender and Borrowers shall not otherwise apply the proceeds of such sale, transfer, or other disposition, including insurance proceeds, to any other purpose or transfer them to any other entity, including not to any Affiliate of Borrowers. All accrued and unpaid Interest, plus any Late Fees, Charges and Enforcement Expenses incurred related to an item of Inventory which has been sold or transferred, shall be invoiced by Lender in the following monthly periodic billing statement, and shall be paid by Borrowers on or before the due date specified by Lender's periodic billing statement. In the event of a Default continuing past any applicable cure period or an Event of Default existing, and if requested by Lender, Borrowers shall maintain a separate bank account with Lender into which all cash proceeds of sales, transfers, or other dispositions of Inventory will be deposited.

c. Excess of Maximum Credit . In the event that, at any time, the aggregate amount of all Principal Amounts outstanding hereunder shall exceed the Maximum Credit, Borrowers will, within three (3) Business Days receipt of written request from Lender to Borrowers, prepay the outstanding Principal Balance of the Floor Plan Credit in the full amount of such excess.

d. Optional Prepayment . At any time and from time to time, Borrowers shall have the right to prepay any Advance outstanding, in whole or in part, without premium or penalty, upon written notice given to Lender not later than 11:00 a.m. Baltimore, Maryland time, one (1) Business Day prior to each intended prepayment of any portion of any Advance. To the extent that Borrowers prepay any Advance outstanding, in whole or in part, then Borrowers shall have the right, upon delivery of a Notice of Borrowing pursuant to **Section 2.02** (*Procedure; Amounts of Advances; Conditions Precedent*), to draw as an Advance the amount of the prepayment as an Advance subject to repayment and other provisions of this **Article 3** (*Payment To Lender*) .

e. Other Charges . In addition to Principal, accrued Interest, and Late Fees, Borrowers shall pay all other charges, costs, expenses, and disbursements of any type made or suffered by Lender by reason of the making of each Advance and recoverable by Lender hereunder ("Charges"). Advance Fees, costs of any insurance placed by Lender, and reasonable fees charged by Lender and expenses incurred by Lender as a result of a Collateral Compliance Check shall be included within the meaning of the term "Charges." Except as accelerated or otherwise sooner payable hereunder, unpaid Charges shall be due and payable on the first day of each month for long as any part of the Obligations remains outstanding and unpaid

3.04 Billing and Payment Due .

a. Monthly Billing . Lender shall regularly issue to Borrowers, on a date Lender selects in Lender's sole discretion, monthly periodic statements to Borrowers for accrued Interest, Charges and Enforcement Expenses incurred, and for repayment of any Principal Amounts due. If issued on or before the third (3rd) Business Day of the month immediately following the month to which the periodic statement applies, payment for all amounts set forth upon the monthly periodic statements shall be due by the 15th day of the month of issuance; otherwise payment for such amounts shall be due on the 15th day following issuance. Such

monthly periodic statements may include amounts due and owing to Lender, including, but not limited to, Principal, Interest, Advance Fees, mandatory Principal Reductions, insurance premiums and/or any other Charges or amounts or Obligations due to Lender. Neither Lender's failure to issue such a monthly periodic statement, nor the omission from a statement issued to Borrowers of an amount due from Borrowers, shall in any way relieve Borrowers from their responsibility to make payments when due of all amounts due under the Credit Documents, including Principal Reductions, as set forth in **Section 3.03** (*Repayment of Advance; Proceeds of Sales Held In Trust*) of this Agreement. In the absence of manifest error, the amounts owing to Lender set forth on such monthly statements shall be deemed conclusive, unless Borrowers notify Lender in writing of any correction or objection thereto within thirty (30) calendar days of receipt thereof. If any amount due hereunder or any other Credit Document is not paid when due, such amounts shall bear interest from the date when due until paid in full at the Default Rate.

b. Place of Payments . All payments payable hereunder and prepayments shall be paid in lawful money of the United States of America in immediately available funds during regular business hours of Lender at Lender's office at 1407 Fleet Street, 2nd floor, Baltimore, Maryland 21231, or at such other place as Lender may at any time or from time to time designate in writing to Borrowers.

3.05 Application of Payments .

a. Allocation of Principal Reduction Payments . For so long as there shall be no Default continuing past applicable cure period and no Event of Default existing, all payments of Principal of the Floor Plan Credit made in accordance with **Sections 3.03(a)** (*Repayment of Advance*) , **3.03(b)** (*Upon Transfer or Loss*) , **3.03(c)** (*Excess of Maximum Credit*) or **3.03(d)** (Optional Prepayment) (each a "Principal Reduction") will be applied directly to the Principal Balance of Floor Plan Credit advanced if Borrowers designate such payment as a "Principal Reduction" and specify the Advance(s) by reference to the relevant item(s) of Inventory (by HIN or other serial number or other description satisfactory to Lender) for which the Principal Reduction payment should be allocated.

b. Allocation of Other Payments . All payments on account of this Agreement (including prepayments) received by Lender from or to the benefit of Borrowers that are not properly designated as a "Principal Reduction" as set forth in Section 3.05(a) (Allocation of Principal Reduction Payments) when paid, shall be applied first to any unpaid Enforcement Expenses, then to any unpaid Charges, then to accrued Interest then due, and the balance, if any, shall be applied in reduction of the Principal Balance.

3.06 Taxes .

All payments of Principal, Interest, Late Fees, Charges, Enforcement Expenses, or other sums to be made by Borrowers pursuant to this Agreement with respect to any Floor Plan Credit or fees relating thereto or with respect to any other Obligation shall be paid without deduction for, and free from, any tax, imposts, levies, duties, deductions, or withholdings of any nature now or at any time hereafter imposed on or measured by any governmental authority or by any taxing authority thereof, or therein, excluding (i) taxes imposed on or measured by Lender's net income, (ii) franchise taxes imposed on Lender by the jurisdiction under the laws of which

Lender is organized or any political subdivision thereof, and (iii) taxes imposed on Lender's income. In the event that any Borrower is required by applicable law to make any such withholding or deduction of taxes with respect to any Floor Plan Credit or fee or other amount or Obligation, Borrowers shall pay such deduction or withholding to the applicable taxing authority, shall promptly furnish to Lender all receipts and other additional amounts as may be necessary in order that the amount received by Lender after the required withholding or other payment shall equal the amount Lender would have received had no such withholding or other payment been made.

3.07 Extensions.

Borrowers agree that the maturity of Borrowers' obligation, either for the for repayment of the Principal Amount of the Floor Plan Credit, or repayment of any Advance, or any payment due hereunder, may be extended at any time or from time to time without releasing, discharging, or affecting the liability of any other party.

3.08 Evidence of Borrowers' Obligation to Pay, Waiver of Presentment.

Borrowers' execution of this Agreement for repayment of the Principal Amount of the Floor Plan Credit extended by Lender to Borrowers from time to time hereunder as provided in this **Article 3** shall be deemed full, sufficient, and adequate evidence of Borrowers' obligation to pay Lender. In no event will delivery of an instrument evidencing an obligation to pay Lender be considered actual payment neither to Lender, nor in limitation of Borrowers' obligations hereunder for amounts in excess of the Maximum Credit, unless actual payment is made to Lender in reduction of such Obligations. Either the original or any copy or facsimile or counterpart of this Agreement shall constitute prima facie evidence of the Obligations to Lender in any action or suit for collection thereof or otherwise, and shall be legal and sufficient evidence of production of any note or other instrument evidencing such obligation of Borrowers. Borrowers waive presentment, demand for payment, notice of dishonor, and protest.

ARTICLE 4. CONDITIONS PRECEDENT

4.01 Conditions Precedent to Effectiveness.

The obligation of Lender to make the initial advance of Floor Plan Credit hereunder is subject to the receipt by Lender of the following in form and substance reasonably satisfactory to Lender:

- a. this Agreement duly executed and delivered by the Borrowers;
- b. the Security Agreement duly executed and delivered by Borrowers;
- c. certificates of the Secretary of each Borrower, attaching and certifying copies of the Borrower's Organizational Documents and certifying that the Borrower is registered and qualified to do business as a foreign legal entity in each jurisdiction in which Collateral is or is expected to be located, and attaching copies of the resolutions of its managing stockholders, directors, members, or managers, or authorized committees, as the case may be, authorizing the execution, delivery and performance of each of the Credit Documents to which

that Borrower is a party and certifying the name, title and true signature of each officer or member of a Borrower executing the Credit Documents to which Borrowers are a party;

d. certified copies of certificates of good standing or existence, as may be available from the Secretary of State of Delaware (the jurisdiction of incorporation or organization of the Borrowers);

e. an opinion of legal counsel to Borrowers addressed to Lender and in form and substance satisfactory to Lender;

f. payment by Borrowers of all fees and reasonable expenses required hereunder or under any other Credit Document to be paid on or prior to the Closing Date in connection with the perfection or registration of the security interests or other Liens granted in favor of Lender in the Collateral pursuant to the Security Agreement;

g. certified copies of requests for information or copies (Form UCC-11), or equivalent reports as of a recent date, listing all effective financing statements that name Borrowers as debtor and that are filed in each jurisdiction in which each Borrower is "located" (within the meaning of the UCC), together with copies of such other financing statements or equivalent filings under applicable laws that name Borrowers as debtor;

h. as and to the extent required of Borrowers under the Security Agreement, as to each Vessel that to become an item of Inventory of Borrowers financed with the initial Advance to be made hereunder, the Pledged Collateral, certificates of insurance, and such other invoices, customs receipts, certificates, and papers as may be necessary to fulfill the requirements of the Security Agreement with respect to such Vessel; and

i. such Powers of Attorney, and other approvals, consents, agreements, certificates, and documents, as Lender shall reasonably request for purposes of the registration and/or perfection of Lender's security interest and/or Lien in each Vessel that is to become an item of Inventory of Borrowers financed with the initial Advance to be made hereunder.

4.02 Conditions Precedent to Future Advances.

The obligation of Lender to make any Advance of Floor Plan Credit after the Closing Date is subject to the satisfaction of the following conditions:

a. shall have received a Notice of Borrowing requesting an Advance in accordance with Section 2.02 (Procedure; Amounts of Advances; Conditions Precedent);

b. at the time of and immediately after giving effect to such Advance, no Default shall be continuing past any applicable cure period and no Event of Default shall exist under any Credit Document;

c. all representations and warranties of Borrowers set forth in the Credit Documents shall be true and correct in all material respects on and as of the date of such Advance, in each case before and after giving effect thereto;

d. as and to the extent required of Borrowers under the Security Agreement, as to each Vessel that is to become an item of Inventory of a Borrower financed with the Advance to be made hereunder, the Pledged Collateral, certificates of insurance, and such other invoices, customs receipts, certificates, and papers as may be necessary to fulfill the requirements of the Security Agreement with respect to each such Vessel; and

e. Lender shall have received such Powers of Attorney, and other approvals, consents, agreements, certificates, and documents, as Lender shall reasonably request for purposes of the registration and/or perfection of Lender's security interest and/or Lien in each Vessel that is to become an item of Inventory of a Pledgor financed with the Advance to be made hereunder.

f. As a continuing condition to the Floor Plan Credit, Borrowers authorize Lender and its agents and representatives and grant to them a license to enter upon the premises of the Borrowers, or wherever the Collateral may be located, from time to time, in Lender's sole discretion, and without prior notice, to examine any and all Collateral for any reasonable purpose, including, but not limited to: verifying commissioning of all Inventory; verifying the presence of such Inventory; verifying the condition of such Inventory; and verifying the non-use of such Inventory other than demonstration use. Borrowers hereby agree to fully cooperate with Lender in its examination and to reimburse Lender for all costs incurred by Lender in connection with such Inventory examinations, any such costs and expenses incurred by Lender shall be within the meaning Lender of "Charges" as provided in **Section 3.03(e)** (*Other Charges*).

4.03 Waiver of Conditions Precedent.

If Lender funds any Floor Plan Credit hereunder prior to the fulfillment of any of the conditions precedent set forth in this **Article 4**, the making of such Advance of Floor Plan Credit shall constitute only an extension of time for the fulfillment of such condition and not a waiver thereof, and Borrowers shall thereafter use their best efforts to fulfill each such condition within thirty (30) days after the making of such Advance of Floor Plan Credit.

ARTICLE 5. REPRESENTATIONS, WARRANTIES

In addition to the representations and warranties specified at **Section 2.02(d)** (*Representations and Warranties as of Each Advance Date*) of this Agreement, Borrowers hereby represent and warrant, as of (i) the Closing Date and as of (ii) the Advance Date for each Advance made under this Agreement, to Lender as an inducement to extend the Floor Plan Credit to Borrowers, as follows:

5.01 Incorporation.

Borrowers (i) are duly incorporated or organized, as the case may be, and are a validly existing legal entity under the laws of the *jurisdiction* of their incorporation or organization and (ii) have all requisite power and authority to carry on their business as now conducted.

5.02 Authorization, Valid Obligation.

The execution, delivery and performance by Borrowers of the Credit Documents to which they are a party are within Borrowers' respective corporate powers and have been duly authorized by all necessary corporate action. This Agreement has been duly executed and delivered by Borrowers, and constitutes, and each other Credit Document to which Borrowers are a party, when executed and delivered by Borrowers, will constitute, valid and binding obligations of Borrowers, enforceable against them in accordance with their respective terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

5.03 No Consent; No Violation.

The execution, delivery and performance by Borrowers of this Agreement and the other Credit Documents to which Borrowers are a party (i) will not violate any applicable law or regulation the violation of which could reasonably be expected to have a Material Adverse Effect or the charter, bylaws or other constitutional documents of Borrowers and (ii) will not violate or result in a default under any indenture, material agreement or other material instrument binding on Borrowers.

5.04 No Default or Conflicting Agreements.

a. No Default is continuing past any applicable cure period and no Event of Default exists or would reasonably be expected to result from the execution of, or the transactions contemplated by, the Credit Documents.

b. No other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on Borrowers or to which its assets are subject and which in each case would reasonably be expected to have a Material Adverse Effect.

5.05 Factual Information.

So far as Borrowers are aware, no written factual information furnished by or on behalf of Borrowers in connection with the Floor Plan Credit contains any untrue statement of material fact or omits a material fact necessary to make the statements contained therein not materially and adversely misleading as at the date on which the information was provided.

5.06 Financial Statements.

Borrowers have furnished to Lender certain financial statements as reflected in **Section 6.03** (*Financial Statements*). Such financial statements fairly present the financial condition of the Borrowers as of such dates and the consolidated results of operations for such periods in conformity with GAAP consistently applied, in all material respects. As of the quarter ended September 30, 2010, Borrowers are in compliance with the Financial Covenants provided in **Section 6.04** (*Financial Covenants*).

5.07 No Litigation.

No litigation, investigation or proceeding of or before any arbitrators or governmental authorities is pending, or judgment entered, against or, to the best knowledge of Borrowers, threatened against or affecting Borrowers or any of their subsidiaries which, if adversely determined, would be reasonably expected to have a Material Adverse Effect.

5.08 No Liens .

All Collateral is free and clear of all Liens other than Permitted Liens.

ARTICLE 6. COVENANTS

The Borrowers covenant and agree that until payment in full of all the Obligations and termination of this Agreement:

6.01 Notice of Litigation .

Borrowers shall provide Lender with details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against Borrowers and which might, if adversely determined, have a Material Adverse Effect.

6.02 Liens .

Borrowers shall not permit Liens to arise or continue on items of Collateral except the following (collectively, the “Permitted Liens”): (i) Liens created pursuant to the Credit Documents; (ii) Liens for taxes, assessments or other governmental charges that are not due or payable or that are due or payable but are being diligently contested in good faith by appropriate proceedings; provided that such contested taxes, assessments or other governmental charges do not exceed five hundred thousand dollars (\$500,000) in aggregate at any time; (iii) Liens arising in the ordinary course of trading by operation of law and not by contract and which shall be discharged within thirty (30) days; (iv) Liens of carriers, warehousemen, mechanics and materialmen incurred in the ordinary course of business for sums not yet due and payable; and (v) Liens of GE on Collateral which are subordinate to the Lien of Lender pursuant to the terms of the Intercreditor Agreement.

6.03 Financial Statements .

Borrowers shall furnish, within one hundred and eighty (180) days of each subsequent fiscal year-end, audited financial statements prepared in accordance with GAAP. Borrowers agree to furnish additional financial information to Lender, from time to time, at the reasonable request of Lender and to promptly inform Lender of any adverse development or determination of any litigation, claim, action or proceeding against any Borrower that does or could have a Material Adverse Effect. Concurrently with each financial statement delivered hereunder, Borrowers shall deliver a certificate to the effect that the Borrowers are not aware of any condition or event which constitutes a Default under this Agreement or any other Credit Document.

6.04 Financial Covenants .

During the term of this Agreement, Borrowers taken as a whole shall maintain a Current Ratio greater than **1.20 to 1.00** , and a Leverage Ratio less than **2.75 to 1.00** measured as of the fiscal quarter end December 31, 2010 and each successive fiscal quarter thereafter.

6.05 Documents of Title .

Borrowers shall maintain, subject to the terms of this Agreement, all original Documents of Title for each Inventory item acquired by any Borrower and shall make the same available to Lender for inspection and shall provide photocopies thereof to Lender. Each Borrower shall provide written notice to Lender if such Borrower obtains a duplicate of any Document of Title for any item of Inventory.

ARTICLE 7. EVENTS OF DEFAULT

7.01 Events of Default .

The occurrence of any one or more of the following events shall constitute an event of default (“ Events of Default ”, and each an “ Event of Default ”) under this Agreement:

a. the failure by Borrowers to pay any amount due under a Credit Document (whether upon demand, at maturity, by acceleration or otherwise, no prior demand therefore by Lender being necessary), unless the failure to pay is caused by administrative or technical error and payment is made within three (3) Business Days of its due date;

b. the Borrowers, taken as a whole, become insolvent or generally do not pay their debts as they become due, or if a petition for relief in a bankruptcy court is filed by any Borrower, or if any Borrower applies for, consents to, or acquiesces in the appointment of a trustee, custodian, or receiver for any Borrower or any of its assets and property, or makes a general assignment for the benefit of creditors; or in the absence of such application, consent, or acquiescence, if a trustee, custodian, or receiver is appointed for any Borrower or for a substantial part of the assets and property of the Borrowers and is not discharged within sixty (60) days; or any bankruptcy, reorganization, debt arrangement, or other proceeding or case under any bankruptcy or insolvency law or any dissolution or liquidation proceeding is instituted against any Borrower and is consented to or acquiesced in by any Borrower or remains unresolved for sixty (60) days; or any Borrower takes any action to authorize any of the actions described in this section;

c. any representation, warranty, certification or statement made or deemed made by any Borrower in any Credit Document or in any certificate, financial statement or other document delivered pursuant to any Credit Document, shall prove to have been incorrect in any material respect when made or deemed made, unless the circumstances giving rise to the misrepresentation are capable of remedy and are remedied within thirty (30) days of the earlier to occur of (aa) Lender giving written notice thereof to Borrowers or (bb) any Borrower becoming aware of the misrepresentation;

d. the material failure by any Borrower to comply with any covenant, restriction or agreement contained in this Agreement or any other Credit Document (other than those referred to in Section 7.01(a) above), unless the failure to perform is capable of remedy and

is remedied within thirty (30) days after the earlier to occur of (aa) Lender giving written notice thereof to Borrowers or (bb) any Borrower becoming aware of the failure to comply, and provided further that the violation of any financial covenant of **Section 6.04** (Financial Covenants) by Borrowers is remedied on or before the last day of the month following the month of the occurrence of the earlier of (aa) Lender giving written notice of such violation to Borrowers or (bb) any Borrower becoming aware of such violation;

e. the occurrence and continuance of any default or event of default on the part of any Borrower (including specifically, but without limitation, defaults due to nonpayment) under the terms of any agreement, document or instrument pursuant to which any Borrower has incurred any Indebtedness in excess of Five Hundred Thousand Dollars (\$500,000.00) (or its equivalent in any other currency or currencies) which default or event of default has passed applicable cure periods and would permit acceleration of such Indebtedness;

f. the value of the assets of Borrowers taken as a whole is less than their liabilities (taking into account contingent and prospective liabilities);

g. any corporate action, legal proceedings or other procedure or step is taken in relation to:

(A) the suspension of payments, a moratorium of any indebtedness, winding-up (save where such proceedings, procedure or step are frivolous or vexatious and are discharged or otherwise withdrawn within thirty (30) days of commencement), dissolution (save where such proceedings, procedures or steps is frivolous or vexatious and is discharged or otherwise withdrawn within thirty (30) days of commencement), administration or reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Borrower; provided, however, that the foregoing shall not prohibit one Borrower from merging with another Borrower if Lender shall have been given thirty (30) days prior notice of such merger;

(B) a composition, assignment or arrangement with the creditors (or any class thereof) of any Borrower;

(C) an order for the winding up, administration or dissolution is made in relation to any Borrower;

(D) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Borrower or any of its assets;

(E) the shareholders, members, directors or other officers of any Borrower request the appointment of, or give notice of their intention to appoint, a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer; or

(F) enforcement of any Lien over all or any material part of the assets of any Borrower, or any analogous procedure or step is taken in any jurisdiction; or

h. any expropriation, attachment, sequestration, distress or execution affects any material asset or material assets of any Borrower and is not discharged within 21 days; or

i. the entry of a decree or order for relief by a court having jurisdiction in the premises in respect of any Borrower in an involuntary bankruptcy or insolvency proceeding or any other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) of any Borrower or for any substantial part of its property, or ordering the wind-up or liquidation of its affairs, or the filing and pendency for thirty (30) days without dismissal of a petition initiating an involuntary case under any such bankruptcy, insolvency or other similar law.

7.02 Effect of Termination.

Upon the effective date of any termination, Borrowers' rights hereunder to finance Inventory, and to use forms, promotional material, or any other materials provided by Lender hereunder shall cease, and Lender's obligation to make further Advances hereunder shall cease, but the Borrowers' obligations to pay and perform hereunder will remain in full effect until all Obligations owing to Lender under the Credit Documents are repaid in full.

7.03 Certain Breaches.

Upon any failure of Borrowers to comply with the financial covenants specified at **Section 6.04** (*Financial Covenants*) of this Agreement, regardless of whether the failure shall constitute a Default or an Event of Default and without any requirement of prior notice or demand by Lender or opportunity for cure, then the Interest Rate under the Note shall be increased to the variable rate of interest equal to **the Default Rate**, determined on a monthly basis, effective on the first day of the month following the breach of the financial covenants and continuing until such time that Borrowers remedy such violation of the financial covenants specified in **Section 6.04** (*Financial Covenants*) or all Obligations are fully paid, whichever is first, and Lender shall have no obligation to extend any Advances to Borrowers following such failure until such time that Borrowers remedy such violation of the financial covenants specified in **Section 6.04** (*Financial Covenants*) or all Obligations are fully paid, whichever is first; provided, however, that if Borrowers timely cure any breach of the financial covenants specified at **Section 6.04** (*Financial Covenants*), then beginning on the first day of the month following the month in which such cure is effected, if there is then no Default continuing past any applicable cure period and no Event of Default existing, the Interest Rate, not the Default Rate, shall be used to determine the amount of interest to be charged by Lender on the then outstanding Obligations due and payable by Borrowers and Lender's obligation to make Advances shall resume, subject to the terms and conditions of this Agreement and the other Credit Documents.

7.04 Multiple Remedies; Acceleration.

a. Upon any Default continuing past any applicable cure period or upon any Event of Default hereunder, Lender may, in its sole discretion, in addition to all of its other rights, remedies, and powers under this Agreement, by notice to the Borrowers (provided that upon the occurrence of an Event of Default resulting from a bankruptcy or insolvency

proceeding, all Obligations shall become immediately due and payable without any action by Lender) terminate this Agreement, declare the total amount of Obligations due hereunder immediately due and payable, and exercise all of the rights and remedies of a secured party or mortgagee under applicable laws with respect to the Collateral. All Obligations, including all unpaid Principal, Charges, and Enforcement Expenses, shall bear interest at the Default Rate and Lender may proceed to collect all Obligations due and owing and to exercise any and all of its rights at law, in equity, in admiralty, or otherwise, including without limitation in accordance with the terms of this Agreement and the Credit Documents.

b. For the avoidance of doubt, Lender shall have no obligation to seek to realize on all or any part of the Collateral. Upon and during the continuance of any Event of Default hereunder, Lender shall be entitled to take possession of any or all Documents of Title for any one or more items of Inventory without taking possession of or seeking to realize upon such items of Inventory to which such Documents of Title pertain. If Lender shall seek to realize on the Collateral and the proceeds realized from disposition thereof shall fail to satisfy all of the Obligations to Lender, Borrowers shall forthwith pay any deficiency balance to Lender, which amount shall bear interest from the date when due until paid in full at the Default Rate.

c. No failure on the part of Lender to enforce any of the rights hereunder shall be deemed a waiver of such rights or of any Default or Event of Default and no waiver of any Default or Event of Default hereunder will be deemed to be a waiver of any subsequent Default or Event of Default.

7.05 Waivers . The obligations of Borrowers under the Credit Documents will not be affected by any act, omission or thing (whether or not known to any of them or to Lender) which, but for this provision, would reduce, release or prejudice any of their obligations thereunder, and Borrowers hereby each consent to all such acts, omissions, or things without notice to Borrowers. This includes:

- a. any time or waiver granted to, or composition with, any person, or any increase or extension of the Obligations;
- b. any amendment of a Credit Document or any other document or security;
- c. any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Credit Document or any other document or security;
- d. any insolvency or similar proceedings;
- e. any and all impairment of collateral or any interest therein, regardless of by whom pledged, including lack of perfection or recordation of a security interest, release of collateral without substitution of collateral of equal value, failure to preserve the value of collateral, or failure to comply with applicable law in disposing of collateral;
- f. all other defenses based on suretyship or impairment of collateral, to the maximum extent the same may be waived under Section 3-605 of the UCC; and

g. all presentments, demands for performance, protests and notices, including without limitation, notices of nonperformance, notice of protest, notices of dishonor, notices of acceptance, and notices of the existence, creation or incurring of additional indebtedness.

7.06 Remedies Cumulative.

Each right, power and remedy of Lender provided for in this Agreement, in any other Credit Document or in any of the other instruments or agreements evidencing or securing the Obligations or now or hereafter existing at law or in equity or by statute shall be cumulative and concurrent and shall be in addition to every other such right, power or remedy. The exercise or beginning of the exercise by Lender of any one or more of the rights, powers or remedies provided for in this Agreement, in any other Credit Document or in any such other instrument or agreement now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by Lender of all such other rights, powers or remedies, and no failure or delay on the part of Lender to exercise any such right, power or remedy shall operate as a waiver thereof.

ARTICLE 8. GENERAL PROVISIONS

8.01 Acceptance by Lender.

Lender's extension of Floor Plan Credit to Borrowers or renewal of Floor Plan Credit to Borrowers after the date hereof, shall be deemed to be Lender's acceptance hereof.

8.02 Continuing Agreement.

This is a continuing Agreement and shall remain in full force and effect from the date hereof until terminated by one of the parties as provided in **Article 7** (*Events of Default*) of this Agreement and until all of the Obligations have been fully paid. This Agreement shall remain in effect, notwithstanding the fact that at any time or from time to time there may be no Obligations outstanding, in order to secure all future Obligations.

8.03 Attorney Fees.

In the event that legal proceedings are brought by Lender to enforce the terms, conditions or provisions of this Agreement or any related agreements or documents, or in the event of any mediation, out of court payment agreement, trial, appeal, bankruptcy or receivership proceedings, Lender shall be entitled to recover from Borrowers all expenses (including, but not limited to, reasonable attorneys' fees, legal expenses and reasonable costs of collection) of Lender in endeavoring to enforce the terms, conditions or provisions of this Agreement and/or collect amounts owing Lender in accordance with this Agreement, the workout thereof, and representation in any proceeding for the seizure of a Vessel or any insolvency proceeding or case under any Bankruptcy Code or other insolvency or receivership laws.

8.04 Notices.

Notices to any party shall be deemed given when in a writing delivered by hand or sent by confirmed facsimile, or on the first Business Day after the date deposited with a

recognized overnight courier, or on the third Business Day after the date deposited in the U.S. Mail, postage prepaid, return receipt requested, addressed to the person to whom such communication is to be given, at the following addresses:

- (a) If to Borrowers, to MarineMax, Inc.
18167 US Highway 19 North
Suite 300
Clearwater, FL 33764
Attention: Chief Financial Officer
Facsimile: (727) 531-0123

- (b) If to Lender, to: CGI Finance, Inc.
1407 Fleet Street, 2nd floor
Baltimore, Maryland 21231
Attn: President
Facsimile: (410) 675-0843

All notices sent to Borrowers may be (but are not required to be) sent with any periodic or billing statement. The notice address of any party can be changed by giving five (5) Business Day's written notice to the other parties.

8.05 Rights and Remedies of Lender; No Waiver.

No waiver of any power, privilege, right or remedy (hereinafter collectively referred to as "Rights") hereunder shall be effective unless in writing. The Rights of Lender or any other holder of this Agreement shall be irrevocable, cumulative and concurrent, and not alternative or exclusive, and may be pursued and exercised singularly, successively or concurrently at the sole discretion of Lender or any other holder hereof and may be exercised as often as Lender or any other holder hereof shall deem necessary or desirable. No delay on the part of Lender in exercising any Rights hereunder, or under any other instrument executed by Borrowers in connection with the Floor Plan Credit shall operate as a waiver thereof, and no single or partial exercise of any such Rights (including acceptance of late payments by Lender) shall preclude other or further exercise thereof, or the exercise of any other Rights. Waiver by Lender of any default by Borrowers shall not constitute a waiver of any subsequent defaults, but shall be restricted to the default so waived. The validity, illegality or unenforceability of any provision of this Agreement shall not affect the validity, legality or enforceability of any of the other provisions of this Agreement which shall remain effective. Borrowers hereby waive all suretyship defenses including but not limited, to all defenses based upon impairment of collateral and all suretyship defenses described in the laws of the State of Maryland.

8.06 Governing Law; Consent to Jurisdiction, Venue.

(a) This Agreement and the other Credit Documents shall be governed by, and construed in accordance with, the laws of the State of Maryland, USA, (excluding the laws applicable to conflicts or choice of law), except to the extent that the federal law of the United States may preempt state law, and except to the extent issues of lien perfection may be governed by the law of other jurisdictions. Borrowers each acknowledge and warrant that this Agreement

and the other Credit Documents are to be treated for all purposes, including choice of law purposes, as though it was executed and delivered within the geographic boundaries of the State of Maryland, even if it was, in fact, executed and delivered elsewhere. It is the express intention of Lender and Borrowers that the laws of the State of Maryland (but not its conflict of laws and choice of law rules) apply to the entirety of the transactions evidenced by the Credit Documents except to the extent that federal law may preempt state law and except to the extent issues of lien perfection may be governed by the law of other jurisdictions.

(b) Borrowers each hereby agree and consent that any action or proceeding arising out of or brought to enforce the provisions of this Agreement may be brought in any appropriate court in the State of Maryland or in any other federal or state court having jurisdiction over the subject matter, all at the sole election of Lender, and by the execution of this Agreement Borrowers each irrevocably consent to the jurisdiction of each such court. Borrowers each hereby irrevocably appoint CSC, with a mailing address at 2711 Centreville Road, #400, Wilmington, DE 19808, as their agent to accept service of process for them and on their behalf in any proceeding brought pursuant to the provisions of this Section. Service upon the said agent for Borrowers shall be of the same force and validity as if served personally on Borrowers themselves. Service of process also may be made on Borrowers by mailing a copy of the summons and complaint or other initial pleadings to such agent by registered or certified mail, return receipt requested, at the address listed for Borrowers in **Section 8.04** (Notices) of this Agreement.

(c) Nothing in this Section 8.06 shall affect the right of Lender to serve legal process in any other manner permitted by law or affect any right that Lender may otherwise have to bring an action or proceeding relating to this Agreement or the other Credit Documents against Borrowers or the properties of any of them in the courts of any jurisdiction.

(d) Borrowers each hereby irrevocably and unconditionally waive, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Credit Document in any Maryland state or federal court. Borrowers hereby irrevocably waive, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(e) To the extent that Borrowers have or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether from service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise,), Borrowers each hereby irrevocably waive such immunity in respect of their obligations under this Agreement and the other Credit Documents. Borrowers each waive, to the extent permitted by law, any bond or surety upon such bond which might be required of Lender.

(f) Borrowers each hereby stipulate and warrant that the Floor Plan Credit loan evidenced hereby is a “commercial loan” within the meaning of Title 12 of Commercial Law Article of the Annotated Code of Maryland, and that all proceeds of such loan will be used solely to acquire or carry on a business or commercial enterprise, as those terms are used therein.

8.07 Presentment, Demand for Payment, Notice of Dishonor, and Protest .

BORROWERS EACH WAIVE PRESENTMENT, DEMAND FOR PAYMENT, NOTICE OF DISHONOR AND PROTEST.

8.08 WAIVER OF TRIAL BY JURY, Waiver of Exemplary or Punitive Damages .

a. EACH BORROWER AND LENDER DO HEREBY IRREVOCABLY AND UNCONDITIONALLY TO THE EXTENT PERMITTED BY APPLICABLE LAW **WAIVE THE RIGHT TO A TRIAL BY JURY** IN ANY ACTION OR PROCEEDING OR COUNTERCLAIM OF ANY TYPE AS TO ANY MATTER ARISING DIRECTLY OR INDIRECTLY OUT OF OR WITH RESPECT TO THIS AGREEMENT, THE FLOOR PLAN CREDIT, OR ANY OTHER CREDIT DOCUMENT, IT IS AGREED AND UNDERSTOOD THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS OR PROCEEDINGS, INCLUDING CLAIMS AGAINST PARTIES WHO ARE NOT PARTIES TO THIS AGREEMENT OR THE OTHER CREDIT DOCUMENTS.

b. Borrowers each do further agree that they shall not have a remedy of exemplary or punitive damages against Lender in any dispute, controversy, litigation proceeding or arbitration, and each do waive any such remedy or claim to exemplary or punitive damages it now has or which may arise in the future in any such dispute or controversy with Lender.

8.09 Waivers Knowingly Made, Borrowers Represented by Counsel.

Borrowers each acknowledge and stipulate that the waivers granted in this Agreement are made knowingly, voluntarily and intentionally and after full consultation with counsel of its choice and constitute a material inducement for Lender to extend the Floor Plan Credit. Borrowers certify that no representative, agent or attorney of Lender has represented, expressly or otherwise, that Lender would not, in the event of litigation, seek to enforce the waivers stated in this Agreement. Borrowers and Lender further agree that a copy of this Agreement may be filed with any court as written evidence of its knowing, voluntary and bargained-for agreement between and among the parties hereto with respect to such waiver.

8.10 Singular or Plural; Joint and Several Obligations.

All references to singular shall also mean plural, masculine shall also mean feminine, and all singular pronouns shall include all signatories hereunder except for Lender. The Obligations of Borrowers under this Agreement are joint and several. Each Borrower shall be jointly and severally liable for all the Obligations of all Borrowers under this Agreement. Without limiting the generality of the foregoing, (i) whenever this Agreement imposes an Obligation on the Borrowers, the entire Obligation shall be imposed on each Borrower; (ii) whenever the Borrowers make a grant, agreement, covenant, representation, or warranty in this Agreement, such grant, agreement, covenant, representation, or warranty shall be deemed made by each Borrower; (iii) whenever this Agreement provides that the Lender shall have a right or remedy against the Borrowers, the Lender shall have such right or remedy against each Borrower; (iv) the occurrence of a Default or Event of Default as to any Borrower or the failure of any Borrower to comply with any provision of this Agreement shall be considered to be a Default or Event of Default or failure to comply by all Borrowers; and (v) in the event of any

ambiguity or question whether, in any instance, the term “Borrowers” refers to each Borrower, the ambiguity or question shall be resolved in favor of the Lender.

8.11 Independent and Unconditional Obligations .

Lender may compromise or release the obligations of any one or more of the Borrowers without thereby compromising or releasing the obligations of any other Borrower. Lender may release any portion or all the Collateral for the obligations of the Borrowers hereunder, or any of them, without thereby releasing or discharging any other Borrower, in whole or in part, from their obligations under this Agreement or any other Credit Document. Lender may extend the term of this Agreement or any of the Credit Documents or extend new credit to any Borrower without thereby extending or renewing or compromising or releasing the obligations of any other Borrower. Any payment received by the Lender from any one or more of the Borrowers for or on account of this Agreement may be applied by the Lender to any of the Obligations in whatever order and manner the Lender elects. Each Borrower expressly waives all defenses of suretyship or impairment of collateral.

8.12 Severability .

In the event that any provision of this Agreement is found to be illegal, invalid or unenforceable, it shall be ineffective to the extent of such illegality, invalidity or unenforceability without invalidating the remaining provisions of this Agreement. In such event, to the extent any Interest Rate, Default Rate, fee or other charge would be deemed excessive, its application shall be suspended and there shall be charged instead the maximum rate or other charge permissible under such laws, and any excess interest or charges actually collected by Lender shall be credited as a partial prepayment of Principal.

8.13 Integration; Merger .

This Agreement constitutes a complete, final and exclusive agreement between the Borrowers and Lender, concerning the subject matter hereof and supersedes all prior agreements and understandings, oral or written, regarding such subject matters. All prior negotiations concerning this Agreement have been merged into this Agreement. Neither this Agreement, nor any term, condition, covenant, or agreement hereof, may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by Borrowers and Lender.

8.14 Counterparts; Headings .

This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. The headings used in this Agreement are for convenience and reference only, and not intended in any way to define or describe the scope or intent of any provision of this Agreement.

8.15 Assignment .

Borrowers may not assign their rights and obligations under this Agreement without the prior written consent of Lender. All rights of Lender shall inure to the benefit of its successors and assigns, and all obligations of the Borrowers shall bind the permitted successors and assigns of the Borrowers.

8.16. Estoppel Certificate.

The Borrowers will, upon not less than ten (10) Business Days' request by Lender execute, acknowledge, and deliver to such person a statement in writing, certifying (a) that this Agreement is unmodified and in full force and effect and the payments required by this Agreement to be paid by the Borrowers have been paid, and (b) the then unpaid principal balance of the Note; and stating whether or not to the knowledge of the signer of such certificate any party to any of the Credit Documents is in default in the performance of any covenant, agreement, or condition contained therein and, if so, specifying each such default of which the signer may have knowledge, it being intended that any such statement delivered pursuant to this section may be relied upon by the Lender and the other parties to this transaction.

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SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be written, executed, and sealed as of the day and year first above written.

BORROWERS:

WITNESS/ATTEST

/s/ Kurt Frahn
Kurt Frahn

MARINEMAX, INC.,
a Delaware corporation

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST

/s/ Kurt Frahn
Kurt Frahn

MARINEMAX EAST, INC.,
a Delaware corporation

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST

/s/ Kurt Frahn
Kurt Frahn

MARINEMAX SERVICES, INC.,
a Delaware corporation

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST

/s/ Kurt Frahn
Kurt Frahn

MARINEMAX NORTHEAST, LLC,
a Delaware limited liability company

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST:

/s/ Kurt Frahn
Kurt Frahn

BOATING GEAR CENTER, LLC,
a Delaware limited liability company

By: MARINEMAX EAST, INC.,
its sole member

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST:

/s/ Kurt Frahn
Kurt Frahn

US LIQUIDATORS, LLC,
a Delaware limited liability company

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST:

/s/ Kurt Frahn
Kurt Frahn

NEWCOAST FINANCIAL SERVICES, LLC,
a Delaware limited liability company

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

LENDER:

WITNESS/ATTEST:

/s/ John Wright
John Wright

CGI FINANCE, INC.,
a Delaware corporation

By: /s/ Herve Bonnet (SEAL)
Print Name: Herve Bonnet
Title: President and CEO

NOTE: PORTIONS OF THIS EXHIBIT INDICATED BY “[****]” ARE SUBJECT TO A CONFIDENTIAL TREATMENT REQUEST, AND HAVE BEEN OMITTED FROM THIS EXHIBIT. COMPLETE, UNREDACTED COPIES OF THIS EXHIBIT HAVE BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION AS PART OF THIS COMPANY’S CONFIDENTIAL TREATMENT REQUEST.

**Schedule 3.03
Repayment of Advance**

New Inventory (less than or equal to [**])**

Initial Advance is no more than 90% of Net Invoice Price

<u>Principal Curtailment Due Date</u> Advance Date	<u>Principal Curtailment Payment Amount</u>	<u>Advance Amount Balance</u>
		90% of Net Invoice Price
[****] days after Advance Date	Pay 10% of amount of Net Invoice Price	80% of Net Invoice Price
550 days after Advance Date	Pay entire remaining Principal Balance (100%) of Advance	0% of Net Invoice Price

Inventory (greater than [**])**

Initial Advance is no more than 85% of Net Invoice Price

<u>Principal Curtailment Due Date</u> Advance Date	<u>Principal Curtailment Payment Amount</u>	<u>Advance Amount Balance</u>
		85% of Net Invoice Price
[****] days after Advance Date	Pay 10% of amount of Net Invoice Price	75% of Net Invoice Price
550 days after Advance Date	Pay entire remaining Principal Balance (100%) of Advance	0% of Net Invoice Price

Used Inventory

Initial Advance is no more than 80% of Floor Plan Value

<u>Principal Curtailment Due Date</u> Advance Date	<u>Principal Curtailment Payment Amount</u>	<u>Advance Amount Balance</u>
		80% of Floor Plan Value
[****] days after Advance Date	Pay 8% of amount of Floor Plan Value	72% of Floor Plan Value
366 days after Advance Date	Pay entire remaining Principal Balance (100%) of Advance	0% of Floor Plan Value

NOTE: PORTIONS OF THIS EXHIBIT INDICATED BY “[****]” ARE SUBJECT TO A CONFIDENTIAL TREATMENT REQUEST, AND HAVE BEEN OMITTED FROM THIS EXHIBIT. COMPLETE, UNREDACTED COPIES OF THIS EXHIBIT HAVE BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION AS PART OF THIS COMPANY’S CONFIDENTIAL TREATMENT REQUEST.

FLOOR PLAN CREDIT LOAN NOTE
(Commercial)

\$30,000,000.00

October 7, 2010
Baltimore, Maryland

FOR VALUE RECEIVED , MARINEMAX, INC., a Delaware corporation, MARINEMAX EAST, INC., a Delaware corporation, MARINEMAX SERVICES, INC., a Delaware corporation, MARINEMAX NORTHEAST, LLC, a Delaware limited liability company, BOATING GEAR CENTER, LLC, a Delaware limited liability company, US LIQUIDATORS, LLC, a Delaware limited liability company, and NEWCOAST FINANCIAL SERVICES, LLC, a Delaware limited liability company (each a “Borrower” and collectively the “Borrowers”) promise, jointly and severally, to pay to the order of **CGI FINANCE, INC.**, a Delaware corporation (“Lender”), from time to time as set forth herein, the aggregate unpaid principal amount of the Advances to Borrowers made by the Lender, together with interest on the principal balance outstanding from time to time at the rate or rates hereafter specified, and all other sums which may be owing to the Lender by Borrowers pursuant to this Floor Plan Credit Loan Note (this “Note”).

This Note is given effective the 7th day of October, 2010 (the “Effective Date”) pursuant to that certain Floor Plan Loan Agreement of even date by and between Borrowers and Lender (the “Loan Agreement”). Capitalized terms used in this Note but not defined herein shall have the meanings defined in the Loan Agreement.

1. Principal.

1.01. **Loan Amount** . The Lender shall loan Borrowers an amount not to exceed Thirty Million Dollars (\$30,000,000.00) (the “Principal Amount”), subject to the terms of this Note and the Loan Agreement. The actual unpaid balance of the Principal Amount of this Note outstanding at any time (the “Principal Balance”) shall be the unpaid balance as of the date of computation and such Principal Balance shall be included within the meaning of “Principal” as used herein.

1.02. **Advances** . The Lender shall make advances of the Principal Amount to Borrowers from time to time (each an “Advance” and collectively the “Advances”), subject to the terms of this Note and the Loan Agreement which permit certain repayments of Advances in whole or in part. The fact that the Principal Balance hereunder may be reduced to zero from time to time shall not affect the continuing validity of this Note, and the Principal Balance may be increased up to the Principal Amount of the Note from time to time before and after such reductions to zero.

1.03. **Payment of Principal** . Except as may be accelerated or otherwise sooner paid or payable hereunder, payment of the entire principal amount of each Advance under this Note shall be due and payable by Borrowers to Lender as provided on the Repayment of Advance schedule attached hereto as **Exhibit A** .

1.04. **Term.** The term of this Note shall be subject to termination in accordance with the terms of the Loan Agreement and Borrowers acknowledge that Lender shall have no obligation whatsoever to make any Advance hereunder subsequent to the term of this Note.

2. Interest.

2.01. **Rate and Computation.** Interest shall accrue on the unpaid Principal Balance outstanding under this Note from time to time at the variable rate of interest equal to the one (1) month LIBOR plus 350 basis points, determined on a monthly basis, subject to adjustment as provided in the Loan Agreement (the “Interest Rate”). Interest shall be calculated on the basis of a year of three hundred sixty (360) days applied to the actual days on which there exists an unpaid balance under this Note. All accrued and unpaid interest under this Note shall be included within the meaning of “Interest” as used herein.

2.02. **Payment of Interest** . Except as they may be accelerated or otherwise sooner payable hereunder, accrued and unpaid Interest, plus any then due applicable Late Charges (as hereinafter defined), Enforcement Expenses (as hereinafter defined) and any other sums due, if any, shall be due and payable on the first day of each month during the term of this Note. Late Charges and Enforcement Expenses due under this Note are included within the meaning of “Other Charges” as used herein.

2.03. **Default Interest** . Notwithstanding the entry of any decree, order, judgment or other judicial action under, pursuant to, in connection with or otherwise concerning this Note, upon the occurrence of a Default continuing past any applicable cure period or an Event of Default (defined herein) and/or after the maturity of this Note (whether by acceleration, declaration, extension or otherwise), Borrowers promise to pay to the Lender, whenever demanded by the Lender, interest at a fixed rate of interest equal at all times to the Interest Rate plus two percent (2.00%) per annum (the “Default Rate”) on the unpaid balance of the Principal Balance of this Note and all other amounts then and thereafter due and payable hereunder from the date of such Default or Event of Default for so long as such Default continues past any applicable cure period or such Event of Default exists, or, from the date of such maturity until payment in full of the unpaid balance of the Principal Balance of this Note, all accrued and unpaid interest thereon, and all other amounts due and payable hereunder.

3. **Late Charges** . If Borrowers fail to make any payment of Principal, Interest, or any Other Charges, becoming due pursuant to the provisions of this Note, within fifteen (15) days of the date due and payable, Borrowers shall pay to the Lender a late charge equal to five percent (5%) of the amount of such payment. Such fifteen (15) day period shall not be construed in any way to extend the due date of any such payment. Late charges are imposed for the purpose of defraying the Lender’s expenses incident to the handling of delinquent payments, and are in addition to, and not in lieu of, the exercise by the Lender of any rights and remedies hereunder or under applicable laws and any fees and expenses of any agents or attorneys which the Lender may employ upon the continuance of a Default past any applicable cure period or the occurrence of an Event of Default.

4. **Place of Payments; Business Day** . All payments and prepayments of the unpaid balance of the Principal Balance of this Note, Interest thereon and any Other Charges payable hereunder shall be paid in lawful money of the United States of America in immediately available funds during regular business hours of the Lender at the Lender’s office at 1407 Fleet Street, Baltimore, Maryland 21231, or at such other place as the Lender or any other holder of this Note may at any time or from time to time designate

in writing to the Borrowers. Any payment not due on a Business Day (as defined in the Loan Agreement) shall be due on the next day which is a Business Day.

5. Application of Payments . Payments of Principal (or any partial payments thereof) or any other payments on account of this Note (including prepayments), when paid, shall be applied first to Enforcement Expense, Late Charges, and Other Charges (if any), then to Interest then due on the unpaid balance of the Principal Balance of this Note and the balance, if any, shall be applied in reduction of the unpaid balance of the Principal Amount of this Note.

6. Prepayment. The Borrowers may prepay this Note in whole at any time or in part from time to time without penalty.

7. Enforcement Expenses . If this Note is forwarded to an attorney for collection, Borrowers shall pay to the Lender on demand all expenses, charges, costs, and fees (including without limitation reasonable attorneys' fees and expenses, including as to proceedings in any court or other forum and regardless whether suit is filed) of any nature whatsoever paid or incurred by or on behalf of the Lender in connection with (a) the collection or enforcement of any of the Obligations and (b) the collection or enforcement of any of the Credit Documents, including but not limited to all such costs of recovery, repair, preservation, inspection, maintenance, and disposition of any Collateral securing this Note (the "Enforcement Expenses").

8. Default. Upon the occurrence of any one or more of the following events (each an "Event of Default"), the entire unpaid Principal Balance hereof and all accrued and unpaid interest hereon shall, at the option of the Lender, at once become and be due and payable without notice or demand of any kind:

(a) Any Borrower shall fail to make (i) the payment of any Interest hereon or Other Charges when due and payable or within five (5) days thereafter or (ii) the payment of Principal when due and payable or within three (3) days thereafter; or

(b) the failure by any Borrower to pay any amount due under any other Credit Document (whether upon demand, at maturity, by acceleration or otherwise, no prior demand therefore by Lender being necessary), unless the failure to pay is caused by administrative or technical error and payment is made within three (3) Business Days of its due date or;

(c) there is a Default that continues past any applicable cure period or an Event of Default under the Loan Agreement, the Security Agreement or any other Credit Document.

9. Security. The debt evidenced by this Note is secured by that certain Pledge and Security Agreement of even date herewith between Borrowers and Lender.

10 . Rights and Remedies of Lender; No Waiver. No waiver of any power, privilege, right or remedy (hereinafter collectively referred to as "Rights") hereunder shall be effective unless in writing. The Rights of the Lender or any other holder hereof under this Note shall be irrevocable, cumulative and concurrent, and not alternative or exclusive, and may be pursued and exercised singularly, successively or concurrently at the sole discretion of the Lender or any other holder hereof and may be exercised as often as the Lender or any other holder hereof shall deem necessary or desirable. No delay on the part of Lender in exercising any Rights hereunder, or under any other instrument executed by Borrowers or any other party in connection with the transaction (including the other Credit Documents) shall operate as a

waiver thereof, and no single or partial exercise of any such Rights (including acceptance of late payments by Lender) shall preclude other or further exercise thereof, or the exercise of any other Rights. Waiver by Lender of any default by any Borrower shall not constitute a waiver of any subsequent defaults, but shall be restricted to the default so waived. The validity, illegality or unenforceability of any provision of this Note shall not affect the validity, legality or enforceability of any of the other provisions of this Note which shall remain effective.

11. Jury Waiver. THE BORROWERS AND THE LENDER (BY ITS ACCEPTANCE OF THIS NOTE) HEREBY VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE.

12. Time of the Essence. Borrowers acknowledge that TIME IS OF THE ESSENCE with respect to the payment and performance of this Note.

13. Extensions. All parties to this Note, whether maker, endorser, or guarantor, agree that the maturity of this Note, or any payment due hereunder, may be extended at any time or from time to time in accordance with the provisions of the Loan Agreement without releasing, discharging, or affecting the liability of such party.

14. Presentment, Demand for Payment, Notice of Dishonor, and Protest. EACH BORROWER, AND EACH AND EVERY PARTY TO THIS NOTE, WHETHER BORROWER, INDORSER, OR GUARANTOR, WAIVES PRESENTMENT, DEMAND FOR PAYMENT, NOTICE OF DISHONOR AND PROTEST.

15. Severability . If any provision or part of any provision of this Note, or the application thereof to any facts or circumstances, shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions or the remaining part of any effective provisions of the Note, or the application of any provisions hereof to other facts or circumstances, and this Note shall be construed as if such invalid, illegal, or unenforceable provision or part thereof had never been contained herein, but only to the extent of its invalidity, illegality, or unenforceability.

16. Commercial Loan . The Borrowers hereby stipulate and warrant that the loan evidenced hereby is a Commercial Loan within the meaning of Title 12 of Commercial Law Article of the Annotated Code of Maryland, and that all proceeds of such loan will be used solely to acquire or carry on a business or commercial enterprise, as those terms are used therein.

17. Governing Law. This Note shall be governed and construed under the laws of the State of Maryland (excluding conflicts of laws principles), United States of America, both in interpretation and performance, and the Borrowers hereby irrevocably consent and submit to the jurisdiction and venue of any state or federal court sitting in the State of Maryland over any suit, action or judicial proceeding brought to enforce or construe this Note or arising out of or relating to this Note. Borrowers acknowledge and warrant that this Note is to be treated for all purposes, including choice of law purposes, as though it was executed and delivered within the geographic boundaries of the State of Maryland, even if it was, in fact, executed and delivered elsewhere.

18. Singular or Plural; Joint and Several Obligations . All references to singular shall also mean

plural, masculine shall also mean feminine, and all singular pronouns shall include all signatories hereunder except for Lender. The Obligations of Borrowers under this Note are joint and several. Each Borrower shall be jointly and severally liable for all the Obligations of all Borrowers under this Note. Without limiting the generality of the foregoing, (i) whenever this Note imposes an Obligation on the Borrowers, the entire Obligation shall be imposed on each Borrower; (ii) whenever the Borrowers make a grant, agreement, covenant, representation, or warranty in this Note, such grant, agreement, covenant, representation, or warranty shall be deemed made by each Borrower; (iii) whenever this Note provides that the Lender shall have a right or remedy against the Borrowers, the Lender shall have such right or remedy against each Borrower; (iv) the occurrence of a Default or Event of Default as to any Borrower or the failure of any Borrower to comply with any provision of this Note shall be considered to be a Default or Event of Default or failure to comply by all Borrowers; and (v) in the event of any ambiguity or question whether, in any instance, the term "Borrowers" refers to each Borrower, the ambiguity or question shall be resolved in favor of the Lender.

19. Independent and Unconditional Obligations . Lender may compromise or release the obligations of any one or more of the Borrowers without thereby compromising or releasing the obligations of any other Borrower. Lender may release any portion or all the Collateral for the obligations of the Borrowers hereunder, or any of them, without thereby releasing or discharging any other Borrower, in whole or in part, from their obligations under this Note or any other Credit Document. Lender may extend the term of this Note or any of the Credit Documents or extend new credit to any Borrower without thereby extending or renewing or compromising or releasing the obligations of any other Borrower. Any payment received by the Lender from any one or more of the Borrowers for or on account of this Note may be applied by the Lender to any of the Obligations in whatever order and manner the Lender elects.

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SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, intending to be legally bound hereby, the Borrowers have caused this Note to be executed and delivered in their name under seal and on their behalf by their duly authorized officer or member as of the day and year first written above, with the intention that this Note constitutes an instrument under seal.

WITNESS/ATTEST:

/s/ Kurt Frahn
Kurt Frahn

MARINEMAX, INC.,
a Delaware corporation

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST:

/s/ Kurt Frahn
Kurt Frahn

MARINEMAX EAST, INC.,
a Delaware corporation

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST:

/s/ Kurt Frahn
Kurt Frahn

MARINEMAX SERVICES, INC.,
a Delaware corporation

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST

/s/ Kurt Frahn
Kurt Frahn

MARINEMAX NORTHEAST, LLC,
a Delaware limited liability company

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST:

BOATING GEAR CENTER, LLC,
a Delaware limited liability company

By: MARINEMAX EAST, INC.,
its sole member

/s/ Kurt Frahn
Kurt Frahn

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST

US LIQUIDATORS, LLC,
a Delaware limited liability company

/s/ Kurt Frahn
Kurt Frahn

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST

NEWCOAST FINANCIAL SERVICES, LLC,
a Delaware limited liability company

/s/ Kurt Frahn
Kurt Frahn

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

NOTE: PORTIONS OF THIS EXHIBIT INDICATED BY “[****]” ARE SUBJECT TO A CONFIDENTIAL TREATMENT REQUEST, AND HAVE BEEN OMITTED FROM THIS EXHIBIT. COMPLETE, UNREDACTED COPIES OF THIS EXHIBIT HAVE BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION AS PART OF THIS COMPANY’S CONFIDENTIAL TREATMENT REQUEST.

EXHIBIT A TO FLOOR PLAN CREDIT LOAN NOTE

REPAYMENT OF ADVANCE

New Inventory (less than or equal to [**])**

Initial Advance is no more than 90% of Net Invoice Price

<u>Principal Curtailment Due Date</u> Advance Date	<u>Principal Curtailment Payment Amount</u>	<u>Advance Amount Balance</u>
		90% of Net Invoice Price
[****] days after Advance Date	Pay 10% of amount of Net Invoice Price	80% of Net Invoice Price
550 days after Advance Date	Pay entire remaining Principal Balance (100%) of Advance	0% of Net Invoice Price

Inventory (greater than [**])**

Initial Advance is no more than 85% of Net Invoice Price

<u>Principal Curtailment Due Date</u> Advance Date	<u>Principal Curtailment Payment Amount</u>	<u>Advance Amount Balance</u>
		85% of Net Invoice Price
[****] days after Advance Date	Pay 10% of amount of Net Invoice Price	75% of Net Invoice Price
550 days after Advance Date	Pay entire remaining Principal Balance (100%) of Advance	0% of Net Invoice Price

Used Inventory

Initial Advance is no more than 80% of Floor Plan Value

<u>Principal Curtailment Due Date</u> Advance Date	<u>Principal Curtailment Payment Amount</u>	<u>Advance Amount Balance</u>
		80% of Floor Plan Value
[****] days after Advance Date	Pay 8% of amount of Floor Plan Value	72% of Floor Plan Value
366 days after Advance Date	Pay entire remaining Principal Balance (100%) of Advance	0% of Floor Plan Value

PLEDGE AND SECURITY AGREEMENT

THIS PLEDGE AND SECURITY AGREEMENT, dated as of October 7, 2010 (this “Agreement”), is made by and among MARINEMAX, INC., a Delaware corporation, MARINEMAX EAST, INC., a Delaware corporation, MARINEMAX SERVICES, INC., a Delaware corporation, MARINEMAX NORTHEAST, LLC, a Delaware limited liability company, BOATING GEAR CENTER, LLC, a Delaware limited liability company, US LIQUIDATORS, LLC, a Delaware limited liability company, and NEWCOAST FINANCIAL SERVICES, LLC, a Delaware limited liability company (each a “Borrower” and collectively, the “Borrowers”), and CGI FINANCE, INC., a Delaware corporation having its principal business address at 1407 Fleet Street, Baltimore, Maryland 21231 (together with its successors and assigns, “Lender”).

A. Borrowers and Lender are parties to a Floor Plan Loan Agreement dated as of even date herewith (the “Loan Agreement”), providing for the availability of a floor plan revolving credit facility up to the maximum amount of \$30,000,000.00 (the “Floor Plan Credit”) to Borrowers upon the terms and conditions set forth therein.

B. As a condition to Lender extending the Floor Plan Credit to Borrowers, each Borrower shall have agreed, by executing and delivering this Agreement, to secure the payment and performance in full of each Borrower’s obligations under the Loan Agreement. Lender is relying on this Agreement in its decision to extend credit to Borrowers under the Loan Agreement, and would not enter into the Loan Agreement without the execution and delivery of this Agreement by each Borrower.

C. Borrowers will obtain benefits as a result of the Lender extending the Floor Plan Credit to each Borrower, which benefits are hereby acknowledged, and, accordingly, Borrowers desire to execute and deliver this Agreement.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrowers and Lender, for themselves, their successors and assigns, hereby agree as follows:

**ARTICLE I
DEFINITIONS**

1.1 Defined Terms. In addition to the terms defined elsewhere in this Agreement, the following terms shall have the meanings set forth below:

“Builder’s Certification” means and includes the certificate of facts of build of a vessel described in 46 C.F.R. § 67.99, or successor section of similar import.

“Business Day” shall have the meaning given in Article 1 of the Loan Agreement.

“Certificate of Deletion” means and includes a written confirmation of the surrender of the certificate of documentation of a Documented Vessel approved for purposes of the public registry of the nation of documentation.

“Certificate of Origin” means and includes a record created by a manufacturer or importer as the manufacturer’s or importer’s proof of identify of a Vessel, and shall include a manufacturer’s certificate of origin, a manufacturer’s statement of origin, or an importer’s certificate of origin or an importer’s statement of origin, but excludes a separate Builder’s Certification.

“Collateral” shall mean and include (i) all Inventory acquired with the proceeds of Floor Plan Credit of Borrowers now or hereafter held or received by, in transit to, or in the possession or control of Borrowers or Lender, or any third party, (ii) all Pledged Collateral with respect to such Inventory of Borrowers, and (iii) any substitutions or replacements thereof and any products and proceeds thereof (including without limitation, insurance proceeds).

“Collateral Accounts” shall have the meaning assigned to that term in **Section 5.4** (*Collateral Accounts*) of this Agreement.

“Collateral Compliance Check” shall have the meaning assigned to that term in **Section 4.4(b)** of this Agreement.

“Default” shall mean any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“Documents of Title” means and includes each and every Builder’s Certification, Certificate of Deletion, Certificate of Origin, certificate of number, certificate of title, notice of security interest, certificate of registry, bill of sale, power of attorney to convey rights, and any other document, instrument, or writing evidencing the rights of Borrowers or any Affiliate of theirs in or to any Vessel acquired or to be acquired by an Advance or other proceeds of the Floor Plan Credit.

“Documented Vessel” means and includes each and every Vessel registered under the laws of a nation in a public register at the port of registry of the Vessel or in a central office and shall include, but not be limited to, a Vessel documented as a vessel of the United States pursuant to 46 U.S.C. chapter 121, as amended.

“Event of Default” shall have the meaning assigned to that term in **Section 5.1** (*Events of Default*) of this Agreement.

“GE” shall mean General Electric Commercial Distribution Finance Corporation.

“Intercreditor Agreement” shall mean that certain Intercreditor Agreement, of even date herewith, between GE and Lender.

“Inventory” shall have the meaning given in Article 1 of the Loan Agreement.

“Laws” means the collective reference to each and all laws, ordinances, statutes, rules, regulations, orders, injunctions, rule of common law, judicial interpretation, writs, or decrees of any nation or government, and state or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any department, agency, or instrumentality thereof, including but not limited to environmental laws, anti-terrorism laws, and prohibitions on the use and carriage of illegal

controlled substances, together with general maritime law as recognized among maritime nations.

“Lien” means any mortgage, pledge, chose, hypothecation, assignment, encumbrance, lien (statutory or other), maritime lien, security interest, or other agreement or arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement), and any financing lease having substantially the same economic effect.

“Loss” shall have the meaning assigned to that term in **Section 4.6** (*Insurance, Proceeds of Loss*) of this Agreement.

“Permitted Liens” shall have the meaning given in Section 6.02 (*Liens*) of the Loan Agreement.

“Pledged Collateral” means and includes each and every Document of Title for each and every Vessel or other item of Inventory acquired or to be acquired all or in part by an Advance or other proceeds of the Floor Plan Credit, and any substitutions or replacements thereof and any products and proceeds thereof (including without limitation, insurance proceeds).

“Powers of Attorney” shall have the meaning assigned to that term in **Section 2.4(e)** (*Powers of Attorney*) of this Agreement.

“Preferred Mortgage” means and includes (i) a mortgage that is a preferred mortgage on a vessel of the United States under 46 U.S.C. § 31322 and (ii) a mortgage, hypothecation, or similar charge that is established as a security on a foreign vessel if the mortgage, hypothecation, or similar charge was executed under the laws of the foreign country under whose laws the ownership of the vessel is documented and has been registered under those laws in a public register at the port of registry of the vessel or at a central office.

“Secured Obligations” shall have the meaning assigned to that term in **Section 2.2** (*Security for Secured Obligations*) of this Agreement.

1.2 Uniform Commercial Code Terms. Unless otherwise defined herein, or unless the context otherwise requires, all terms used herein which are defined in the Uniform Commercial Code of the State of Maryland, Md. Code, Ann., Comm. Law Art. Title 9, in effect from time to time, unless by application of that law the Uniform Commercial Code in effect from time to time in the jurisdiction where any of the Borrowers as to an item of Collateral, as applicable, is located (and if a different jurisdiction, where the Collateral is located) (collectively, the “UCC”) shall have the meanings therein stated.

1.3 Capitalized Terms. All capitalized terms used but not defined herein shall have the meanings given to them in the Loan Agreement.

ARTICLE II CREATION OF SECURITY INTEREST

2.1 Pledge and Grant of Security Interest. Borrowers hereby pledge, assign and deliver to Lender and grant to Lender a Lien upon and security interest in all of its right, title and interest in and to the Collateral.

2.2 Security for Secured Obligations. This Agreement and the Collateral secure the full and prompt payment to Lender, at any time and from time to time as and when due (whether at the stated maturity, by acceleration or otherwise), of all liabilities and obligations of Borrowers, whether now existing or hereafter incurred, created or arising and whether direct or indirect, absolute or contingent, due or to become due, under, arising out of or in connection with the Loan Agreement and/or this Agreement, including, without limitation, all principal of and interest on the Floor Plan Credit, all fees, expenses, indemnities and other amounts payable by Borrowers under the Loan Agreement (including interest accruing after the filing of a petition or commencement of a case by or with respect to Borrowers seeking relief under any applicable federal and state laws pertaining to bankruptcy, reorganization, arrangement, moratorium, readjustment of debts, dissolution, liquidation or other debtor relief, or similar of another jurisdiction, specifically including, without limitation, the Bankruptcy Code and any fraudulent transfer and fraudulent conveyance laws, whether or not the claim for such interest is allowed in such proceeding); and (a) all such liabilities and obligations that, but for the operation of the automatic stay under Section 362(a) of the U.S. Bankruptcy Code, or similar laws of another jurisdiction, would become due, and (b) all fees, costs and expenses payable by such Borrower under **Section 6.1** (*Indemnity and Expenses*) and all other Obligations of such Borrower (the liabilities and obligations of Borrowers described in this **Section 2.2**, collectively, the “Secured Obligations”).

2.3 Security Interests Absolute. All rights of Lender and security interests hereunder, and all obligations of Borrowers hereunder, shall be absolute and unconditional and, without limiting the generality of the foregoing, shall not be released, discharged or otherwise affected by:

(i) any extension, renewal, settlement, compromise or waiver in respect of any Secured Obligation, or any other document evidencing or securing such Secured Obligation, by operation of law or otherwise;

(ii) any increase in the amount of any Secured Obligation, or any modification or amendment or supplement to the Loan Agreement, or any other document evidencing or securing any Secured Obligation;

(iii) any non-perfection or invalidity of any direct or indirect security for any Secured Obligation;

(iv) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Borrower or its assets or any resulting disallowance, release or discharge of all or any portion of the Secured Obligations;

(v) the existence of any claim, set-off or other right which Borrowers may have at any time against Lender or any other corporation or person, whether in connection herewith or any unrelated transactions; provided, that nothing herein shall prevent the assertion of any such claim by separate suit or compulsory counterclaim;

(vi) any invalidity or unenforceability relating to or against Borrowers, for any reason, of any Secured Obligation, or any provision of applicable law or regulation purporting to prohibit the payment by Borrowers of the Secured Obligations;

(vii) any failure by Lender (a) to file or enforce a claim against any Borrower (in a bankruptcy or other proceeding), (b) to give notice of the existence, creation or incurring by any Borrower of any new or additional indebtedness or obligation under or with respect to the Secured Obligations, (c) to commence any action against any Borrower, (d) to disclose to any Borrower any facts which Lender may now or hereafter know with regard to any Borrower or (e) to proceed with due diligence in the collection, protection or realization upon any collateral securing the Secured Obligations; or

(viii) any other act or omission to act or delay of any kind by any Borrower or Lender or any other corporation or person or any other circumstance whatsoever which might, but for the provisions of this clause, constitute a legal or equitable discharge of any Borrower's obligations hereunder.

2.4 Perfection of Security Interests .

(a) Information, Registration of Charges; UCC Financing Statements. No later than the date of any Advance pursuant to the Loan Agreement, or as soon thereafter as Borrowers and Lender shall agree, each Borrower shall deliver to Lender, or its designee, such details concerning each item of Borrower's Inventory that is a Vessel comprising Collateral being acquired with the proceeds of such Advance, as Lender may, in its sole discretion require, including for each such Vessel, its description, HIN, specifications, equipment lists, commissioning statements, invoice value, and such other information as Lender may desire. (i) Borrowers acknowledge that the UCC applies to the security interests and Liens granted by each Borrower to Lender in the Collateral and each Borrower shall, whenever necessary, duly register such security interests and Liens as charges within such time and at such Borrower's sole cost, as appropriate to comply with the UCC with respect to perfection of the security interests and Lien in such Collateral granted herein, even if further proceedings also may be necessary to make the charge valid or perfected and first priority according to the law of the country in which the Collateral is located; (ii) with respect to any Collateral located in other countries, to the extent that Lender may reasonably require, Borrowers shall cooperate with Lender to enable Lender to timely obtain registration of Lender's security interest and Lien as necessary to make the same valid and perfected and first priority according to the laws of any country in which Collateral Vessels may be located; and (iii) Lender is authorized to complete and file one or more UCC financing statements or other forms and any documents, certificates, or other papers necessary and appropriate to perfect its security interest and Lien in such Collateral as Lender may, in its sole discretion, deem appropriate.

(b) Pledged Collateral. No later than the date of any Advance pursuant to the Loan Agreement, or as soon thereafter as Borrowers and Lender shall agree, each Borrower shall deliver to Lender, or its designee, all such Pledged Collateral not previously delivered to Lender, including all Documents of Title as to each Vessel comprising Collateral that is an item of such Borrower's Inventory being acquired with the proceeds of such Advance, together with all such other invoices, customs receipts, certificates, and other papers as to each such Vessel as Lender may, in its sole discretion, deem appropriate, to be held by Lender as a pledge and security for the payment and performance of the Secured Obligations hereunder.

(c) Certificates of Title. No later than the date any Vessel that is an item of Collateral

becomes covered by a certificate of title effective under Section 9-303 of the UCC or other laws of any state or other jurisdiction as evidence of ownership or a security interest or other Lien rights in a vessel is acquired by any Borrower, (i) such Borrower shall execute and deliver to Lender for filing in the appropriate office such application with respect to such certificate of title as identifies Lender as holder of a first priority perfected security interest or Lien upon the Vessel under applicable Laws, including rights of foreclosure upon default, and (ii) if Lender shall, in Lender's sole discretion, require, such Borrower shall execute and deliver a form of limited power of attorney sufficient in Lender's discretion to permit Lender to prepare, execute, deliver, and file on behalf of such Borrower, and in such Borrower's name, in the appropriate office an application for such a certificate of title as to any Vessel held as an item of Collateral, so identifying such Borrower as owner and Lender as holder of a first priority perfected security interest or Lien upon the Vessel under applicable Laws.

(d) Preferred Mortgage. No later than the date any Vessel that is Collateral is documented as a Documented Vessel is acquired by any Borrower, unless Borrower shall at that time obtain and deliver to Lender a Certificate of Deletion for such vessel, (i) such Borrower shall execute and deliver to Lender for filing in the appropriate office a Preferred Mortgage in favor of Lender covering that Vessel, which shall be executed under the laws of the nation under whose laws the ownership of the Vessel is or will be documented so as to confer upon Lender all attendant rights conferred by applicable laws as a first priority preferred mortgage Lien upon the Vessel under applicable Laws, including rights of foreclosure upon default, and (ii) if Lender shall, in Lender's sole discretion, require, such Borrower shall execute and deliver a form of limited power of attorney sufficient in Lender's discretion to permit Lender to prepare, execute, deliver, and file on behalf of such Borrower, and in such Borrower's name, in the appropriate office, such application for documentation of the Vessel and a Preferred Mortgage in favor of Lender covering the Vessel held as an item of Collateral, identifying such Borrower as owner and Lender as holder of a first priority preferred mortgage Lien upon the Vessel under applicable Laws.

(e) Powers of Attorney. As further security each Borrower hereby grants Lender a limited power of attorney, which shall be deemed coupled with an interest and irrevocable, to prepare, execute, deliver and file on behalf of such Borrower, and in such Borrower's name, in the appropriate office an application for documentation of any Vessel comprising Collateral held as an item of such Borrower's Inventory and a form of Preferred Mortgage in favor of Lender covering that Vessel, to be executed, delivered, and filed under the laws of the nation under whose laws the ownership of the Vessel is or will be documented so as to confer upon Lender all attendant rights conferred by applicable Laws as a first priority Lien upon the Vessel under applicable Laws, including rights of foreclosure upon default. To confirm the foregoing and as further security in favor of Lender, each Borrower shall upon Lender's demand from time to time execute and deliver to Lender a limited power of attorney substantially in the form attached hereto as Exhibit A. The limited powers of attorney referred to in this **Section 2.4** (*Perfection of Security Interests*), each with such terms and conditions and in such form and with such formalities as Lender may from time to time reasonably require, may be referred to collectively as the "Powers of Attorney."

2.5 Additional Security. This Agreement and the security interests and Liens granted hereunder or provided for herein are in addition to and not in any way prejudiced by or prejudicial to any other security or guarantee now or subsequently held by Lender.

ARTICLE III REPRESENTATIONS AND WARRANTIES

Each Borrower hereby represents and warrants, as of (i) the Closing Date and as of (ii) the date of each and every Advance made under the Loan Agreement, to Lender as an inducement to extent financing for the acquisition of each Borrower's Inventory, as follows:

3.1 Certain Representations and Warranties in Loan Agreement. The representations and warranties made by each Borrower in the Loan Agreement are true and correct as applied to all Borrowers for purposes of this Agreement.

3.2 Ownership of Collateral. Each Borrower owns, or has valid rights as a lessee or licensee with respect to, all Collateral purported to be pledged by it hereunder, free and clear of any Liens except for the Liens granted to Lender pursuant to this Agreement and the other Credit Documents and any Permitted Liens. No security agreement, financing statement, registered charge, mortgage, or other public notice with respect to all or any part of the Collateral is on file or of record in any government or public office, and each Borrower has not filed or consented to the filing of any such statement or notice, except (i) UCC financing statements naming Lender as secured party, and (ii) as may be otherwise permitted by this Agreement and the other Credit Documents.

3.3 Borrowers' Information. **Schedule I** lists, as to each Borrower, (i) its exact legal name, (ii) the jurisdiction of its incorporation or organization, its federal tax identification number (if applicable), and (if applicable) its organizational identification number, and (iii) the address of its chief executive office.

3.4 Authorization; Consent. The execution, delivery and performance by each Borrower of this Agreement require no action by or in respect of, or filing with, any governmental authority and does not contravene, or constitute (with or without the giving of notice or lapse of time or both) a default under, any provision of applicable law or of any material agreement, judgment, injunction, order, decree or other material instrument binding upon or affecting each Borrower.

3.5 No Restrictions. There are no statutory or regulatory restrictions, prohibitions or limitations on each Borrower's ability to grant to Lender a Lien upon and security interest in the Collateral pursuant to this Agreement or (except for the provisions of the federal Anti-Assignment Act and Anti-Claims Act, as amended, which each Borrower warrants shall have no Material Adverse Effect on Lender's rights hereunder) on the exercise by Lender of its rights and remedies hereunder (including any foreclosure upon or collection of the Collateral), and there are no contractual restrictions on any Borrower's ability so to grant such Lien and security interest.

3.6 Security Interests; Filings. As to each Vessel that is held as Collateral for the Secured Obligations, this Agreement together with:

- (i) as to each Collateral Vessel owned by each Borrower and not documented nor subject

to a certificate of title, the filing, with respect to each Borrower, of duly completed and executed UCC financing statements naming each Borrower as debtor, Lender as secured party, and describing the Collateral, in each of the jurisdictions set forth with respect to each Borrower on **Schedule II** hereto;

(ii) as to each Collateral Vessel that is covered by a duly issued and effective certificate of title within the meaning of Section 9-102 of the UCC, the notation of Lender's security interest therein on the applicable certificate of title, and

(iii) as to each Collateral Vessel that is a Documented Vessel, a Preferred Mortgage duly recorded and registered as a first priority Preferred Mortgage Lien in favor of Lender on the Documented Vessel, with all attendant rights conferred by the laws of the nation under whose laws the ownership of the Vessel is documented and has been registered, at all times shall constitute, a valid and perfected security interest in and Lien upon the Collateral in favor of Lender (other than original Documents of Title not delivered to Lender's possession) to the extent a security interest and Lien therein can be perfected by such registration, filing or possession under applicable laws, superior and prior to the rights of all other Persons therein (except for Permitted Liens).

ARTICLE IV COVENANTS

Borrowers agree that so long as any Secured Obligation remains unpaid:

4.1 Use and Disposition of Collateral. So long as no Default shall be continuing past any applicable cure period and no Event of Default shall exist, Borrowers may, in any lawful manner not inconsistent with the provisions of this Agreement and the other Credit Documents, use, control and manage the Collateral in the operation of their businesses, and receive and use the income, revenue and profits arising therefrom and the proceeds thereof, in the same manner and with the same effect as if this Agreement had not been made; provided, however, that Borrowers will not sell, exchange, or otherwise dispose of, grant any option with respect to, or mortgage, pledge, grant any Lien with respect to, or otherwise encumber any of the Collateral or any interest therein, except for: (i) sales of Inventory in the ordinary course of any Borrower's business; (ii) the security interest and Lien created in favor of Lender hereunder; and (iii) the Permitted Liens.

4.2 Change of Name, Locations, etc. No Borrower will (i) change its name, identity or corporate structure, (ii) change its chief executive office from the location thereof listed on **Schedule I**, or (iii) change the jurisdiction of its incorporation or organization from the jurisdiction listed on **Schedule I** (whether by merger or otherwise), unless in each case such a Borrower has (A) given twenty (20) days' prior written notice to Lender of its intention to do so, together with information regarding any such new location and such other information in connection with such proposed action as Lender may reasonably request, and (B) delivered to Lender ten (10) days prior to any such change or removal such documents, instruments and financing statements as may be required by Lender, all in form and substance satisfactory to Lender, paid all necessary filing and recording fees and taxes, and taken all other actions reasonably requested by Lender,

in order to perfect and maintain the Lien upon and security interest in the Collateral.

4.3 Transfers, Course of Business. Each Borrower shall at all times operate its business with respect to the Collateral in accordance with applicable Laws in all jurisdictions in which the Collateral is located and in which each Borrower conducts its business with respect to the Collateral where not to do so would have a Material Adverse Effect and shall not at any time use (other than demonstration use), charter, rent, sell, transfer, consign, license, encumber or otherwise dispose of Collateral, except for sales of Inventory in the ordinary course of any Borrower's business.

4.4 Records; Inspection, Collateral Compliance Check.

(a) Each Borrower will keep and maintain at its own cost and expense satisfactory and complete records of the Collateral, and will furnish to Lender from time to time such statements, schedules and reports (including, without limitation, accounts receivable aging schedules) with regard to the Collateral as Lender may reasonably request. Within the first ten (10) days of each month, each Borrower shall furnish Lender an itemization of Borrower's complete Inventory of Vessels comprising Collateral, identified in detail including each such Vessel's HIN, and specifying the location of each such Vessel.

(b) Each Borrower shall, once every three (3) months and at such other times as may be reasonably requested and upon reasonable notice, make the Collateral available to Lender for inspection (each such inspection a "Collateral Compliance Check"). In the course of such inspection each Borrower shall provide Lender with original copies of all Documents of Title for any Vessel comprising Collateral as Lender may reasonably request and each Borrower shall provide Lender access to each Vessel comprising Collateral in each Borrower's Inventory so that Lender may identify the HIN for each such Vessel. Each Borrower shall provide Lender with photographs of Vessels comprising Collateral held in Inventory as reasonably required. Lender's reasonable fees charged and expenses incurred for each and every Collateral Compliance Check shall be part of the Secured Obligations and payable to Lender by Borrowers within ten (10) Business Days of demand.

(c) Each Borrower shall, from time to time at such times as may be reasonably requested and upon reasonable notice, permit Lender to visit its offices or the premises upon which any Collateral may be located, inspect its books and records and make copies and memoranda thereof, discuss its finances and affairs with its officers, employees and independent accountants and take any other actions reasonably necessary for the protection of the interests of Lender in the Collateral.

4.5 Maintenance of Collateral. Each Borrower will, in accordance with sound business practices, maintain all Collateral held by it or on its behalf in good saleable and seaworthy condition.

4.6 Insurance, Proceeds of Loss. Each Borrower shall at all times bear all risk of loss, damage to or destruction of Collateral. Each Borrower shall keep all tangible Collateral insured for its full replacement value against all insurable risks as are usually insured against by companies owning similar assets and operating similar businesses to the Borrower under policies copies of which shall be delivered to Lender and issued by insurers satisfactory to Lender. All Vessels

comprising Collateral held by each Borrower shall be fully insured under policies of all risk marine insurance, both hull and machinery and protection and indemnity, or equivalent property, casualty and liability insurance satisfactory to Lender in its sole discretion. Lender shall be named as additional insured (without obligation for premium) and loss payee as its interests may appear. At Lender's request a mortgagee endorsement to such insurance in favor of Lender shall be obtained. Policies shall be subject to cancellation or change only upon thirty (30) days (ten (10) days for non-payment of premium) written notice to Lender. In the event of a total loss or a constructive total loss of any Vessel held as Collateral (a "Loss"), Borrowers shall notify Lender without delay and Borrowers shall cause the insurer to promptly remit to Lender in the form received, with all necessary endorsements, all proceeds of such insurance or Borrowers shall promptly remit to Lender all such proceeds which any Borrower may receive. Lender, at its election, shall either apply any proceeds of insurance it may receive toward payment of outstanding Obligations or pay such proceeds to any Borrower. If any Borrower fails to obtain such insurance as required herein, Lender may, but shall not be obligated to, procure such insurance and the cost thereof shall be a part of the Obligations and payable to Lender by Borrowers within ten (10) Business Days of demand. Notwithstanding any thing in this Agreement to the contrary, the relative rights of Lender and GE with regard to proceeds of insurance shall be determined pursuant to the terms of the Intercreditor Agreement.

4.7 Collateral in Possession of Third Party. Except for third party carriers, engaged by Borrowers in the ordinary course of business for transport of Collateral, without limiting the generality of any other provision of this Agreement, each Borrower agrees that it shall not permit any Collateral to be in the possession of any bailee, warehouseman, agent, processor or other third party at any time unless (i) such bailee or other Person shall have been notified of the security interest created by this Agreement (or, if required under applicable law in order to perfect Lender's security interest in such Collateral, such bailee or other Person shall have acknowledged to Lender in writing that it is holding such Collateral for the benefit of Lender and subject to such security interest and to the instructions of Lender) and each Borrower shall have exercised its reasonable best efforts to obtain from such bailee or other Person, at each Borrower's sole cost and expense, the written acknowledgement described above (if not already required by applicable law to perfect Lender's security interest) and agreement to waive and release any Lien (whether arising by operation of law or otherwise) it may have with respect to such Collateral, such agreement to be in form and substance reasonably satisfactory to Lender or (ii) such bailee is a dealer and the Collateral involved is Inventory held for sale at retail in the ordinary course of bailee's business.

4.8 Protection of Security Interest; Further Assurances. Each Borrower will, at its expense and in such manner and form as Lender may require, execute, deliver, file and record any financing statement, application for certificate of title, application for documentation, preferred ship mortgage, specific assignment or other paper and take any other action that may be necessary or desirable, or that Lender may request, in order to create, preserve, perfect or validate the security interests granted hereby or to enable Lender to exercise and enforce its rights hereunder with respect to any of the Collateral.

4.9 Irrevocable Power of Attorney; Signatory Authorization. Each Borrower hereby irrevocably appoints Lender (and its officers, agents and/or employees) as its attorney-in-fact and coupled with an interest for the purpose of carrying out and performing all of such Borrower's

obligations under the Credit Documents at any time any Borrower shall fail to promptly do so upon Lender's demand, including to perfect the security interest or Lien in Collateral granted in favor of Lender and register the charge on the Collateral granted in favor of Lender, and to protect the Collateral, obtain insurance, pay taxes, assessments, Liens, fees, charges or encumbrances, and order and pay for repairs on the Collateral, and to do the same for and in the name of any Borrower, with all amounts expended by Lender for those purposes to be Advances of Floor Plan Credit with Interest to accrue thereon and repayable to Lender and secured by the Collateral, as stated in Loan Agreement, from date of expenditure until paid in full. Notwithstanding the foregoing, the powers granted to Lender in this Section 4.9 shall only be exercised by Lender after and during the continuation of a Default past any applicable cure period or the existence of an Event of Default.

4.10 Documents of Title. Borrowers shall maintain, subject to the terms of this Agreement, all original Documents of Title for each Inventory item acquired by any Borrower and shall make the same available to Lender for inspection and shall provide photocopies thereof to Lender. Each Borrower shall provide written notice to Lender if such Borrower obtains a duplicate of any Document of Title for any Inventory Item.

ARTICLE V EVENTS OF DEFAULT; GENERAL AUTHORITY; REMEDIES

5.1 Events of Default. The occurrence of any one or more of the following events shall constitute an event of default (“Events of Default”, and each an “Event of Default”) under this Agreement:

a. the material failure by any Borrower to comply with any covenant, restriction or agreement contained in this Agreement unless the failure to perform is capable of remedy and is remedied within thirty (30) days after the earlier to occur of (aa) Lender giving written notice thereof to Borrowers, or (bb) any Borrower becoming aware of such failure to comply;

b. the continuance of any Default past any applicable cure period or the occurrence of any Event of Default on the part of any Borrower (including specifically, but without limitation, default due to non-payment) under the terms of the Loan Agreement or any other Credit Document;

c. the Borrowers, taken as a whole, become insolvent or generally do not pay their debts as they become due, or if a petition for relief in a bankruptcy court is filed by any Borrower, or if any Borrower applies for, consents to, or acquiesces in the appointment of a trustee, custodian, or receiver for any Borrower or any of its assets and property, or makes a general assignment for the benefit of creditors; or in the absence of such application, consent, or acquiescence, if a trustee, custodian, or receiver is appointed for any Borrower or for a substantial part of the assets and property of the Borrowers and is not discharged within sixty (60) days; or any bankruptcy, reorganization, debt arrangement, or other proceeding or case under any bankruptcy or insolvency law or any dissolution or liquidation proceeding is instituted against any Borrower and is consented to or acquiesced in by any Borrower or remains unresolved for sixty (60) days; or any Borrower takes any action to authorize any of the actions described in this section; or

d. any representation, warranty, certification or statement made or deemed made by any Borrower in any Credit Document or in any certificate, financial statement or other document delivered pursuant to any Credit Document, shall prove to have been incorrect in any material respect when made or deemed made, unless the circumstances giving rise to the misrepresentation are capable of remedy and are remedied within thirty (30) days of the earlier to occur of (aa) Lender giving written notice thereof to Borrowers or (bb) any Borrower becoming aware of the misrepresentation;

e. the material failure by any Borrower to comply with any covenant, restriction or agreement contained in this Agreement or any other Credit Document (other than those referred to in **Section 7.01(a)** of the Loan Agreement), unless the failure to perform is capable of remedy and is remedied within thirty (30) days after the earlier to occur of (aa) Lender giving written notice thereof to Borrowers or (bb) any Borrower becoming aware of the failure to comply, and provided further that the violation of any financial covenant of **Section 6.04** (*Financial Covenants*) of the Loan Agreement by Borrowers is remedied on or before the last day of the month following the month of the occurrence of the earlier of (aa) Lender giving written notice of such violation to Borrowers or (bb) any Borrower becoming aware of such violation;

f. the occurrence and continuance of any default or event of default on the part of any Borrower (including specifically, but without limitation, defaults due to non-payment) under the terms of any agreement, document or instrument pursuant to which any Borrower has incurred any Indebtedness in excess of Five Hundred Thousand Dollars (**\$500,000.00**) (or its equivalent in any other currency or currencies) which default or event of default has passed applicable cure periods and would permit acceleration of such Indebtedness;

g. the value of the assets of Borrowers taken as a whole is less than their liabilities (taking into account contingent and prospective liabilities);

h. any corporate action, legal proceedings or other procedure or step is taken in relation to:

(A) the suspension of payments, a moratorium of any indebtedness, winding-up (save where such proceedings, procedure or step are frivolous or vexatious and are discharged or otherwise withdrawn within thirty (30) days of commencement), dissolution (save where such proceedings, procedures or steps is frivolous or vexatious and is discharged or otherwise withdrawn within thirty (30) days of commencement), administration or reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Borrower; provided, however, that the foregoing shall not prohibit one Borrower from merging with another Borrower if Lender shall have been given thirty (30) days prior notice of such merger;

(B) a composition, assignment or arrangement with the creditors (or any class thereof) of any Borrower;

(C) an order for the winding up, administration or dissolution is made in relation to any Borrower;

(D) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Borrower or any of its assets;

(E) the shareholders, directors or other officers of any Borrower request the appointment of, or give notice of their intention to appoint, a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar

officer; or

(F) enforcement of any Lien over all or any material part of the assets of any Borrower, or any analogous procedure or step is taken in any jurisdiction; or

i. any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Borrower and is not discharged within 21 days; or

j. the entry of a decree or order for relief by a court having jurisdiction in the premises in respect of any Borrower in an involuntary bankruptcy or insolvency proceeding or any other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) of any Borrower or for any substantial part of its property, or ordering the wind-up or liquidation of its affairs, or the filing and pendency for thirty (30) days without dismissal of a petition initiating an involuntary case under any such bankruptcy, insolvency or other similar law.

5.2 General Authority . Each Borrower hereby irrevocably appoints Lender and any officer or agent thereof, with full power of substitution, as his true and lawful attorney-in-fact, in the name of each such Borrower or its own name, for the sole use and benefit of Lender, but at each Borrower's expense, at any time during the continuance of a Default past any applicable cure period or the existence of an Event of Default, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to carry out the terms of this Agreement and, without limiting the foregoing, each Borrower hereby gives Lender the power and right on its behalf, without notice to or further assent by each Borrower to do the following during the continuance of a Default past any applicable cure period or the existence of an Event of Default:

(i) to receive, take, endorse, assign and deliver any and all checks, notes, drafts, acceptances, documents and other negotiable and nonnegotiable instruments taken or received by each Borrower as, or in connection with, the Collateral;

(ii) to demand, sue for, collect, receive and give acquittance for any and all monies due or to become due upon or in connection with the Collateral;

(iii) to commence, settle, compromise, compound, prosecute, defend or adjust any claim, suit, action or proceeding with respect to, or in connection with, the Collateral;

(iv) to sell, transfer, assign or otherwise deal in or with the Collateral or any part thereof, as fully and effectually as if Lender were the absolute owner thereof; and

(v) to do, at its option, but at the expense of Borrowers, at any time or from time to time, all acts and things which Lender deems necessary to protect or preserve the Collateral and to realize upon the Collateral.

5.3 Rights and Remedies . If a Default shall continue past any applicable cure period or an Event of Default shall exist, Lender shall be entitled to exercise in a commercially reasonable manner in respect of the Collateral all of its rights, powers and remedies provided for herein or otherwise available to it under any other Credit Document, by law, in equity or otherwise, including all rights and remedies of a secured party under the UCC, and shall be entitled in particular, but

without limitation of the foregoing, to exercise the following rights, which Borrowers agree to be commercially reasonable:

(a) To notify any or all obligors as to any Collateral of the Lien and security interest in favor of Lender created hereby and to direct all such Persons to make payments of all amounts due thereon or thereunder directly to Lender or to an account designated by Lender; and in such instance and from and after such notice, all amounts and proceeds received by any Borrower in respect of any Collateral shall be received in trust for the benefit of Lender hereunder, shall be segregated from the other funds of Borrowers and shall be forthwith deposited into such account or paid over or delivered to Lender in the same form as so received (with any necessary endorsements or assignments), to be held as Collateral and applied to the Secured Obligations as provided herein;

(b) To take possession of, receive, endorse, assign and deliver, in its own name or in the name of Borrowers, all checks, notes, drafts and other instruments relating to any Collateral, including receiving, opening and properly disposing of all mail addressed to any Borrower concerning Collateral; to verify with contract parties the validity, amount or any other matter relating to any Collateral, in its own name or in the name of any Borrower; to accelerate any indebtedness or other obligation constituting Collateral that may be accelerated in accordance with its terms; to take or bring all actions and suits deemed necessary or appropriate to effect collections and to enforce payment of any Collateral; to settle, compromise or release in whole or in part any amounts owing on Collateral; and to extend the time of payment of any and all amounts owing under any Collateral and to make allowances and adjustments with respect thereto, all in the same manner and to the same extent as Borrowers might have done;

(c) To transfer to or register in its name or the name of any of its agents or nominees all or any part of the Collateral, without notice to Borrowers and with or without disclosing that such Collateral is subject to the Lien and security interest created hereunder;

(d) To require Borrowers to, and Borrowers hereby agree that they will at their expense and upon request of Lender forthwith, assemble all or any part of the Collateral as directed by Lender and make it available to Lender at a place designated by Lender;

(e) To enter and remain upon the premises of Borrowers and take possession of all or any part of the Collateral, with or without prior notice or judicial process; to use the materials, services, books and records of Borrowers for the purpose of liquidating or collecting the Collateral, whether by foreclosure, auction or otherwise; and to remove the same to the premises of Lender or any designated agent for such time as Lender may desire, in order to effectively collect or liquidate the Collateral; and

(f) To sell, resell, assign and deliver, in its sole discretion, in accordance with the UCC or other applicable law, all or any of the Collateral, in one or more parcels, at public or private sale, at any of Lender's offices or elsewhere, for cash, upon credit or for future delivery, at such time or times and at such price or prices and upon such other terms as Lender may deem satisfactory. If any of the Collateral is sold by Lender upon credit or for future delivery, Lender shall not be liable for the failure of the purchaser to purchase or pay for the same and, in the event of any such failure, Lender may resell such Collateral. In no event shall Borrowers be credited with any

part of the proceeds of sale of any Collateral until and to the extent cash payment in respect thereof has actually been received by Lender. Each purchaser at any such sale shall hold the property sold absolutely, free from any claim or right of whatsoever kind, including any equity or right of redemption of Borrowers, and each Borrower hereby expressly waives all rights of redemption, stay or appraisal, and all rights to require Lender to marshal any assets in favor of Borrowers or any other party or against or in payment of any or all of the Secured Obligations, that it has or may have under any rule of law or statute now existing or hereafter adopted. No demand, presentment, protest, advertisement or notice of any kind (except any notice required by law, as referred to below), all of which are hereby expressly waived by each Borrower, shall be required in connection with any sale or other disposition of any part of the Collateral. If any notice of a proposed sale or other disposition of any part of the Collateral shall be required under applicable law, Lender shall give the applicable Borrower at least ten (10) days' prior notice of the time and place of any public sale and of the time after which any private sale or other disposition is to be made, which notice each Borrower agrees is commercially reasonable. Lender shall not be obligated to make any sale of Collateral if it shall determine not to do so, regardless of the fact that notice of sale may have been given. Lender may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. Upon each public sale and, to the extent permitted by applicable law, upon each private sale, Lender may purchase all or any of the Collateral being sold, free from any equity, right of redemption or other claim or demand, and may make payment therefor by endorsement and application (without recourse) of the Secured Obligations in lieu of cash as a credit on account of the purchase price for such Collateral.

(g) For the avoidance of doubt, Lender shall have no obligation to seek to realize on all or any part of the Collateral. If a Default shall continue past any applicable cure period or an Event of Default shall exist, Lender shall be entitled to take possession of any or all Documents of Title for any one or more items of Inventory without taking possession of or seeking to realize upon such items of Inventory to which such Documents of Title pertain. If Lender shall seek to realize on the Collateral and the proceeds realized from disposition thereof shall fail to satisfy all of the Obligations to Lender, Borrowers shall forthwith pay any deficiency balance to Lender, which amount shall bear interest from the date when due until paid in full at the Default Rate.

(h) No failure on the part of Lender to enforce any of the rights hereunder shall be deemed a waiver of such rights or of any Default or Event of Default and no waiver of any Default or Event of Default hereunder will be deemed to be a waiver of any subsequent Default or Event of Default.

5.4 Application of Proceeds.

(a) All proceeds collected by Lender upon any sale, other disposition of or realization upon any of the Collateral, together with all other moneys received by Lender hereunder, shall be applied as follows:

(i) first, to payment of the expenses of such sale or other realization, including reasonable compensation to Lender and its agents and counsel, and all expenses, liabilities and

advances incurred or made by Lender, its agents and counsel in connection therewith or in connection with the care, safekeeping or otherwise of any or all of the Collateral, and any other unreimbursed expenses for which Lender is to be reimbursed pursuant to **Section 6.1** (*Indemnity and Expenses*);

(ii) second, after payment in full of the amounts specified in **clause (i)** above, to payment of the Secured Obligations; and

(iii) finally, after payment in full of the amounts specified in **clauses (i)** and **(ii)** above, any surplus then remaining shall be paid to Borrowers, or any of them, or their successors or assigns, or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

(b) Borrowers shall remain liable to the extent of any deficiency between the amount of all proceeds realized upon sale or other disposition of the Collateral pursuant to this Agreement. Upon any sale of any Collateral hereunder by Lender (whether by virtue of the power of sale herein granted, pursuant to judicial proceeding, or otherwise), the receipt of Lender or the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold, and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to Lender or such officer or be answerable in any way for the misapplication thereof.

5.5 Collateral Accounts. Upon any Default continuing past any applicable cure period or upon any Event of Default, Lender shall have the right to cause to be established and maintained, at its principal office or such other location or locations as it may establish from time to time in its discretion, one or more accounts (collectively, "Collateral Accounts") for the collection of cash proceeds of the Collateral. Such proceeds, when deposited, shall continue to constitute Collateral for the Secured Obligations and shall not constitute payment thereof until applied as herein provided. Lender shall have sole dominion and control over all funds deposited in any Collateral Account, and such funds may be withdrawn therefrom only by Lender. Upon any Default continuing past any applicable cure period or upon any Event of Default, Lender shall have the right to apply amounts held in the Collateral Accounts in payment of the Secured Obligations in the manner provided for in **Section 5.4** (*Application of Proceeds*).

5.6 Waivers. Each Borrower, to the greatest extent not prohibited by applicable law, hereby (i) agrees that it will not invoke, claim or assert the benefit of any rule of law or statute now or hereafter in effect, or take or omit to take any other action, that would or could reasonably be expected to have the effect of delaying, impeding or preventing the exercise of any rights and remedies in respect of the Collateral, the absolute sale of any of the Collateral or the possession thereof by any purchaser at any sale thereof, and waives the benefit of all such laws and further agrees that it will not hinder, delay or impede the execution of any power granted hereunder to Lender, but that it will permit the execution of every such power as though no such laws were in effect, (ii) waives all rights that it has or may have under any rule of law or statute now existing or hereafter adopted to require Lender to marshal any Collateral or other assets in favor of any Borrower or any other party or against or in payment of any or all of the Secured Obligations, and (iii) waives all rights that it has or may have under any rule of law or statute now existing or hereafter adopted, to the extent the same may be lawfully waived, to demand, presentment,

protest, advertisement or notice of any kind (except notices expressly provided for herein).

5.7 Borrowers' Claims Against Sellers. No Borrower shall assert against Lender any claim or defense any Borrower may have against any Seller, whether for breach of warranty, misrepresentation, failure to ship, lack of authority, or otherwise, including without limitation claims or defenses based upon charge backs, credit memos, rebates, price protection payments or returns. Any such claims or defenses or other claims or defenses any Borrower might have against a Seller shall not affect such Borrower's liabilities or obligations to Lender.

ARTICLE VI MISCELLANEOUS

6.1 Indemnity and Expenses. Borrowers jointly and severally agree:

(a) To indemnify and hold harmless Lender and each of its respective directors, officers, employees, agents and affiliates from and against any and all claims, damages, demands, losses, obligations, judgments and liabilities (including, without limitation, reasonable attorneys' fees and expenses) in any way arising out of or in connection with this Agreement and the transactions contemplated hereby, except to the extent the same shall arise as a result of the gross negligence or willful misconduct of the party seeking to be indemnified; and

(b) To pay and reimburse Lender upon demand for all reasonable costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) that Lender may incur in connection with (i) the custody, use or preservation of, or the sale of, collection from or other realization upon, any of the Collateral, including the reasonable expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realizing on the Collateral, (ii) the exercise or enforcement of any rights or remedies granted hereunder (including, without limitation, under **Article V**) or otherwise available to it (whether at law, in equity or otherwise), or (iii) the failure by any Borrower to perform or observe any of the provisions hereof, including, without limitation, reasonable attorneys' fees, legal expenses and reasonable costs of collection, seizure of Collateral, preservation of Collateral, and disposition of Collateral in endeavoring to enforce the terms, conditions or provisions of this Agreement and/or collect amounts owing Lender in accordance with this Agreement, the workout thereof, and representation of Lender in any proceeding for the seizure of a Vessel or any insolvency proceeding or case under any Bankruptcy Code or any similar bankruptcy, insolvency, or receivership laws of any other jurisdiction. The provisions of this **Section 6.1** shall survive the execution and delivery of this Agreement, the repayment of any of the Secured Obligations, the termination of the commitments under the Loan Agreement and the termination of this Agreement or any other Credit Document.

6.2 No Waiver. Lender's failure at any time or times hereafter to require strict performance by any Borrower of any of the provisions of this Agreement shall not waive, affect or diminish any right of Lender at any time or times hereafter to demand strict performance therewith and with respect to any other provision of this Agreement, and any waiver of any Default or Event of Default shall not waive or affect any other Default or Event of Default, whether prior or subsequent thereto, and whether of the same or a different type. None of the provisions of this Agreement shall be deemed to have been waived by any act or knowledge of Lender, its agents,

officers or employees except by an instrument in writing signed by an officer of Lender and directed to Borrowers specifying such waiver.

6.3 Remedies Cumulative. Each right, power and remedy of Lender provided for in this Agreement, in any other Credit Document or in any of the other instruments or agreements evidencing or securing the Obligations or now or hereafter existing at law or in equity or by statute shall be cumulative and concurrent and shall be in addition to every other such right, power or remedy. The exercise or beginning of the exercise by Lender of any one or more of the rights, powers or remedies provided for in this Agreement, in any other Credit Document or in any such other instrument or agreement now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by Lender of all such other rights, powers or remedies, and no failure or delay on the part of Lender to exercise any such right, power or remedy shall operate as a waiver thereof.

6.4 Pre-Filing and Filing of Financing Statements . By execution of this Agreement, Borrowers (a) expressly authorize Lender to prepare and file or cause to be filed such Uniform Commercial Code financing statements (including attached schedules, exhibits, and addenda) as Lender may deem reasonably necessary to perfect the security interests and liens granted herein and (b) hereby ratify and confirm that Lender was and is authorized to file all such Uniform Commercial Code financing statements (including attached schedules, exhibits, and addenda) prior to the execution and delivery of this Agreement, and hereby ratifies any such filings.

6.5 Continuing Security Interest; Term; Successors and Assigns; Assignment; Termination and Release; Survival . This Agreement shall create a continuing security interest in the Collateral and shall secure the payment and performance of all of the Secured Obligations as the same may arise and be outstanding at any time and from time to time from and after the date hereof, and shall (i) remain in full force and effect until all of the Secured Obligations have been paid and finally discharged in full, (ii) be binding upon and enforceable against each Borrower and its successors and assigns (provided , however , that no Borrower may sell, assign or transfer any of its rights, interests, duties or obligations hereunder without the prior written consent of Lender) and (iii) inure to the benefit of and be enforceable by Lender and its successors and assigns. Upon any sale or other disposition by any Borrower of any Collateral in a transaction expressly permitted hereunder or under or pursuant to the Loan Agreement or any other applicable Credit Document, the Lien and security interest created by this Agreement in and upon such Collateral shall be automatically released, and at such time as all the Secured Obligations have been paid and finally discharged in full, this Agreement and the Lien and security interest created hereby shall terminate; and in connection with any such release or termination, Lender, at the request and expense of the applicable Borrower, will execute and deliver to Borrowers such documents and instruments evidencing such release or termination as Borrowers may reasonably request and will assign, transfer and deliver to Borrowers, without recourse and without representation or warranty, such of the Collateral as may then be in the possession of Lender (or, in the case of any partial release of Collateral, such of the Collateral so being released as may be in its possession).

6.6 Notice . Except as otherwise provided herein, notice to Borrowers or to Lender shall be given or delivered in the manner set forth in **Section 8.04** (*Notices*) of the Loan Agreement.

6.7 Governing Law; Consent to Jurisdiction, Venue.

(a) This Agreement and the other Credit Documents shall be governed by, and construed in accordance with, the laws of the State of Maryland, USA, (excluding the laws applicable to conflicts or choice of law), except to the extent that the federal law of the United States may preempt state law, and except to the extent issues of lien perfection may be governed by the law of other jurisdictions. Each Borrower acknowledges and warrants that this Agreement and the other Credit Documents are to be treated for all purposes, including choice of law purposes, as though it was executed and delivered within the geographic boundaries of the State of Maryland, even if it was, in fact, executed and delivered elsewhere. It is the express intention of Lender and each Borrower that the laws of the State of Maryland (but not its conflict of laws and choice of law rules) apply to the entirety of the transactions evidenced by the Credit Documents except to the extent that federal law may preempt state law and except to the extent issues of lien perfection may be governed by the law of other jurisdictions.

(b) Each Borrower hereby agrees and consents that any action or proceeding arising out of or brought to enforce the provisions of this Agreement may be brought in any appropriate court in the State of Maryland or in any other federal or state court having jurisdiction over the subject matter, all at the sole election of Lender, and by the execution of this Agreement each Borrower irrevocably consents to the jurisdiction of each such court. Each Borrower hereby irrevocably appoints CSC, with a mailing address at 2711 Centreville Road, #400, Wilmington, Delaware 19808, as its agent to accept service of process for it and on its behalf in any proceeding brought pursuant to the provisions of this Section. Service upon the said agent for each Borrower shall be of the same force and validity as if served personally on each Borrower itself. Service of process may be made on each Borrower by mailing a copy of the summons and complaint or other initial pleadings to such agent by registered or certified mail, return receipt requested, at the address listed for Obligor in **Section 8.04** (*Notices*) of the Loan Agreement.

(c) Nothing in this **Section 6.7** shall affect the right of Lender to serve legal process in any other manner permitted by law or affect any right that Lender may otherwise have to bring an action or proceeding relating to this Agreement or the other Credit Documents against each Borrower or its properties in the courts of any jurisdiction.

(d) Each Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Credit Document in any Maryland state or federal court. Each Borrower hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(e) To the extent that each Borrower has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether from service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise), each Borrower hereby irrevocably waives such immunity in respect of its obligations under this Agreement and the other Credit Documents. Each Borrower further waives, to the extent permitted by law, any bond or surety upon such bond which might be required of Lender.

6.8 WAIVER OF TRIAL BY JURY, Waiver of Exemplary or Punitive Damages.

a. EACH BORROWER AND LENDER HEREBY DO IRREVOCABLY AND UNCONDITIONALLY TO THE EXTENT PERMITTED BY APPLICABLE LAW **WAIVE THE RIGHT TO A TRIAL BY JURY** IN ANY ACTION OR PROCEEDING OR COUNTERCLAIM OF ANY TYPE AS TO ANY MATTER ARISING DIRECTLY OR INDIRECTLY OUT OF OR WITH RESPECT TO THIS AGREEMENT, THE FLOOR PLAN CREDIT, OR ANY OTHER CREDIT DOCUMENTS. IT IS AGREED AND UNDERSTOOD THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS OR PROCEEDINGS, INCLUDING CLAIMS AGAINST PARTIES WHO ARE NOT PARTIES TO THIS AGREEMENT OR THE OTHER CREDIT DOCUMENTS.

b. Each Borrower does further agree that it shall not have a remedy of exemplary or punitive damages against Lender in any dispute, controversy, litigation proceeding or arbitration, and does waive any such remedy or claim to exemplary or punitive damages it now has or which may arise in the future in any such dispute or controversy with Lender.

6.9 Waivers Knowingly Made, Obligors Represented by Counsel. Each Borrower acknowledges and stipulates that the waivers granted in this Agreement are made knowingly, voluntarily and intentionally and after full consultation with counsel of its choice and constitute a material inducement for Lender to extend the Floor Plan Credit. Each Borrower certifies that no representative, agent or attorney of Lender has represented, expressly or otherwise, that Lender would not, in the event of litigation, seek to enforce the waivers stated in this Agreement. Each Borrower and Lender further agree that a copy of this Agreement may be filed with any court as written evidence of its knowing, voluntary and bargained-for agreement between and among the parties hereto with respect to such waiver.

6.10 Survival. All representations and warranties of each Borrower and all obligations of each Borrower contained herein shall survive the execution and delivery of this Agreement and each Notice of Borrowing and each Advance of Floor Plan Credit.

6.11 Singular or Plural; Joint and Several Obligation. All references to singular shall also mean plural, masculine shall also mean feminine, and all singular pronouns shall include all signatories hereunder except for Lender. The Secured Obligations of Borrowers under this Agreement are joint and several. Each Borrower shall be jointly and severally liable for all the Secured Obligations of all Borrowers under this Agreement. Without limiting the generality of the foregoing, (i) whenever this Agreement imposes a Secured Obligation on the Borrowers, the entire Secured Obligation shall be imposed on each Borrower; (ii) whenever the Borrowers make a grant, agreement, covenant, representation, or warranty in this Agreement, such grant, agreement, covenant, representation, or warranty shall be deemed made by each Borrower; (iii) whenever this Agreement provides that the Lender shall have a right or remedy against the Borrowers, the Lender shall have such right or remedy against each Borrower; (iv) the occurrence of a Default or Event of Default as to any Borrower or the failure of any Borrower to comply with any provision of this Agreement shall be considered to be a Default or Event of Default or failure to comply by all Borrowers; and (v) in the event of any ambiguity or question whether, in any instance, the term "Borrowers" refers to each Borrower, the ambiguity or

question shall be resolved in favor of the Lender.

6.12 Independent and Unconditional Obligations. Lender may compromise or release the obligations of any one or more of the Borrowers without thereby compromising or releasing the obligations of any other Borrower. Lender may release any portion or all the Collateral for the obligations of the Borrowers hereunder, or any of them, without thereby releasing or discharging any other Borrower, in whole or in part, from their obligations under this Agreement or any other Credit Document. Lender may extend the term of this Agreement or any of the Credit Documents or extend new credit to any Borrower without thereby extending or renewing or compromising or releasing the obligations of any other Borrower. Any payment received by the Lender from any one or more of the Borrowers for or on account of this Agreement may be applied by the Lender to any of the Obligations in whatever order and manner the Lender elects.

6.13 Severability. In the event that any provision of this Agreement is found to be illegal, invalid or unenforceable, it shall be ineffective to the extent of such illegality, invalidity or unenforceability without invalidating the remaining provisions of this Agreement.

6.14 Integration; Merger. This Agreement constitutes a complete, final and exclusive agreement between each Borrower and Lender concerning the subject matter hereof and supersedes all prior agreements and understandings, oral or written, regarding such subject matters. All prior negotiations concerning this Agreement have been merged into this Agreement. Neither this Agreement, nor any term, condition, covenant, or agreement hereof, may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge, or termination is sought.

6.15 Counterparts; Headings. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. The headings used in this Agreement are for convenience and reference only, and not intended in any way to define or describe the scope or intent of any provision of this Agreement.

6.16 Assignment No Borrower may assign its rights and obligations under this Agreement without the prior written consent of Lender. All rights of Lender shall inure to the benefit of its successors and assigns, and all obligations of each Borrower shall bind the permitted successors and assigns of such Borrower.

6.17 Conflict of Terms. The terms of this Agreement and the terms of the Loan Agreement shall be construed and interpreted to the full extent possible to give effect to all such terms. In the event of any conflict between the terms of this Agreement and the Loan Agreement, the terms of the Loan Agreement shall control.

6.18 Waivers. In the event Lender seeks to take possession of any or all of each Borrower's properties or other assets by court process or other method available under the law after and during the continuance of a Default past any applicable cure period or the existence of an Event of Default, such Borrower irrevocably waives any bond and any surety or security relating thereto required by any statute, court rule or otherwise as an incident to such possession, and waives any demand for possession prior to the commencement of any suit or action to recover

with respect thereto. Each Borrower expressly waives all defenses of suretyship or impairment of collateral.

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IN WITNESS WHEREOF , this Agreement has been executed under seal as of the day and year first above written by the duly authorized officers of the parties hereto.

BORROWERS:

WITNESS/ATTEST

/s/ Kurt Frahn
Kurt Frahn

MARINEMAX, INC.,
a Delaware corporation

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST

/s/ Kurt Frahn
Kurt Frahn

MARINEMAX EAST, INC.,
a Delaware corporation

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST

/s/ Kurt Frahn
Kurt Frahn

MARINEMAX SERVICES, INC.,
a Delaware corporation

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST

/s/ Kurt Frahn
Kurt Frahn

MARINEMAX NORTHEAST, LLC,
a Delaware limited liability company

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST:

BOATING GEAR CENTER, LLC,
a Delaware limited liability company

By: MARINEMAX EAST, INC.,
its sole member

/s/ Kurt Frahn
Kurt Frahn

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST:

US LIQUIDATORS, LLC,
a Delaware limited liability company

/s/ Kurt Frahn
Kurt Frahn

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

WITNESS/ATTEST:

NEWCOAST FINANCIAL SERVICES, LLC,
a Delaware limited liability company

/s/ Kurt Frahn
Kurt Frahn

By: /s/ Michael H. McLamb (SEAL)
Print Name: Michael H. McLamb
Title: EVP

ACCEPTED AND AGREED TO AS OF THE DATE FIRST ABOVE WRITTEN:

LENDER:

WITNESS/ATTEST:

CGI FINANCE, INC.,
a Delaware corporation

/s/ John Wright
John Wright

By: /s/ Herve Bonnet (SEAL)
Print Name: Herve Bonnet
Title: President and CEO

**SCHEDULE I
BORROWER INFORMATION**

MarineMax, Inc.

Federal Tax ID no.: 59-3496957
Organizational ID no.: 2849981 8100
Chief Executive Office Address:
18167 US Highway 19 North, Suite 300
Clearwater, Florida 33764

MarineMax East, Inc.

Federal Tax ID no.: 94-3382331
Organizational ID no.: 3332179 8100
Chief Executive Office Address:
18167 US Highway 19 North, Suite 300
Clearwater, Florida 33764

MarineMax Services, Inc.

Federal Tax ID no.: 74-2979572
Organizational ID no.: 3331764 8100
Chief Executive Office Address:
18167 US Highway 19 North, Suite 300
Clearwater, Florida 33764

MarineMax Northeast, LLC

Federal Tax ID no.: 26-0668571
Organizational ID no.: 4402087 8100
Chief Executive Office Address:
18167 US Highway 19 North, Suite 300
Clearwater, Florida 33764

Boating Gear Center, LLC

Federal Tax ID no.: 20-2113374
Organizational ID no.: 3908460 8100
Chief Executive Office Address:
18167 US Highway 19 North, Suite 300
Clearwater, Florida 33764

US Liquidators, LLC

Federal Tax ID no.: 20-5817473
Organizational ID no.: 4242668 8100
Chief Executive Office Address:
18167 US Highway 19 North, Suite 300
Clearwater, Florida 33764

Newcoast Financial Services, LLC

Federal Tax ID no.: 59-3529057
Organizational ID no.: 2920730 8100
Chief Executive Office Address:
18167 US Highway 19 North, Suite 300
Clearwater, Florida 33764

**SCHEDULE II
JURISDICTIONS FOR UCC FILINGS**

Legal Name : MarineMax, Inc.

Filing Location: Delaware

Legal Name : MarineMax East, Inc.

Filing Location: Delaware

Legal Name : MarineMax Services, Inc.

Filing Location: Delaware

Legal Name : MarineMax Northeast, LLC

Filing Location: Delaware

Legal Name : Boating Gear Center, LLC

Filing Location: Delaware

Legal Name : US Liquidators, LLC

Filing Location: Delaware

Legal Name : Newcoast Financial Services, LLC

Filing Location: Delaware

EXHIBIT A
LIMITED POWER OF ATTORNEY

List of Subsidiaries

MarineMax, Inc.

MarineMax East, Inc.

MarineMax Services, Inc.

MarineMax Northeast, LLC

Boating Gear Center, LLC

US Liquidators, LLC

Newcoast Financial Services, LLC

Consent of Independent Registered Certified Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- 1) Registration Statement (Form S-3 No. 333-153006) pertaining to the 2008 shelf registration of MarineMax, Inc. and the related Prospectus,
- 2) Registration Statement (Form S-8 No. 333-141657) pertaining to the 2007 Incentive Compensation Plan of MarineMax, Inc.,
- 3) Registration Statement (Form S-8 No. 333-83332) pertaining to the 1998 Incentive Stock Plan of MarineMax, Inc.,
- 4) Registration Statement (Form S-8 No. 333-63307) pertaining to the 1998 Incentive Stock Plan and the 1998 Employee Stock Purchase Plan of MarineMax, Inc., and
- 5) Registration Statement (Form S-8 No. 333-156358) pertaining to the 2008 Employee Stock Purchase Plan of MarineMax, Inc.;

of our reports dated December 2, 2010, with respect to the consolidated financial statements of MarineMax, Inc. and the effectiveness of internal control over financial reporting of MarineMax, Inc., included in this Annual Report (Form 10-K) of MarineMax Inc. for the year ended September 30, 2010.

/s/ Ernst & Young LLP

Tampa, Florida
December 2, 2010

CERTIFICATION

I, William H. McGill Jr., certify that:

1. I have reviewed this report on Form 10-K of MarineMax, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ WILLIAM H. MCGILL, JR.

William H. McGill Jr.
Chief Executive Officer
(Principal Executive Officer)

Date: December 2, 2010

CERTIFICATION

I, Michael H. McLamb, certify that:

1. I have reviewed this report on Form 10-K of MarineMax, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ MICHAEL H. MCLAMB

Michael H. McLamb
Chief Financial Officer
(Principal Financial Officer)

Date: December 2, 2010

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACTS OF 2002**

In connection with the Annual Report on Form 10-K of MarineMax, Inc. (the "Company") for the year ended September 30, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, William H. McGill Jr., Chief Executive Officer of the Company, certify, to my best knowledge and belief, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ WILLIAM H. MCGILL JR.

William H. McGill Jr.

Chief Executive Officer

Date: December 2, 2010

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACTS OF 2002**

In connection with the Annual Report on Form 10-K of MarineMax, Inc. (the “Company”) for the year ended September 30, 2010, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Michael H. McLamb, Chief Financial Officer of the Company, certify, to my best knowledge and belief, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(3) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)); and

(4) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ MICHAEL H. MCLAMB

Michael H. McLamb
Chief Financial Officer

Date: December 2, 2010