



CLIPPER Vacations

Seattle
Victoria, BC
San Juan Islands
Vancouver Island
Vancouver, BC
Whistler, BC
Canadian Rockies
Portland, Oregon
Fishing, Skiing & Golfing

March 20, 2009

To Our Industry Partners,

This letter is to advise you that San Juan Express, Inc. a subsidiary of Clipper Navigation, Inc., will not be operating a Seattle/San Juan Island ferry service during the 2009 season. This summer, the US Navy will be using the Victoria Clipper III and several other similar vessels from California and Alaska to ferry Navy personnel from their home base in Everett, WA over to the Puget Sound Naval shipyard in Bremerton for work on the USS Abraham Lincoln Aircraft carrier. As there are no other satisfactory vessels available that fit our requirements for providing a quality service at reasonable prices, we have suspended the operation for this summer. We apologize for any inconvenience this may cause to your or your customers, but assure you we will resume service in May of 2010.

Clipper Vacations will be providing some options for those passengers who are interested in Whale Watching or spending time at Friday Harbor. Please contact our reservation desk at 800-888-2535 for more information or your usual contact here at Clipper.

Thank you for your understanding.

Sincerely,

Darrell E. Bryan
President and CEO

DEB/lt

Clipper Navigation, Inc.

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