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Counsel for Allen D. Applbaum as Receiver

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

United States Securities and Exchange
Commission,

Plaintiff,

v.

Jonathan Larmore, et al.,

Defendants, and

Michelle Larmore, Marcia Larmore;
CSL Investments, LLC;
MML Investments, LLC;
Spike Holdings, LLC;
and JMMAL Investments, LLC,

Relief Defendants.

No. CV-23-02470-PHX-DLR

**RECEIVER'S MOTION FOR ORDER
APPROVING ABANDONMENT
AGREEMENT AND TRANSFER OF
VESSEL M/Y BBELLA**

¹ Admitted *pro hac vice*.

² Admitted *pro hac vice*.

Allen D. Applbaum as receiver for ArciTerra Companies, LLC and related entities (the “Receiver”), by and through his counsel, Archer & Greiner, P.C., hereby respectfully moves this Court for an order approving the Abandonment Agreement dated June 3, 2024, annexed hereto as Exhibit 1, providing for the abandonment of all the Receiver’s interest in the 87 foot M/Y BBELLA (Official No. 1290829) (the “Vessel”) her engines, tackle, equipment, appurtenances and everything aboard her (the “Property”), between the Receiver and mortgagee, ST Liberty LLC (the “Mortgagee”), as follows:

I. Preliminary Statement

1. On December 21, 2023 and May 6, 2024, the Court appointed the Receiver pursuant to the *Order Appointing Temporary Receiver and Temporarily Freezing Assets and Imposing Litigation Injunction* [ECF No. 77], and *Order Appointing Receiver and Freezing Assets and Imposing Litigation Injunction* [ECF No. 154] (the “Receivership Order”), respectively.³ Since his appointment, the Receiver and his retained professionals have, among other things, assumed control of the Receivership Entities and Receivership Assets, conducted preliminary investigations into the claims and liens asserted against Receivership Assets, negotiated standstill and forbearance stipulations with parties asserting liens and other interests in Receivership Assets, and conducted other activities required by the Receivership Order to administer the Receivership Estate (as defined in the Receivership Order).⁴

2. The Receiver brings this Motion to approve the Abandonment Agreement

³ Capitalized, undefined terms are as in the Receivership Order.

⁴ On April 1, 2024, the Receiver filed the *Receiver’s Factual Update* [ECF No. 125].

1 with the Mortgagee.

2 3. The Vessel is owned by AT LC 87, LLC (“Owner”). The sole member of
3 the Owner is ATA Fishville FL, LLC, a Florida limited liability company that is in
4 receivership in this action and named in the Receivership Order. The Owner acts only
5 through ATA Fishville FL, LLC, and its sole member, ArciTerra KLS Warsaw IN, LLC, a
6 Receivership Entity.
7

8 4. The Vessel is subject to a first preferred ship mortgage (the “Mortgage”),
9 recorded with the National Vessel Documentation Center, an agency of the United States
10 Coast Guard.
11

12 5. The Owner defaulted on the Mortgage and the Vessel was arrested on
13 September 8, 2023 by the United States District Court for the Eastern District of Virginia,
14 Norfolk Division (the “Arresting Court”) under docket number 2:23-cv-00441 in a
15 mortgage foreclosure action.
16

17 6. The Arresting Court appointed a substitute custodian for the Vessel, which
18 has possession of her and which is entitled to recover the costs of custody of the Vessel,
19 which accrue daily. The Foreclosure Action has been stayed following the initiation of the
20 instant receivership, but the custody costs continue to accrue.
21

22 7. The Receiver has reviewed a Valuation and Appraisal of the Vessel dated
23 January 29, 2024, that determined that her orderly liquidation value was approximately
24 \$1,450,000. The amount due under the Mortgage is currently approximately \$1,359,587.73
25 as of April 30, 2024 and increases by approximately \$809.84 per day (excluding legal fees
26 and other costs recoverable under the Mortgage). The Receiver believes it will be at least
27
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1 ninety (90) days from the date hereof before the Vessel can be auctioned. An auction will
2 also incur additional expenses, including, but not limited to, a fee charged by the United
3 States Marshal Service and other incidental costs. The Receiver has determined that there
4 is therefore little or no equity in the Vessel that can be recovered by the Estate.
5

6 8. Pursuant to the attached Abandonment Agreement, the Receiver and
7 Mortgagee have agreed that the Receiver will abandon the Vessel to the Mortgagee in
8 exchange for a cash payment to the Receivership Estate of \$60,000. The Mortgagee has
9 also agreed to conduct an auction of the Vessel and to fund the costs of said auction, and
10 has further agreed to pay to the receiver fifty percent (50%) of the amount of any recovery
11 above the amount secured by the Mortgage and duly incurred by the Mortgagee. Thus, any
12 upside upon disposition will be shared with the Receivership Estate.
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15 9. The Receiver's Retained Personnel also conducted their own diligence and
16 independent analysis. Annexed hereto as Exhibit 2 is the Declaration of David Holley (the
17 "Holley Declaration"), in support of the approval of the Abandonment Agreement.
18

19 10. The Receiver believes, in his reasonable business judgment, that the terms of
20 the Abandonment Agreement represent the best obtainable transfer for the Vessel. The
21 Abandonment Agreement will result in approximately \$60,000 for the Receivership Estate,
22 and the sale at auction could further enhance such recoveries. Failure to sell at this time
23 results in continued accruing of costs and risks the potential request for stay relief from the
24 Mortgagee.
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26 11. The Mortgagee has provided a sworn declaration in support of the
27 Abandonment Agreement, a true copy of which is annexed hereto as Exhibit 3.
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12. Accordingly, the Receiver respectfully requests that the Court grant this Motion by entering an order approving the Abandonment Agreement.

II. Background

13. On November 28, 2023, the Securities and Exchange Commission filed its Complaint [ECF 1] (the “Complaint”) against Jonathan Larmore (“Larmore”); ArciTerra Companies, LLC (“ArciTerra”); ArciTerra Note Advisors II, LLC; ArciTerra Note Advisors III, LLC; ArciTerra Strategic Retail Advisor, LLC; and Cole Capital Funds, LLC (all together, the “Defendants”). Michelle Larmore; Marcia Larmore; CSL Investments, LLC; MML Investments, LLC; Spike Holdings, LLC and JMMAL Investments, LLC were named as relief defendants.

14. The Court entered the Receivership Order, which appointed the Receiver to, among other things, (a) perform the duties specified in the Receivership Order; (b) ascertain the financial condition of the Receivership Entities and all of the Receivership Assets (as defined in the Receivership Order); (c) oversee and manage the Receivership Entities and the Receivership Assets; and (d) propose for Court approval a fair and equitable distribution of the Receivership Assets.

15. Paragraph 6(N) of the Receivership Order provides that the Receiver shall have the power and duty to:

Sell, assign, transfer or otherwise dispose of any assets of the Receivership Entities either directly or through one or more Retained Personnel, subject to approval by this Court with respect to any material assets[.]

III. Relief Requested

16. By this Motion, the Receiver seeks entry of an order, in the form attached

hereto as Exhibit 4, approving the Abandonment Agreement.

IV. Basis for Relief Requested

17. The Court's power to supervise an equity receivership and to determine the appropriate actions to be taken in the administration of the receivership is extremely broad. *See Securities and Exchange Com'n v. Capital Consultants, LLC*, 397 F.3d 733, 738 (9th Cir. 2005) (quoting *Securities and Exchange Com'n v. Hardy*, 803 F.2d 1034, 1037 (9th Cir. 1986)). "The power of a district court to impose a receivership or grant other forms of ancillary relief does not in the first instance depend on a statutory grant of power from the securities laws. Rather, the authority derives from the inherent power of a court of equity to fashion effective relief." *Securities and Exchange Com'n v. Wencke*, 622 F.2d 1363, 1369 (9th Cir. 1980).

18. A court imposing a receivership assumes custody and control of all assets and property of the receivership, and it has broad equitable authority to issue all orders necessary for the proper administration of the receivership estate. *See Securities and Exchange Com'n v. Credit Bancorp Ltd.*, 290 F.3d 80, 82-83 (2d Cir. 2002).

19. Here, the Receiver seeks an order formally abandoning the Property. In bankruptcy cases, which are similar to receiverships, trustees are authorized to abandon property where it is "burdensome and of inconsequential value and benefit" to the bankruptcy estate. 11 U.S.C. § 554(a). "Abandonment requires affirmative action or some other evidence of intent by the trustee." *Stein v. United Artists Corp.*, 691 F.2d 885, 890 (9th Cir. 1982) (citations omitted). In *In re K.C. Machine and Tool Company*, 816 F.2d 238 (6th Cir. 1987), the court held that before ordering abandonment, the court must find

1 either (1) the property is burdensome to the estate; or (2) the property is both of
2 inconsequential value and inconsequential benefit to the estate. *Id.* at 245.

3
4 20. Therefore, it is well within the Court's broad authority to approve the
5 Abandonment Agreement as set forth herein. Abandonment (i) realizes the value that can
6 be achieved for the asset, given its value and encumbrance, (ii) stops continued accrual of
7 obligations that erode any equity margin, however minimal, and (iii) effectuates the
8 Receiver's charge to realize value from receivership assets and respond to creditors' due
9 concerns, especially secured creditors in their collateral.
10

11 21. To provide all interested parties with notice of the Abandonment Agreement,
12 the Receiver files herewith the form of notice annexed as Schedule 1 to the Abandon
13 Agreement.
14

15 **V. Conclusion**


16 22. No prior motion for the relief sought herein has been made to any court.

17 23. Given the authorities set forth herein, request is made to waive any
18 requirement to file a separate memorandum of law. *See* LRCiv 7.2(b).
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1 WHEREFORE, the Receiver respectfully requests that this Court enter an order
2 approving the Abandonment Agreement and granting such other relief as is just and proper.

3
4 Dated: June 7, 2024

ARCHER & GREINER, P.C.

5
6 By: _____

Allen G. Kadish¹

Harrison H.D. Breakstone²

1211 Avenue of the Americas

New York, New York 10036

Tel: (212) 682-4940

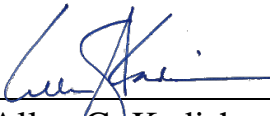
Email: akadish@archerlaw.com

hbreakstone@archerlaw.com

Counsel for Allen D. Applbaum as Receiver

CERTIFICATE OF SERVICE

I hereby certify that on June 7, 2024, I electronically transmitted the foregoing document with the Clerk of the Court using the CM/ECF systems, which will provide electronic mail notice to all counsel of record.


Allen G Kadish

INDEX TO EXHIBITS

Exhibit 1 – Abandonment Agreement

Exhibit 2 – Holley Declaration

Exhibit 3 – Mortgagee Declaration

Exhibit 4 – Proposed Order

EXHIBIT 1

ABANDONMENT AGREEMENT

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ABANDONMENT AGREEMENT

M/Y BBELLA

This Agreement (“Agreement”) is made as of June 3, 2024 (the “Effective Date”) between AT LC 87, LLC, an Arizona limited liability company acting by its sole member, ATA Fishville FL, LLC, in turn acting by its sole member, ArciTerra KLS Warsaw IN, LLC (“Owner”) and ST Liberty, LLC, a Florida limited liability company (“Mortgagee” and together with Owner, the “Parties” or each a “Party”).

WHEREAS, Owner is the registered owner of the motor boat M/Y BBELLA (Official No. 1290829) (the “Vessel”);

WHEREAS, Owner entered into a Promissory Note and Security Agreement dated December 5, 2022 (the “Loan Agreement”) pursuant to which Owner borrowed one million dollars (\$1,000,000), plus interest, costs, and fees as detailed therein, repayable in monthly installments, and secured in part by a promissory note (the “Promissory Note”) and a first preferred ship mortgage over the Vessel (the “Mortgage”);

WHEREAS, the Mortgage over the Vessel was recorded with the National Vessel Documentation Center, an agency of the United States Coast Guard, and has not been satisfied, discharged, or otherwise released;

WHEREAS, the Mortgagee represents that the total amount due under the Loan Agreement, and secured by the Promissory Note and Mortgage, is \$1,364,823.98, as of April 30, 2024, and increases by approximately \$809.84 per day, excluding legal fees and other costs recoverable under the Mortgage;

WHEREAS, Owner defaulted on the Loan Agreement by failing to make the required monthly payment, maintain insurance, and keep the Vessel seaworthy, among other breaches (the “Default”);

WHEREAS, following the Default, the Mortgagee’s predecessor in interest initiated foreclosure proceedings against the Owner and arrested the Vessel in an action filed before the United States District Court for the Eastern District of Virginia, Norfolk Division (the “Arresting Court”) under docket number 2:23-cv-00441 (the “Foreclosure Action”);

WHEREAS, the Vessel was arrested on September 8, 2023 by the United States Marshal Service;

WHEREAS, the Mortgagee obtained a Valuation and Appraisal of the Vessel on January 29, 2024 that determined that her orderly liquidation value was \$1,450,000;

WHEREAS, the Parties agree that a judicial sale by a United States District Court sitting in admiralty is the only way to assure that the vessel is sold free and clear of all liens and encumbrances and hence realizes the highest price;

WHEREAS, Owner’s sole member is ATA Fishville FL, LLC, a Florida limited liability company that is in receivership in the United States District Court for the District of Arizona under

docket number 2:23-cv-02470 (DLR) (the “Receivership Action”) pursuant to that certain *Order Appointing Receiver, Freezing Assets, and Imposing Litigation Injunction* [Dkt. No. 154];

WHEREAS, Allen D. Applbaum has been appointed as the receiver (the “Receiver”) in the Receivership Action; and

WHEREAS, the Foreclosure Action has been stayed following the initiation of the Receivership Action and the Receiver now wishes to dispose of the Vessel on the best terms possible, including by allowing the Mortgagee to foreclose on the Vessel.

NOW, THEREFORE, INTENDING TO BE BOUND, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree as follows:

1. Abandonment. The Owner hereby abandons all right, title and interest to the Vessel, her engines, boilers, tackle, equipment, appurtenances and everything aboard her. The Owner hereby turns over possession of the Vessel to the Mortgagee as the Vessel currently lays, with no representation or warranty of any kind other than title, including as to seaworthiness, or further liability for her costs, upkeep, maintenance or operation (the “Abandonment”).
2. Payment by Mortgagee. In consideration of the Abandonment, the Mortgagee shall pay the Receiver \$60,000 (the “Payment”), subject to and immediately upon fulfillment of the following conditions precedent (“Closing”):
 - 2.1. The Court in the Receivership Action shall approve this Agreement and such other relief as may be needed to give effect to this Agreement. Approval of this Agreement shall be deemed to end the stay against Mortgagee’s action against the Vessel pending in the Arresting Court;
 - 2.2. The Receiver shall file a Motion to approve abandonment and this Agreement in the Receivership Action (the “Motion to Abandon”);
 - 2.3. The time for filing objections to the Motion to Abandon shall have passed with no objections filed or, if an objection is filed, when the objection is overruled, settled, or otherwise resolved;
 - 2.4. The Motion to Abandon shall have been granted.
3. Owner’s Counsel in Foreclosure Action. Upon request of the Mortgagee, Owner shall advise any counsel in the Foreclosure Action that they no longer represent the Owner or the Vessel.
4. Costs. Pursuant to the terms of the Mortgage, the Mortgagee can recover all eligible costs incurred through closing, except as provided herein.
5. Time of the Essence. The Parties agree that time is of the essence in effecting the Abandonment because the indebtedness secured by the Mortgage continues to increase and because the

Custodian's costs in the Arrest Action continue to accrue. If the Court in the Receivership Action does not grant the Motion to Abandon within sixty (60) days of the date it is filed, the Payment amount described in Paragraph 2 herein shall be reduced by \$1,000 per calendar day. If the Court in the Receivership Action has not approved this Agreement within ninety (90) days of the date of filing, either Party shall have the right to cancel this Agreement, which shall then be void *ab initio*.

6. Sale of Vessel and Assignment of Share of Proceeds. Reasonably promptly after Closing, the Mortgagee agrees to sell the Vessel at auction, or as otherwise provided by law, in accordance with the local admiralty rules for the Arresting Court where she lays or in another jurisdiction in the United States. Mortgagee shall provide Owner due notice of the sale, and Owner agrees not to file objections to the confirmation of the sale unless the sale, or an element thereof, is proposed or conducted in a manner inconsistent with this Agreement. The Mortgagee has the option to credit bid its mortgage at the auction. The proceeds of any sale of the Vessel shall be applied as provided by Section 5.10 of the Mortgage. In the event that the Vessel is sold for an amount greater than the amount of the Mortgage (and all allowable accrual and expenses) then owing under the Loan Agreement and Mortgage, plus court or other costs with priority over the proceeds of sale, the Mortgagee agrees to pay the Receiver fifty percent (50%) of such amount.
7. Accounting. Together with any payment due, the Mortgagee shall provide the Receiver with an accounting of the proceeds of sale from the Vessel showing the Vessel's sale price, the amount of the Mortgage when she is sold, the custody and other priority costs authorized by the Arresting Court, and any other costs or fees payable from the proceeds of sale, reasonably promptly following the sale of the Vessel (the "Accounting").
8. Release of Liability. Upon the Abandonment:
 - 8.1. the Mortgagee releases the Owner from personal liability under the Loan Agreement and Promissory Note, including in the event the proceeds of sale of the Vessel are insufficient to pay the amount then owing under the Mortgage; and
 - 8.2. the Owner releases the Mortgagee from any claims arising under the Loan Agreement, Promissory Note, Mortgage, or related to the Vessel in any way.
9. Representations and Warranties. Each Party represents and warrants to the other Party that:
 - 9.1. They are duly formed and have all necessary legal and corporate authority to enter into this Agreement; and
 - 9.2. Unless set forth herein, that each Party has performed its own review of the circumstances of the Vessel without representation or warranty by the other Party.

10. Assignment. Neither party shall have the right to assign the rights and obligations under this Agreement without the prior written consent of all Parties. Any attempt to so transfer the same shall be null and void.
11. Notice. All communications and notices pursuant to this Agreement shall be in writing to addresses set forth below and shall be deemed to have been given at the earliest of the date (a) when delivered by overnight delivery service by a recognized commercial carrier to the other Party, or (b) when received via email as follows:

If to Owner:

AT LC 87, LLC
c/o StoneTurn Group, LLP
17 State St 2nd floor, New York, NY 10004
Attn.: Allen D. Applbaum
Email: aapplbaum@stoneturn.com

With copy, which shall not constitute notice, to:

Archer & Greiner P.C.
1211 Avenue of the Americas, Suite 2750
New York, NY 10036
Attn.: Allen G. Kadish
Email: akadish@archerlaw.com

If to Mortgagee:

ST Liberty LLC
1560 Sawgrass Corporate Parkway, Fourth Floor
Fort Lauderdale, FL 33323
Attn.: Alan Swimmer
Email: aswimmer@natmars.com

With a copy, which shall not constitute notice, to:

Cozen O'Connor
3 WTC, 175 Greenwich Street, 55th Floor
New York, NY 10007
Attn.: Neil Quartaro
Email: nquartaro@cozen.com

12. Modifications. This Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify, or discharge it, in whole or in part, unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification, or discharge is sought.

13. Time of Essence. The Parties agree that time is of the essence with respect to the performance of this Agreement.
14. Successors and Assigns. The terms and provisions of this Agreement are binding on each of the Parties to this Agreement and upon their permitted successors and assigns.
15. Captions. The section headings appearing in this Agreement are for convenience of reference only and are not intended, to any extent or for any purpose, to limit or define the text of any section or any subsection.
16. Entire Agreement. This Agreement contains the entire agreement between the Parties pertaining to the purchase and sale of the Property and fully supersedes any and all prior agreements and understandings between the Parties pertaining to the purchase and sale of the Property.
17. Further Assurances. The Parties agree (a) to furnish upon request to each other such further information, (b) to execute and deliver to each other such other documents, and (c) to do such other acts and things, all as the other Party may reasonably request for the purpose of carrying out the intent of this Agreement.
18. Attorney Fees. In the event of any controversy, claim, or dispute between the Parties affecting or relating to this Agreement, the prevailing Party shall be entitled to recover from the non-prevailing Party all of its reasonable expenses, including reasonable attorney's and accountant's fees.
19. Governing Law. The validity, construction, and enforceability of this Agreement shall be governed by and construed in all respects in accordance with the general maritime law of the United States and, to the extent they need to be supplemented with the laws of the Arizona without giving effect to the conflict of law provisions thereof.
20. Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.
21. Counterparts. This Agreement may be delivered by facsimile and may be executed in any number of counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

[This space left blank intentionally. Signatures on the following page.]


IN WITNESS WHEREOF, this Agreement has been executed by the Parties as of the Effective Date.

OWNER

AT LC 87, LLC

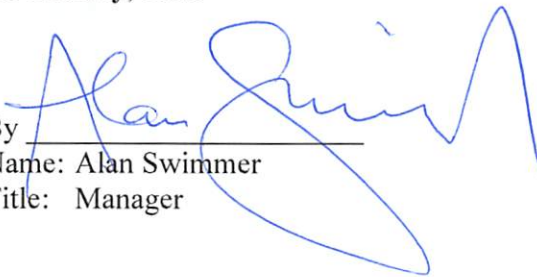
By its sole member, ATA Fishville FL, LLC

By its sole member, ArciTerra KLS Warsaw IN, LLC

By 
Allen D. Applbaum as Receiver

MORTGAGEE

ST Liberty, LLC

By 
Name: Alan Swimmer
Title: Manager

Signature Page to Abandonment Agreement Between AT LC 87, LLC and ST Liberty, LLC

Schedule 1
Form of Abandonment Notice

UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

United States Securities and Exchange
Commission,

Plaintiff,

v.

Jonathan Larmore, et al.,

Defendants

No. CV-23-02470-PHX-DLR

RECEIVER'S NOTICE OF ABANDONMENT

Please take notice that Allen Applbaum, not individually, but in his capacity as Receiver (the “**Receiver**”) in the above captioned action, pursuant to this Court’s *Order Appointing Temporary Receiver and Temporarily Freezing Assets and Imposing Litigation Injunction* (the “**Receivership Order**”) over the entities and assets belonging to the Defendants (the “**Estate**”), has identified certain property (the “**Property**”) that is of inconsequential value and burdensome to the Estate. Accordingly, the Receiver serves this notice that he intends to abandon the Property on or about May 31, 2024.

The Property consists primarily of the 87 foot “M/Y BBELLA” (Official No. 1290829), her engines, tackle, equipment, appurtenances and everything aboard her (the “**Vessel**”).

The Vessel is owned by non-party AT LC 87, LLC (“**Owner**”). The sole member of the Owner is ATA Fishville FL, LLC, a Florida limited liability company, whose sole member is ArciTerra KLS Warsaw IN, LLC, a Receivership Entity. The Vessel is subject to a first preferred

ship mortgage over the Vessel (the “**Mortgage**”), recorded with the National Vessel Documentation Center, an agency of the United States Coast Guard. The Mortgage is held by non-party ST Liberty, LLC (the “**Mortgagee**”). The Owner defaulted on the Mortgage and the Vessel was arrested on September 8, 2023 by the United States District Court for the Eastern District of Virginia, Norfolk Division (the “Arresting Court”) under docket number 2:23-cv-00441 in a mortgage foreclosure action.

The Arresting Court appointed a substitute custodian for the Vessel, which has possession of her and which is entitled to recover the costs of custody of the Vessel, which increase daily. The Foreclosure Action has been stayed following the initiation of the instant Action, but the custody costs continue to accrue.


The Receiver reviewed a Valuation and Appraisal of the Vessel dated January 29, 2024 that determined that her orderly liquidation value was \$1,450,000. The amount due under the Mortgage is currently approximately \$1,359,587.73 and increases by approximately \$709.84 per day. The Receiver believes it will be at least ninety (90) days from the date hereof before the Vessel can be auctioned. An auction will also incur additional expenses, including, but not limited to, a fee charged by the United States Marshal Service and other incidental costs. The Receiver has determined that there is therefore little or no equity in the Vessel that can be recovered by the Estate.

Pursuant to an Abandonment Agreement dated as of June 3, 2024, the Receiver and Mortgagee have agreed that the Receiver will abandon the Vessel to the Mortgagee in exchange for a cash payment to the Receiver of \$60,000. The Mortgagee has also agreed to conduct an auction of the Vessel and to fund the costs of said auction, and has further agreed to pay to the receiver fifty percent (50%) of any recovery for the Vessel above the amount secured by the Mortgage.

A motion to abandon the Receivership's interest in the Vessel has been filed with the Court, which is available on the court docket or by request of the undersigned counsel.

Dated: June 6, 2024

ARCHER & GREINER, P.C.

By:  _____
Allen G. Kadish¹

Harrison H.D. Breakstone²
1211 Avenue of the Americas
New York, New York 10036
Tel: (212) 682-4940
Email: akadish@archerlaw.com
hbreakstone@archerlaw.com

Counsel for Allen D. Applbaum as Receiver

EXHIBIT 2

HOLLEY DECLARATION

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**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

United States Securities and Exchange
Commission,

Plaintiff,

v.

Jonathan Larmore, et al.,

Defendants, and

Michelle Larmore; Marcia Larmore;
CSL Investments, LLC;
MML Investments, LLC;
Spike Holdings, LLC;
and JMMAL Investments, LLC,

Relief Defendants.

No. CV-23-02470-PHX-DLR

**DECLARATION IN SUPPORT
OF MOTION**

DAVID A. HOLLEY hereby declares under penalty of perjury, pursuant to 28 U.S.C. § 1746, to the best of his knowledge, information and belief:

1. I am a partner in the Boston office of StoneTurn Group, LLP (“StoneTurn”). I have personal knowledge of the facts set forth in this declaration and if called as a witness, I could and would testify completely thereto.

2. I have been employed by StoneTurn since June 2022. As a partner I am responsible for the development and execution of client engagements, which includes overseeing investigations and other risk-related matters on behalf of corporations, financial institutions, law firms, individuals, and government entities. These investigations, while at StoneTurn and elsewhere, have included asset tracing, fraud, due diligence, internal investigations, and matters involving national security, Committee on Foreign Investment in the United States, sanctions and anti-bribery and anti-corruption regulations.

1 3. I have been working in the investigations and risk-mitigation industry since
2 1995, including as Executive Vice President of K2 Integrity from June 2018 to June 2022,
3 Senior Managing Director with Berkeley Research Group from June 2015 to June 2018,
4 and as a Senior Managing Director at Kroll from March 2000 to June 2015. I am a graduate
5 of the Roger Williams School of Law and received my Bachelor of Arts degree from
6 Boston University. A copy of my curriculum vitae is attached as Attachment 1.
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8 4. On December 21, 2023, the Court entered the *Order Appointing Temporary*
9 *Receiver and Temporarily Freezing Assets and Imposing Litigation Injunction* [ECF No.
10 77] (the “Receivership Order”), which among other things, appointed Allen D. Applbaum
11 as Receiver (the “Receiver”), and approved StoneTurn and Archer & Greiner, P.C. as
12 “Retained Personnel” in this case.
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14

15 5. The Receiver’s Retained Personnel analyzed the ownership interests of the
16 87 foot M/Y BBELLA (Official No. 1290829) (the “Vessel”) and interacted with parties
17 affiliated with the Vessel. The Vessel is owned by AT LC 87, LLC, whose sole member
18 is ATA Fishville FL, LLC, whose sole member is ArciTerra KLS Warsaw IN, LLC, a
19 Receivership Entity. The down payment to purchase the Vessel was made on December
20 7, 2022, to Northrop & Johnson Yacht Brokerage using funds transferred by wire that same
21 day from ArciTerra KLS Warsaw IN, LLC.
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24 6. Upon the Receiver’s appointment and after investigating the financial
25 condition of the Receivership Estate, on behalf of the Receiver, I evaluated the several
26 watercraft of the Receivership Estate including the Vessel.
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1 7. I undertook a comprehensive effort to determine any interest from potential
2 purchasers for the Vessel.

3 8. I engaged with the Mortgagee and became familiar with the circumstances
4 of the Vessel, the yacht mortgage, prior proceedings, and all the circumstances presented
5 with respect to the Vessel. The Vessel is arrested, out of the water in dry storage, and out
6 of service subject to pre-receivership proceedings in the Eastern District of Virginia.

7 9. I reviewed a Valuation and Appraisal of the Vessel dated January 29, 2024,
8 that determined that her orderly liquidation value was only approximately \$1,450,000. I
9 noted that the appraisal was done with the boat out of the water and without the benefit of
10 starting and running the engines, and a “sea trial” or test drive of the yacht.

11 10. On February 7, 2024, I engaged with Scott Akerman a broker with Latitude
12 Yachts, with whom I am familiar. On the same day, I emailed Mr. Akerman a copy of the
13 Valuation and Appraisal and requested that he review the appraisal and provide an estimate
14 of the BBella’s value for listing purposes.

15 11. On February 8, 2024, Mr. Akerman emailed me and reported that
16 “\$1,500,000” would be the amount to list the BBella for sale. Mr. Akerman estimated that
17 the amount required to address some of the deficiencies identified in the Valuation and
18 Appraisal dated January 29, 2024, was \$300,000 “for the paint, teak deck, and a few other
19 items.”

20 12. Also in February 2024, I engaged with Carl Sputh, the yacht broker from
21 Northup & Johnson Yacht Brokerage in Fort Lauderdale, Florida that initially acted as
22 Jonathan Lamore’s broker and assisted him with purchasing BBella.
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14. Due to the unknown condition of the BBella's engines, the Valuation and Appraisal dated January 29, 2024, the guidance provided by the two yacht brokers that had reviewed the Valuation and Appraisal, the fact that the Vessel is and has been out of the water and in unknown operating condition since its arrest, the precarious position of the Receiver vis-à-vis the Mortgagee, and accruing costs to maintain the BBella until a potential sale, I recommended to the Receiver that he pursue the abandonment of the Vessel.

17 15. Upon making the determination that it would be in the best interest of the
18 receivership to reach an agreement with the Mortgagee for the abandonment of the
19 Receiver's interest in the Vessel, I worked with the Receiver's counsel to negotiate with
20 the Mortgagee and its counsel the Abandonment Agreement.
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22 I declare under penalty of perjury that the foregoing is true and correct.

24 Dated: Boston, Massachusetts
June 6, 2024

David A. Holley
David A. Holley

Exhibit A

Curriculum Vitae

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David A. Holley

J.D.

Partner

T: +1 617 570 3798
M: +1 646 358 6026
E: dholley@stoneturn.com

Boston
75 State Street
Suite 1710
Boston, MA 02109

David A. Holley, a Partner with StoneTurn, has more than 30 years of investigative and risk consulting experience and frequently serves as a trusted advisor to corporations, law firms, audit committees, special committees of boards of directors and their counsel.

David has excelled in the management of high-stakes internal and cross-border investigations and is an expert at navigating and mitigating the business and legal challenges posed by doing business in high-risk jurisdictions and industries. He draws on his decades of private-sector experience to provide pragmatic solutions which integrate his investigative background with technology and regulatory expertise to provide clients with seamless approaches to solve critical business and legal problems.

David's investigative expertise spans diverse areas including: the exfiltration of confidential business information; regulatory investigations, such as the Foreign Corrupt Practices Act (FCPA) and anti-corruption investigations; Office of Foreign Asset Control (OFAC) and sanctions compliance investigations and consulting; internal investigations involving fraud, insider threats and third-party malfeasance; proxy and corporate control investigations and advice; reputational due diligence; the identification of potentially responsible parties in environmental contamination matters; and corporate governance and integrity advisory. David has also served as an independent third-party auditor in connection with National Security Agreements issued under the Committee on Foreign Investment in the United States (CFIUS).

Education

Roger Williams University
School of Law, J.D.

Boston University, B.A.
Political Science

Practice Areas

Investigations

National Security and Foreign
Direct Investment

CFIUS Compliance

Anti-corruption

Business Intelligence

Due Diligence

Compliance & Monitoring

David A. Holley, J.D.

Partner

Prior to StoneTurn, David held leadership positions at two risk consultancies and headed the Boston office of a global consulting and risk mitigation firm for fifteen years. At the outset of his career, David worked with the Environmental Enforcement Section of the United States Department of Justice (DOJ) where he conducted investigations into some of the United States' most contaminated hazardous waste sites. In that capacity, he identified and built the liability case against potentially responsible parties at several Superfund sites. David's investigative work led to a Certificate of Commendation from the Assistant Attorney General of the Environment and Natural Resources Division of the DOJ.

David is a graduate of the Roger Williams University School of Law and Boston University, a member of the International Association of Independent Compliance Monitors, a Senior Fellow with the Regulatory Compliance Association and a Certified ISO 37001 Lead Auditor.

David A. Holley, J.D.

Partner

SELECT PROFESSIONAL EXPERIENCE

INTERNAL INVESTIGATIONS

- On behalf of counsel to a medical examinations company, David led the investigation into the exfiltration of confidential business information, including customer lists, vendor agreements and other confidential information. The investigation involved the collection, hosting and review of thousands of emails, the forensic examination of a half-dozen computer hard drives, surveillance, public record research and interviews. The efforts identified sufficient evidence to allow counsel to obtain a temporary restraining order and ultimately a court order preventing the defendants from engaging in competitive activities for one year.
- On behalf of the company's investors, David led an investigation into the mysterious resignations of several senior executives of a trade financing business. After reviewing over one hundred thousand emails, the team was able to piece together the framework for a competitive business, the formation of which commenced months earlier while still employed by the company. Computer forensics was undertaken on six computer hard drives utilized by the former executives and additional evidence established that in addition to setting up a competing business, the executives utilized company resources to get their new business operating and then diverted corporate opportunities to the new business, allowing counsel to file a sixteen-count complaint.
- At the request of counsel to the board of directors of a major financial institution, David co-led an investigation into whether the company's involvement in the development and sale of tax shelters in conjunction with its' outside auditor violated auditor independence rules. Instituted partially due to hearings by the Senate's Permanent Subcommittee on Investigations, the investigation involved a detailed review of the financial institution's private wealth clients and the auditor-developed tax strategies sold to them. David and his team reviewed documents and emails, and conducted interviews of employees of the financial institution and the external auditor. The independent report was submitted to the United States Attorney's Office, the Securities and Exchange Commission (SEC) and the Internal Revenue Service (IRS), all of whom declined to conduct any further investigation.
- In another matter, on behalf of outside counsel for a U.S. corporation, David led an independent investigation into potential OFAC sanctions violations committed by the company's majority owned subsidiary in China. The investigation involved a multi-disciplinary, multi-lingual team of investigators and forensic accountants tasked with determining the ultimate destination and purchasers of hundreds of shipments of consumer goods. The investigation led to the identification of a number of collateral issues, including self-dealing, fraudulent shipping documentation and other improprieties. David prepared a report that quantified the shipments to sanctioned countries, which was submitted to OFAC. In addition, David worked with the client to develop policies and procedures to prevent the subsidiary from circumventing sanctions regulations in the future.

- On behalf of an international pharmaceutical company, David investigated the counterfeiting, distribution and sale of a controlled pharmaceutical. The three-month investigation located and identified the counterfeit drug manufacturing and distribution locations and methodologies, and resulted in a referral to the Federal Drug Administration's Office of Criminal Investigation. Ultimately, two participants pled guilty to the sale of counterfeit drugs and a third defendant was found guilty after a trial.
- David was part of a large investigative team retained by the target of a \$3 billion hostile takeover bid. The team developed factual information to be used in its public relations effort to prevent the takeover by the aggressor. After an extensive investigation, the investigative team was able to detail improper behavior in the chairman of the aggressor's background, a history of layoffs after prior takeovers despite promises to the contrary, conflicts in contractual agreements with sovereigns and other negative information about the aggressor, which once made public in strategic media releases, convinced the aggressor to cease its attempts at a takeover.

ENVIRONMENTAL INVESTIGATIONS

- On behalf of a Fortune 500 company, David conducted an investigation to determine the potential source of a 14-mile plume of trichloroethylene ("TCE") under his client's property. After dozens of interviews, the review of thousands of pages of documents and discussions with scientists and regulatory authorities, David was able to demonstrate that the plume originated years earlier from another manufacturing facility several miles up gradient from his client's property. The investigation spared David's client more than \$100 million in response and clean-up costs.
- On behalf of a Fortune 1000 integrated energy company, David conducted an investigation to determine whether the company was liable for response and clean-up costs as a former owner or operator of eight historic manufactured gas plants. David's investigation revealed that the client was not responsible for contamination at seven of the facilities, and only operated the eighth facility after it was converted to a natural gas facility thereby limiting the company's liability at the eighth site.
- David's client, a Fortune 250 manufacturer, received a potentially responsible party letter from a state environmental regulator alleging former operations contaminated a portion of a river with polychlorinated biphenyls (PCBs) and other persistent contaminants decades prior. David's investigation determined that the company's operations did not include the use of PCBs at the time the company operated the facility and therefore could not be liable for the PCB contamination. In addition, historic samplings of the river were located and compared to more recent samplings which demonstrated that there was no threat of release, as the contaminants were effectively "capped" beneath two feet of silt in the riverbed.
- On behalf of an international paper company facing liability for historic environmental contamination, David developed the corporate histories of several potentially responsible parties' predecessors-in-interest dating back to the early 1840s. The investigation determined that the client was not responsible for the contamination at the

site, as it had divested itself of all interest in the business prior to the commencement of hazardous waste generating activities.

- While with the United States DOJ's Environmental Enforcement Section, David conducted an investigation which established the joint and several liability of the sole non-settling defendant in United States vs. William Davis, et al., in the United States District Court (D. of RI).

COMPLIANCE MONITORING

- Oversaw an international financial institution under a consent order with a state banking regulator for violating sanctions regulations by allowing transactions with sanctioned parties in Iran and elsewhere. During the course of the independent consultancy, David and his team undertook a review of the financial institution's sanctions compliance program, including: an assessment of all relevant policies and procedures; an examination of the firm's technology to assist with sanctions screening and interdiction; an evaluation of staffing; and an assessment of the financial institution's internal reporting, governance and management oversight of the sanctions compliance program. The results of the review were converted into recommendations for the financial institution to improve its sanctions compliance program. The balance of the year-long assignment involved oversight of the implementation of the recommendations, including the establishment of an industry-leading, internal organization to provide forward-looking advice to the financial institution on sanctions-related matters.

CONSUTLING

- Led an investigation into the leak of information from a Fortune 250 manufacturer in connection with the release of a new product. The investigation identified potential avenues by which the information loss may have occurred. Upon completion of the lengthy intellectual property loss investigation, developed a holistic strategy for minimizing the future loss of intellectual property and confidential information. David worked with the client to establish policies and procedures to manage its intellectual property and safeguard trade secret information, train all employees on the new policies, and provide recommendations to enhance the company's physical security at its largest facilities.
- Developed the anti-bribery and anti-corruption program for a Fortune 250 multinational company, including policies and procedures for third-party due diligence, travel and entertainment expenses, training, auditing, testing and continuous improvement.
- On behalf of a private equity firm funding the purchase of a bolt-on acquisition for one of its holding companies, David conducted an assessment of the potential acquisition's FCPA, AML and trade compliance policies, procedures and capabilities. The review included interviews with key executives and those with responsibility for compliance oversight, an examination of the policies and procedures and testing of expenses and third-party payments. The report provided recommendations for improvement to be implemented post-closing.

David A. Holley, J.D.

Partner

PROFESSIONAL AFFILIATIONS / OTHER

- International Association of Compliance Monitors, Certified Member, 2017 - present
- Regulatory Compliance Association, Senior Fellow, 2015 - present
- Professional Evaluation and Certification Board (PECD), ISO 37001 Certified Lead Auditor, 2017 - present

PREVIOUS EXPERIENCE

- K2 Integrity, Executive Vice President (2018 - 2022)
- Berkeley Research Group, Managing Director (2015 - 2018)
- Kroll, Senior Managing Director and Office Head (2000 - 2015)
- Investigative Group International, Senior Investigator (1995 - 2000)
- U.S. Department of Justice Environmental Enforcement Section, Litigation Support Specialist (1990 - 1995)

EXHIBIT 3

MORTGAGEE DECLARATION

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**UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA**

United States Securities and Exchange
Commission,

Plaintiff,

v.

Jonathan Larmore, et al.,

Defendants.

No. CV-23-02470-PHX-DLR

CURRENT MORTGAGEE'S DECLARATION

I, Alan Swimmer, declare and state under penalty of perjury, or where indicated upon information and belief, the following:

1. I am a manager of ST Liberty LLC (the "Current Mortgagee"), a Florida limited liability company located at 1560 Sawgrass Corporate Parkway, Fourth Floor, Fort Lauderdale, FL 333223, and provide this Declaration based on facts personally known to me, a review of documents and records maintained by the Mortgagee or, where indicated, upon information and belief.

The Mortgage and Assignment

2. AT LC 87, LLC (the "Owner") is the registered owner of the motor boat M/Y BBELLA (Official No. 1290829) (the "Vessel"). Attached hereto as **Exhibit 1** is a true and correct copy of the Abstract of Title (the "Abstract") for the Vessel issued on May 6, 2024 by the National Vessel Documentation Center (the "NVDC").

3. Upon information and belief, the Owner's sole member is ATA Fishville FL, LLC, a Florida limited liability company that is in receivership in the above-captioned action (the "Receivership Action").

4. Upon information and belief, the NVDC is the United States Coast Guard operated facility that records, among other things, the ownership information and registered mortgage liens against U.S. registered vessels, including the Vessel.

5. The Owner entered into a Promissory Note and Security Agreement dated December 5, 2022 (the “Loan Agreement”) pursuant to which the Owner borrowed one million dollars (\$1,000,000), plus interest, costs, and fees as detailed therein, repayable in monthly installments, and secured in part by a promissory note (the “Promissory Note”). Attached hereto as **Exhibit 2** is a true and correct copy of the Loan Agreement and Promissory Note.

6. The Loan Agreement was further secured by a first preferred ship mortgage over the Vessel (the “Mortgage”). Attached hereto as **Exhibit 3** is a true and correct copy of the Mortgage.

7. The Loan Agreement, Promissory Note, and Mortgage were initially entered into by the Mortgagee’s predecessor in interest, James Wilson and the James F. Wilson Living Revocable Trust of James F. Wilson, a Florida trust (the “Initial Mortgagee”). See **Exhibits 1 and 2**.

8. The Initial Mortgagee assigned all of its interest in the Loan Agreement, Promissory Note, and Mortgage to the Current Mortgagee. Attached hereto as **Exhibit 4** is a true and correct copy of the Assignment of First Preferred Ship’s Mortgage for the Vessel in favor of the Mortgagee (the “Mortgage Assignment”) and attached hereto as **Exhibit 5** is a true and correct copy of the Allonge and Assignment of Promissory Note.

9. The Mortgage Assignment was recorded with the NVDC on September 28, 2023 at 4:16 PM. Attached hereto as **Exhibit 6** is a true and correct copy of the NVDC Recordation of Assignment of Promissory Note and Mortgage.

Owner’s Default and the Foreclosure Action

10. The Owner defaulted on the Loan Agreement by failing to make the required monthly payments, maintain insurance, and keep the Vessel seaworthy, among other breaches (the “Default”).

11. Following the Default, the Initial Mortgagee filed a Verified Complaint in the United States District Court for the Eastern District of Virginia, Norfolk Division (the “Arresting Court”) under docket number 2:23-cv-00441 seeking to arrest and foreclose on the Vessel (the “Foreclosure Action”). Attached hereto as **Exhibit 7** is a true and correct copy of the Verified Complaint filed in the Foreclosure Action.

12. According to the docket in the Foreclosure Action, the Vessel was arrested on September 8, 2023 by the United States Marshal Service.

13. Upon information and belief, the Vessel incurs expenses related to her care and keeping while she is under arrest, including for dockage and insurance, which costs accrue daily and are accorded a priority status by the Arresting Court.

14. The Current Mortgagee has obtained an arm’s-length valuation and appraisal of the Vessel conducted on January 29, 2024 by East Coast Marine Consulting, an unaffiliated third party marine consultant, that determines that the orderly liquidation value of the Vessel is \$1,450,000 (the “Appraisal”). Attached hereto as **Exhibit 8** is a true and correct copy of the Appraisal.

15. As of April 30, 2024, the total amount due under the Loan Agreement, and secured by the Promissory Note and Mortgage, is \$1,364,823.98.

16. The amount due under the Loan Agreement, and secured by the Promissory Note and Mortgage, increases by approximately \$809.84 per day, excluding legal fees and other costs that are being incurred by the Current Mortgagee and are secured by the Mortgage.

The Public Auction of the Vessel Will Test the Market

17. As noted above, the Vessel is currently under arrest in the Foreclosure Action. If the Owner abandons the Vessel to the Current Mortgagee, the Current Mortgagee intends to promptly move the Arresting Court for a public auction of the Vessel (the “Public Auction”). Upon information

and belief, the Mortgagee believes that the Public Auction will test the market for the Vessel because it will be an advertised public auction.

18. The Current Mortgagee has been advised by its counsel in the Foreclosure Action that the sale of the Vessel will be governed by Arresting Court's Local Admiralty Rule (e) and by the United States Marshal Service. Attached hereto as **Exhibit 9** is a true and correct copy of Arresting Court's Local Admiralty Rule (e) obtained from the Arresting Court's website.

19. The Current Mortgagee is further advised by its counsel in the Foreclosure Action that the Public Auction will be conducted by the United States Marshal Service utilizing commercially-reasonable terms, so that the market can be tested and a fair market price can be realized for the Vessel.

20. Current Mortgagee's counsel has further advised that Local Admiralty Rule (e)(15)(a) requires the Mortgagee to advertise the Public Auction daily for six days prior to the Public Auction in a newspaper of general circulation in the District where the Vessel has been arrested and the Public Auction is to take place.

21. Current Mortgagee's counsel has also advised that, pursuant to Local Admiralty Rule (e)(15)(b), the United States Marshal may decline to sell the Vessel if, in the opinion of the Marshal, the highest bid is grossly inadequate.

22. According to the Arresting Court's Local Admiralty Rule (e)(15), a successful bid for the Vessel must be confirmed by the Arresting Court after the Public Auction.

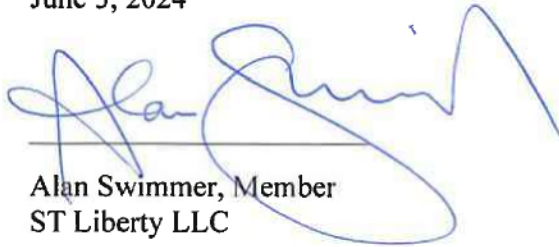
Signature Page to Current Mortgagee's Declaration

Securities and Exchange Commission v. Jonathan Larmore, et al.

No. CV-23-02470-PHX-DLR (USDC Arizona)

Fort Lauderdale, FL

June 3, 2024

A handwritten signature in blue ink, appearing to read 'Alan Swimmer', is written over a horizontal line. The signature is stylized with a large loop at the end.

Alan Swimmer, Member
ST Liberty LLC

EXHIBIT 1

U.S. Department of
Homeland Security

United States
Coast Guard



Director
National Vessel Documentation Center

792 T. J. Jackson Drive
Falling Waters, WV 25419
Phone: (800) 799-8362
Fax: 304-271-2405

May 6, 2024

Regarding your recent submission to the National Vessel Documentation Center

This cover letter with enclosure(s) is sent in response to a submission made to this office. If you have any questions, please contact the National Vessel Documentation Center at the number shown above.

Enclosures:

(1) Abstract of Title O/N:1290829 2 PAGE(S)

TOTAL: 3 PAGE(S) (including cover page)

U.S. Coast Guard
GENERAL INDEX OR ABSTRACT OF TITLE

OFFICIAL NUMBER: 1290829 NAME OF VESSEL JIMMYISM
 HIN NUMBER: _____ HULL ID NUMBER: CHL05050I314 IMO NUMBER: _____
 VESSEL BUILT AT KOWLOON HONG KONG CHINA
 (AND) _____ IN 2013
 BY CHEOY LEE SHIPYARDS LIMITED

 FOR CHEOY LEE SHIPYARDS NORTH AMERICA INC

 BUILDER'S CERTIFICATE DATED 09/24/2018
 TITLE ASSIGNED TO _____

INSTRUMENT TYPE

BILL OF SALE

% CONVEYED 100	DATE OF INSTRUMENT OCTOBER 11, 2018	AMOUNT \$1.00	BATCH 57084900	DOC ID 4
DATE FILED OCTOBER 16, 2018		TIME FILED 9:35 AM		STATUS RECORDED
SELLER CHEOY LEE SHIPYARDS NORTH AMERICA INC				
BUYER JAMES FREDRICK WILSON				

DISCHARGED

YES

INSTRUMENT TYPE

PREFERRED MORTGAGE

% CONVEYED 100	DATE OF INSTRUMENT SEPTEMBER 6, 2018	AMOUNT \$1,300,000.00	BATCH 57084900	DOC ID 6
DATE FILED OCTOBER 16, 2018		TIME FILED 9:35 AM		STATUS RECORDED
MORTGAGOR JAMES FREDRICK WILSON				
MORTGAGEE M&T BANK ONE FOUNTAIN PLAZA 4TH FLOOR BUFFALO NY 14203				

INSTRUMENT TYPE

BILL OF SALE

% CONVEYED 100	DATE OF INSTRUMENT NOVEMBER 30, 2022	AMOUNT \$1.00	BATCH 114197200	DOC ID 2
DATE FILED DECEMBER 12, 2022		TIME FILED 9:26 AM		STATUS RECORDED
SELLER JAMES FREDERICK WILSON				
BUYER AT LC 87 LLC				

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U.S. Coast Guard
GENERAL INDEX OR ABSTRACT OF TITLE

Continuation Sheet No. 1

INSTRUMENT TYPE

PREFERRED MORTGAGE

% CONVEYED 100	DATE OF INSTRUMENT DECEMBER 5, 2022	AMOUNT \$1,000,000.00	BATCH 114197200	DOC ID 5
DATE FILED DECEMBER 12, 2022		TIME FILED 9:26 AM	STATUS RECORDED	
MORTGAGOR AT LC 87 LLC				
MORTGAGEE JAMES F WILSON LIVING REVOCABLE TRUST OF JAMES F WILLSON 490 LAGUNA DRIVE ST PETERSBURG FL 33715				

INSTRUMENT TYPE

REFERS TO: BATCH: 57084900 DOC ID: 6

SATISFACTION OF MORTGAGE

% CONVEYED 100	DATE OF INSTRUMENT DECEMBER 12, 2022	AMOUNT \$1,300,000.00	BATCH 114222900	DOC ID 2
DATE FILED DECEMBER 12, 2022		TIME FILED 2:18 PM	STATUS RECORDED	
MORTGAGEE M&T BANK				
MORTGAGOR JAMES FREDERICK WILSON				

STATUS: ON RECORD

VESSEL NAME CHANGE TO: BBELLA (01/25/2023)

INSTRUMENT TYPE

REFERS TO: BATCH: 114197200 DOC ID: 5

ASSIGNMENT OF PREFERRED MORTGAGE

% CONVEYED 100	DATE OF INSTRUMENT SEPTEMBER 27, 2023	AMOUNT N.A.	BATCH 123110100	DOC ID 2
DATE FILED SEPTEMBER 28, 2023		TIME FILED 4:16 PM	STATUS RECORDED	
ASSIGNOR JAMES F WILSON LIVING REVOCABLE TRUST OF JAMES F WILSON				
ASSIGNEE ST LIBERTY LLC 1560 SAWGRASS CORPORATE PARKWAY, 4TH FL FORT LAUDERDALE, FL 33323				

ISSUED AS AN ABSTRACT OF TITLE AS OF

DATE: 04/30/2024

TIME: 6:30 AM


DIRECTOR, NATIONAL VESSEL DOCUMENTATION CENTER

EXHIBIT 2

**PROMISSORY NOTE & SECURITY AGREEMENT FOR PURCHASE OF VESSEL
"JIMMYISM" (Cheoy Lee, 2014 Model Alpha 87 Express Sportbridge)**

SECURITY AGREEMENT, dated this 5th DAY OF December, 2022, between Jon Larmore, a resident of the State of Florida, hereinafter known as the "Borrower" and/or "Debtor", and James F. Wilson, a resident of the State of Florida, hereinafter known as the "Lender" and/or "Secured Party".

WHEREAS, the Borrower has entered into this Security Agreement and pledged to the Secured Party certain valuable property as described herein to secure a loan from the Secured Party, and subject to the terms and conditions contained therein; and

WHEREAS, the Secured Party shall lend to Borrower a principle sum of **ONE MILLION DOLLARS AND 00/100 (\$1,000,000.00 USD)** (the "Principle Sum");

WHEREAS, the Borrower promises to repay in-full to the Secured Party the principal sum, in addition to interest calculated via an annual percentage rate ("APR") of seven percent (7%) accruing on the unpaid balance, pursuant to the terms and conditions herein;

WHEREAS, it is a condition precedent to the Secured Party's making any loans to Borrower under this Agreement that the Borrower executes and delivers all necessary instruments to grant a security interest in the collateral described herein to the Secured Party, that shall begin as of the date above in the manner that follows:

1. INSTALLMENTS & LATE FEES:

- a. Borrower shall repay the debt plus interest to Lender in one hundred and twenty (120) equal monthly installments, via ACH or a reasonable payment method mutually-agreeable to the parties in the amount of \$11,610.85, amortizing as shown on "Exhibit A", attached hereto.
- b. Payments are due on the first day each month; and, payments are late on or after the fifth day of the month.
- c. In addition to accrued interest and any further remedies provided for in this agreement, Borrower shall be assessed a late fee of five percent (5%) of the total amount due on the first delinquent day and such amount shall accrue interest at the rate of 12% per annum until paid to Lender.

2. TEN-YEAR TERM / DUE DATE: The term for payment is ten (10) years. The full balance is due and payable on the 7th day of December, 2032.

3. DEFAULT:

- a. The Borrower shall be in "default" if scheduled loan payments are more than 90 days late.
- b. After an Event of Default has occurred and is continuing, the Secured Party shall, without any other notice to or demand upon the Borrower, thereafter have in any jurisdiction in which enforcement hereof is sought, in addition to all other rights and remedies, the rights and remedies of a secured party under the Uniform Commercial Code of the State of Florida or any other relevant jurisdiction and any additional rights and remedies as may

be provided by applicable law, including the right to take possession of the Collateral, and for that purpose the Secured Party may, so far as the Borrower can give authority therefor, enter upon any premises on which the Collateral may be situated and remove the same therefrom. The Secured Party may in its discretion require the Borrower to assemble all or any part of the Collateral at such location or locations within the jurisdiction(s) of the Borrower's principal office(s) or at such other locations as the Secured Party may reasonably designate. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Secured Party shall give to the Borrower at least ten (10) days' prior written notice of the time and place of any public sale of Collateral or of the time after which any private sale or any other intended disposition is to be made. The Borrower hereby acknowledges that ten (10) days' prior written notice of such sale or sales shall be reasonable notice. In addition, the Borrower waives any and all rights that it may have to a judicial hearing in advance of the enforcement of any of the Secured Party's rights and remedies hereunder, including, without limitation, the Secured Party's right after an Event of Default has occurred and is continuing, to take immediate possession of the Collateral and to exercise its rights and remedies with respect thereto.

- c. To the extent that applicable law imposes duties on the Secured Party to exercise remedies in a commercially reasonable manner, the Borrower acknowledges and agrees that it is not commercially unreasonable for the Secured Party: (a) to fail to incur expenses reasonably deemed significant by the Secured Party to prepare Collateral for disposition or otherwise to complete raw material or work in process into finished goods or other finished products for disposition; (b) to fail to obtain third-party consents for access to Collateral to be disposed of, if not required by other law; (c) to fail to obtain governmental or third-party consents for the collection or disposition of Collateral to be collected or disposed of; (d) to fail to exercise collection remedies against account Borrowers or other persons obligated on Collateral or to remove liens or encumbrances on or any adverse claims against Collateral; (e) to exercise collection remedies against account Borrowers and other persons obligated on Collateral directly or through the use of collection agencies and other collection specialists; (f) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature; (g) to contact other persons, whether or not in the same business as the Borrower, for expressions of interest in acquiring all or any portion of the Collateral; (h) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the Collateral is of a specialized nature; (i) to dispose of Collateral by utilizing Internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets; (j) to dispose of assets in wholesale rather than retail markets; (k) to disclaim disposition warranties; (l) to purchase insurance or credit enhancements to insure the Secured Party against risks of loss, collection or disposition of Collateral or to provide to the Secured Party a guaranteed return from the collection or disposition of Collateral; or (m) to the extent deemed appropriate by the Secured Party, to obtain the services of brokers, investment bankers, consultants and other professionals to assist the Secured Party in the collection or disposition of any of the Collateral. The Borrower acknowledges that the purpose of this Section is to provide non-exhaustive indications of

what actions or omissions by the Secured Party would not be commercially unreasonable in the Secured Party's exercise of remedies against the Collateral and that other actions or omissions by the Secured Party shall not be deemed commercially unreasonable solely on account of not being indicated in this Section. Without limitation upon the foregoing, nothing contained in this Section shall be construed to grant any rights to the Borrower or to impose any duties on the Secured Party that would not have been granted or imposed by this Agreement or by applicable law in the absence of this Section.

4. PREPAYMENT: Borrower may pre-pay a portion or all of this Note without penalty or premium.

5. INTEGRATION & COLLATERAL FOR SECURITY AGREEMENT:

- a. There are no verbal or other agreements which modify or affect the terms of this Note, aside from the Lender's security interest(s) in Borrower's valuable property (i.e. "Collateral") that Borrower has lawfully pledged to Lender as a prerequisite to entering this Agreement.
- b. The Borrower pledges the following valuable consideration and collateral to the Secured Party:
 - i. ATA Fishville FL, LLC will guarantee the Loan (the "Guarantor"); and,
 - ii. The Vessel, "JIMMYISM" a Cheoy Lee, 2014 Model Alpha 87 Express Sportbridge, (wherever located).
- c. The Borrower represents and warrants to the Secured Party that: the Borrower has sufficient ownership rights in, or power to transfer rights in, the collateral for the secured party's security interest to attach (i.e. UCC §9-203(b)(2)); the collateral is either not encumbered or, if encumbered, the encumbrances are permitted under the credit agreement ("Permitted Liens"); and the Borrower will take all actions necessary to ensure continued perfection of the secured party's security interest in the collateral, including (if applicable) actions necessary to perfect a security interest in after-acquired collateral.
- d. It is the specific intent of the parties that this section and Lender's security interest in Borrower's Collateral shall conform with Uniform Commercial Code §9-102(a)(73); §1-201(b)(35).
- e. The Borrower hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any Uniform Commercial Code jurisdiction financing statements (including amendments and continuations thereto) that: (a) indicate the Collateral (i) as all assets of the Borrower or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the Uniform Commercial Code of the State or such jurisdiction, or (ii) as being of an equal or lesser scope or with greater detail; and (b) contain any other information required for the sufficiency or filing office acceptance of any financing statement or amendment, including (i) whether the Borrower is an organization, the type of organization, and any organization identification number issued to the Borrower (if required by the applicable jurisdiction) and, (ii) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. The Borrower agrees to furnish any such information to the Secured Party promptly upon the Secured Party's request. *[The Borrower also ratifies its authorization for the Secured Party to have filed in any Uniform*

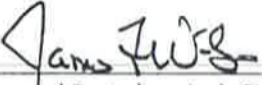
Commercial Code jurisdiction any like initial financing statements or amendments thereto if filed prior to the date hereof.]

- f. This Note may not be modified or amended except by written agreement signed by Borrower and Lender.

- 6. TERMINATION OF AGREEMENT & RELEASE OF SECURITY INTEREST:** Upon the satisfaction in full in cash of all amounts owing with respect to the loan to and other sums owed by, and all other obligations of, the Borrower under this Agreement and the other Loan Documents, the guaranty and payment and performance of all other obligations of Borrower under the Agreement, this Agreement shall terminate without further action by Lender; provided, however, that this Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Borrower for liquidation or reorganization, should Borrower become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of Borrower's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the obligations, or any part thereof, is, pursuant to Applicable Laws, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Loans to and other sums owed by, and all other obligations of, the Borrower under the Loan Agreement and the other Loan Documents, the guaranty and payment and performance of all other obligations of Borrower under the Agreement shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned. Upon termination of this Agreement, Lender will return the Pledged Collateral, if applicable, to Borrower upon request therefor and will execute and deliver to Borrower any releases, termination statements or similar instruments of reconveyance as Borrower may reasonably request. All such instruments and documents shall be prepared by Borrower and filed or recorded by Borrower, at Borrower's sole expense, and Lender shall not have any duty, obligation or liability with respect thereto.
- 7. NON-WAIVER:** No failure or delay by Lender in exercising Lender's rights under this Note shall be considered a waiver of such rights.
- 8. SEVERABILITY:** In the event that any provision herein is determined to be void or unenforceable for any reason, such determination shall not affect the validity or enforceability of any other provision, all of which shall remain in full force and effect.
- 9. NOTICE:** Any notices required or permitted to be given hereunder shall be given in writing and shall be delivered (a) in person, (b) by certified mail, postage prepaid, return receipt requested, (c) by facsimile, or (d) by a commercial overnight courier that guarantees next day delivery and provides a receipt, and such notices shall be made to the parties at the addresses listed below.
- 10. Applicable Law.** This Agreement and the rights and obligations of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Florida without giving effect to its conflicts of laws principles.

11. **EXECUTION:** The Borrower executes this Note as a principal and not as a surety.

WBA


Secured Party/Lender's Signature Date 12 / 7 /2022
James F. Wilson / LIVING
REVOCABLE TRUST OF
JAMES F. WILSON executed June 28, 2018


Debtor/Borrower's Signature Date 12 / 5 /2022
Jon Larmore


Guarantor's Signature Date 12 / 5 /2022
ATA Fishville FL, LLC.
By: _____

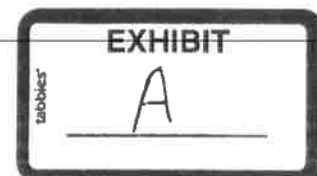

Witness's Printed Name


Witness's Signature

Amortization Calculator - Payment Schedule

Amortization schedule: 120 months to repay \$1,000,000 at 7%

Payment Number	Payment Amount	Interest Amount	Principal Reduction	Remaining Balance
1	\$11,610.85	\$5,833.33	\$5,777.51	\$994,222.49
2	\$11,610.85	\$5,799.63	\$5,811.22	\$988,411.27
3	\$11,610.85	\$5,765.73	\$5,845.12	\$982,566.15
4	\$11,610.85	\$5,731.64	\$5,879.21	\$976,686.94
5	\$11,610.85	\$5,697.34	\$5,913.51	\$970,773.43
6	\$11,610.85	\$5,662.85	\$5,948.00	\$964,825.43
7	\$11,610.85	\$5,628.15	\$5,982.70	\$958,842.73
8	\$11,610.85	\$5,593.25	\$6,017.60	\$952,825.13
9	\$11,610.85	\$5,558.15	\$6,052.70	\$946,772.43
10	\$11,610.85	\$5,522.84	\$6,088.01	\$940,684.42
11	\$11,610.85	\$5,487.33	\$6,123.52	\$934,560.90
12	\$11,610.85	\$5,451.61	\$6,159.24	\$928,401.66
13	\$11,610.85	\$5,415.68	\$6,195.17	\$922,206.49
14	\$11,610.85	\$5,379.54	\$6,231.31	\$915,975.18
15	\$11,610.85	\$5,343.19	\$6,267.66	\$909,707.52



Amortization Calculator - Amortization Schedule

16	\$11,610.85	\$5,306.63	\$6,304.22	\$903,403.30
17	\$11,610.85	\$5,269.85	\$6,341.00	\$897,062.30
18	\$11,610.85	\$5,232.86	\$6,377.98	\$890,684.32
19	\$11,610.85	\$5,195.66	\$6,415.19	\$884,269.13
20	\$11,610.85	\$5,158.24	\$6,452.61	\$877,816.52
21	\$11,610.85	\$5,120.60	\$6,490.25	\$871,326.26
22	\$11,610.85	\$5,082.74	\$6,528.11	\$864,798.15
23	\$11,610.85	\$5,044.66	\$6,566.19	\$858,231.96
24	\$11,610.85	\$5,006.35	\$6,604.49	\$851,627.47
25	\$11,610.85	\$4,967.83	\$6,643.02	\$844,984.44
26	\$11,610.85	\$4,929.08	\$6,681.77	\$838,302.67
27	\$11,610.85	\$4,890.10	\$6,720.75	\$831,581.92
28	\$11,610.85	\$4,850.89	\$6,759.95	\$824,821.97
29	\$11,610.85	\$4,811.46	\$6,799.39	\$818,022.58
30	\$11,610.85	\$4,771.80	\$6,839.05	\$811,183.53
31	\$11,610.85	\$4,731.90	\$6,878.94	\$804,304.59
32	\$11,610.85	\$4,691.78	\$6,919.07	\$797,385.52
33	\$11,610.85	\$4,651.42	\$6,959.43	\$790,426.09
34	\$11,610.85	\$4,610.82	\$7,000.03	\$783,426.06
35	\$11,610.85	\$4,569.99	\$7,040.86	\$776,385.19
36	\$11,610.85	\$4,528.91	\$7,081.93	\$769,303.26
37	\$11,610.85	\$4,487.60	\$7,123.25	\$762,180.02

Amortization Calculator - Amortization Schedule

38	\$11,610.85	\$4,446.05	\$7,164.80	\$755,015.22
39	\$11,610.85	\$4,404.26	\$7,206.59	\$747,808.62
40	\$11,610.85	\$4,362.22	\$7,248.63	\$740,559.99
41	\$11,610.85	\$4,319.93	\$7,290.91	\$733,269.08
42	\$11,610.85	\$4,277.40	\$7,333.44	\$725,935.63
43	\$11,610.85	\$4,234.62	\$7,376.22	\$718,559.41
44	\$11,610.85	\$4,191.60	\$7,419.25	\$711,140.16
45	\$11,610.85	\$4,148.32	\$7,462.53	\$703,677.63
46	\$11,610.85	\$4,104.79	\$7,506.06	\$696,171.57
47	\$11,610.85	\$4,061.00	\$7,549.85	\$688,621.72
48	\$11,610.85	\$4,016.96	\$7,593.89	\$681,027.83
49	\$11,610.85	\$3,972.66	\$7,638.19	\$673,389.65
50	\$11,610.85	\$3,928.11	\$7,682.74	\$665,706.91
51	\$11,610.85	\$3,883.29	\$7,727.56	\$657,979.35
52	\$11,610.85	\$3,838.21	\$7,772.64	\$650,206.71
53	\$11,610.85	\$3,792.87	\$7,817.98	\$642,388.74
54	\$11,610.85	\$3,747.27	\$7,863.58	\$634,525.16
55	\$11,610.85	\$3,701.40	\$7,909.45	\$626,615.71
56	\$11,610.85	\$3,655.26	\$7,955.59	\$618,660.12
57	\$11,610.85	\$3,608.85	\$8,002.00	\$610,658.12
58	\$11,610.85	\$3,562.17	\$8,048.68	\$602,609.44
59	\$11,610.85	\$3,515.22	\$8,095.63	\$594,513.82

Amortization Calculator - Amortization Schedule

60	\$11,610.85	\$3,468.00	\$8,142.85	\$586,370.97
61	\$11,610.85	\$3,420.50	\$8,190.35	\$578,180.62
62	\$11,610.85	\$3,372.72	\$8,238.13	\$569,942.49
63	\$11,610.85	\$3,324.66	\$8,286.18	\$561,656.30
64	\$11,610.85	\$3,276.33	\$8,334.52	\$553,321.79
65	\$11,610.85	\$3,227.71	\$8,383.14	\$544,938.65
66	\$11,610.85	\$3,178.81	\$8,432.04	\$536,506.61
67	\$11,610.85	\$3,129.62	\$8,481.23	\$528,025.38
68	\$11,610.85	\$3,080.15	\$8,530.70	\$519,494.68
69	\$11,610.85	\$3,030.39	\$8,580.46	\$510,914.22
70	\$11,610.85	\$2,980.33	\$8,630.51	\$502,283.71
71	\$11,610.85	\$2,929.99	\$8,680.86	\$493,602.85
72	\$11,610.85	\$2,879.35	\$8,731.50	\$484,871.35
73	\$11,610.85	\$2,828.42	\$8,782.43	\$476,088.92
74	\$11,610.85	\$2,777.19	\$8,833.66	\$467,255.25
75	\$11,610.85	\$2,725.66	\$8,885.19	\$458,370.06
76	\$11,610.85	\$2,673.83	\$8,937.02	\$449,433.04
77	\$11,610.85	\$2,621.69	\$8,989.16	\$440,443.88
78	\$11,610.85	\$2,569.26	\$9,041.59	\$431,402.29
79	\$11,610.85	\$2,516.51	\$9,094.33	\$422,307.96
80	\$11,610.85	\$2,463.46	\$9,147.38	\$413,160.57
81	\$11,610.85	\$2,410.10	\$9,200.74	\$403,959.83

Amortization Calculator - Amortization Schedule

82	\$11,610.85	\$2,356.43	\$9,254.42	\$394,705.41
83	\$11,610.85	\$2,302.45	\$9,308.40	\$385,397.01
84	\$11,610.85	\$2,248.15	\$9,362.70	\$376,034.31
85	\$11,610.85	\$2,193.53	\$9,417.31	\$366,617.00
86	\$11,610.85	\$2,138.60	\$9,472.25	\$357,144.75
87	\$11,610.85	\$2,083.34	\$9,527.50	\$347,617.25
88	\$11,610.85	\$2,027.77	\$9,583.08	\$338,034.17
89	\$11,610.85	\$1,971.87	\$9,638.98	\$328,395.18
90	\$11,610.85	\$1,915.64	\$9,695.21	\$318,699.97
91	\$11,610.85	\$1,859.08	\$9,751.76	\$308,948.21
92	\$11,610.85	\$1,802.20	\$9,808.65	\$299,139.56
93	\$11,610.85	\$1,744.98	\$9,865.87	\$289,273.69
94	\$11,610.85	\$1,687.43	\$9,923.42	\$279,350.27
95	\$11,610.85	\$1,629.54	\$9,981.30	\$269,368.97
96	\$11,610.85	\$1,571.32	\$10,039.53	\$259,329.44
97	\$11,610.85	\$1,512.76	\$10,098.09	\$249,231.35
98	\$11,610.85	\$1,453.85	\$10,157.00	\$239,074.35
99	\$11,610.85	\$1,394.60	\$10,216.25	\$228,858.10
100	\$11,610.85	\$1,335.01	\$10,275.84	\$218,582.26
101	\$11,610.85	\$1,275.06	\$10,335.78	\$208,246.48
102	\$11,610.85	\$1,214.77	\$10,396.08	\$197,850.40
103	\$11,610.85	\$1,154.13	\$10,456.72	\$187,393.68

Amortization Calculator - Amortization Schedule

104	\$11,610.85	\$1,093.13	\$10,517.72	\$176,875.96
105	\$11,610.85	\$1,031.78	\$10,579.07	\$166,296.89
106	\$11,610.85	\$970.07	\$10,640.78	\$155,656.11
107	\$11,610.85	\$907.99	\$10,702.85	\$144,953.25
108	\$11,610.85	\$845.56	\$10,765.29	\$134,187.96
109	\$11,610.85	\$782.76	\$10,828.08	\$123,359.88
110	\$11,610.85	\$719.60	\$10,891.25	\$112,468.63
111	\$11,610.85	\$656.07	\$10,954.78	\$101,513.85
112	\$11,610.85	\$592.16	\$11,018.68	\$90,495.17
113	\$11,610.85	\$527.89	\$11,082.96	\$79,412.21
114	\$11,610.85	\$463.24	\$11,147.61	\$68,264.60
115	\$11,610.85	\$398.21	\$11,212.64	\$57,051.96
116	\$11,610.85	\$332.80	\$11,278.04	\$45,773.91
117	\$11,610.85	\$267.01	\$11,343.83	\$34,430.08
118	\$11,610.85	\$200.84	\$11,410.01	\$23,020.07
119	\$11,610.85	\$134.28	\$11,476.56	\$11,543.51
120	\$11,610.85	\$67.34	\$11,543.51	\$0.00

EXHIBIT 3

FIRST PREFERRED SHIP MORTGAGE

THIS FIRST PREFERRED SHIP MORTGAGE is executed on December 5, 2022, by **AT LC 87, LLC**, (100%) ("Owner"), a Delaware Limited Liability Company, whose address is 2701 E. Camelback Road, Suite 150, Phoenix, AZ 85016, in favor of James F. Wilson Living Revocable Trust of James F. Wilson executed June 28, 2018, (100%) ("Mortgagee"), whose address is 490 Laguna Drive, St. Petersburg, FL 33715.

Owner is the sole owner of the whole of the following Vessel, a documented vessel of the United States, whose records are maintained at the United States Coast Guard, National Vessel Documentation Center, Falling Waters, West Virginia.

VESSEL

OFFICIAL NUMBER
1290829

Ex: JIMMYISM

CHL050501314

(hereinafter the "Vessel").

Owner is justly indebted to Mortgagee in the principal amount of \$1,000,000.00, as evidenced by its promissory note in such amount dated December 5, 2022 herewith, and is or may become indebted to Mortgagee under one or more term notes, interim notes, revolver notes, guarantees and other obligations made payable or endorsed by Owner to or for the benefit of Mortgagee, its successors and assigns, and under any extensions or renewals of, amendments to or replacements or substitutions for any of the foregoing (the "Indebtedness"). The maximum amount of direct or contingent obligations that may become secured by this Mortgage is \$1,000,000.00, excluding interest, expenses and fees. For the purpose of securing payment of said debt, plus interest, expenses and fees, and performance of Mortgage covenants, Owner has executed and delivered this Mortgage this date in the amount of \$1,000,000.00, to be preferred under Chapter 313 of Title 46 of the United States Code. Unless otherwise stated herein, or on a Schedule attached hereto, the discharge amount of this Mortgage is the same as the total amount.

In consideration of the premises and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to secure payment of the principal of and interest on the Indebtedness described above, the obligations of Owner under the instruments evidencing the Indebtedness, and all other sums that may be secured by this Mortgage, and to secure the due performance and observance of each and every one of the covenants, agreements, promises, terms and conditions set forth herein, or in the instruments evidencing the Indebtedness (collectively the "Obligations"), Owner mortgages to Mortgagee, its successors and assigns, on the terms set out below, the whole of the Vessel described above, together with all the engines, boilers, machinery, masts, boats, anchors, cables, chains, rigging, tackle, apparel, furniture, capstans, outfit, tools, pumps, gear, furnishings, appliances, fittings and spare and replacement parts, and all other appurtenances thereto appertaining or belonging, whether now owned or hereafter acquired by Owner, whether on board or not on board, and also any and all additions, improvements and replacements hereinafter made by Owner or on Owner's behalf to said Vessel, or any part thereof, and all products and proceeds of all of the foregoing. The total interest in the Vessel owned by Owner is a whole or 100% interest, and the interest in the Vessel mortgaged hereby is the whole or 100% interest.

1.00 TERMS AND CONDITIONS

1.01 Recordation. Owner will cause this Mortgage to be duly recorded at its own expense, and will comply with all of the provisions of applicable laws and regulations of the United States of America, as amended, in order to establish and maintain this Mortgage as a "preferred mortgage" on the Vessel and upon all renewals, replacements and improvements made by or for the benefit of Owner to the Vessel for the amounts secured hereby. The description of the Vessel, including the data required by law to entitle this Mortgage to preferred status under Chapter 313 of Title 46 of the United States Code, is true and accurate. Owner will execute and record from time to time, at its own expense, such additional instruments as may be necessary or appropriate so that this Mortgage will remain a valid lien on the Vessel, all improvements thereto, and substitute parts incorporated therein, by or for the benefit of the Owner.

1.02 Restrictions on Sale, etc. Owner will not sell, mortgage, demise or bareboat charter the Vessel (except for bareboat charters to corporations affiliated with Owner), nor shall the Owner operate the Vessel outside the waters in which the Vessel customarily trades, without the prior written consent of Mortgagee. Any consent by Mortgagee to any one sale, mortgage, demise, bareboat charter, or operation of the Vessel outside its customary navigation limits shall not be construed to be a waiver of this provision with respect to any subsequent proposed sale, mortgage, demise, charter, or operation. Owner may from time to time enter into time charters of the Vessel in the ordinary course of business without the prior

consent of Mortgagee provided that the term of such charters (including options) does not exceed one year. Time charters specifying a longer term may not be entered into without Mortgagee's prior written consent. All charters (whether bareboat, time or otherwise) permitted under this paragraph, shall contain a clause placing the charterer on notice of this mortgage and setting forth the agreement of Charterer that any claim that the Charterer may have against the Owner or the Vessel subject to this Mortgage arising under or as a result of such charter shall be subordinate to the lien of this Mortgage.

1.03 No Other Liens. Neither Owner, any charterer, any operator, the Master of the Vessel, nor any other person has any right, power or authority to create, incur or permit to be placed upon the Vessel any security interest or claim whatsoever, other than (a) this Mortgage or other liens in favor of Mortgagee, (b) liens for salvage, (c) inchoate liens for current crew's wages, (d) liens covered by valid policies of insurance held by or otherwise in favor of Owner and Mortgagee and meeting or exceeding the minimum limits specified in Paragraph 2.04 below, and (e) inchoate liens not covered by insurance, incurred in the ordinary course of business and not more than thirty (30) days past due. Any liens or charters to which the Vessel is currently subject, other than liens in favor of Mortgagee, are disclosed as follows (if blank then none):

1.04 Notice of Mortgage. Owner will cause to be placed and kept prominently displayed in a conspicuous place on the Vessel a notice as follows:

NOTICE OF MORTGAGE

This Vessel is covered by a Preferred Ship Mortgage to James F. Wilson Living Revocable Trust of James F. Wilson executed June 28, 2018, under authority of Chapter 313 of Title 46 of the United States Code, as amended, to secure payment to the Mortgagee of certain indebtedness. A certified copy of the Mortgage is on board the Vessel and is on file at the office of the Owner, where it may be examined, upon demand, by any person having business with the Vessel. Under the terms of this Mortgage, neither the Owner, any operator, any charterer, any cargo owner, any subcharterer, nor the Master of this Vessel has the right, power or authority to create, incur or permit to exist on this Vessel any lien or encumbrance whatsoever except liens for crew's wages and salvage, and the lien of said Mortgage.

Owner will promptly cause a counterpart of this Mortgage, certified by the United States Coast Guard, to be kept on board the Vessel subject hereto, if required by Chapter 313 of Title 46 of the United States Code, and in the office of Owner, available for inspection, and will exhibit the same and the ships' papers upon demand to any person having business with the Vessel. Owner will take such other appropriate steps from time to time as will give notice to the world that Owner's right, title and interest in and to the Vessel is subject to this Mortgage, and that, except for this Mortgage, Owner has no right, power or authority to suffer or permit any liens or claims against the Vessel.

2.00 WARRANTIES; AGREEMENTS. Owner represents, warrants and agrees that:

2.01 Organization; Citizenship. Owner was duly organized and is now a Limited Liability Company. Owner is now, and during the life of this Mortgage shall remain, a citizen of the United States. Owner is duly authorized to mortgage the property conveyed hereby, and has taken all action necessary and required by law for the execution and delivery of this Mortgage. This Mortgage, and the Obligations (including the Indebtedness) secured hereby, are and will be the valid and enforceable obligations of Owner in accordance with their terms.

2.02 Ownership; Defense of Claims. Owner owns and possesses the Vessel free from any lien or encumbrance whatsoever (other than liens in favor of Mortgagee), except as set forth above. Owner will warrant and defend title of the Vessel and possession thereof for the benefit of Mortgagee against the claims and demands of all persons, whether such liens are well founded or unfounded, choate or inchoate.

2.03 Vessel Documentation; Registry or Flag. The Vessel is and shall remain documented under the laws of the United States. Owner will promptly and properly renew the Vessel's documentation with the United States Coast Guard as required and will not allow the Vessel to be used for any purpose other than that for which it is documented with the United States Coast Guard. Owner will not change the Registry or Flag of the Vessel without the prior written consent of Mortgagee. Any written consent of Mortgagee to any one change of Registry or Flag shall not be construed to be a waiver of this provision with respect to any subsequent change of Registry or Flag.

2.04 Insurance on Vessel. Owner will cause to be carried and maintained on the Vessel at no cost to Mortgagee at all times during the existence of this Mortgage, (1) full form Hull and Machinery Insurance in an amount not less than the true market value of the Vessel, and in no case, less than 110% of amount due to Mortgagee, (2) Protection and Indemnity Insurance, including coverage for the crew of the Vessel, with such limits as may be required by Mortgagee. Owner will

provide Mortgagee with a policy or certificate which evidences the coverage as required herein. All insurance shall be placed and kept with insurers reasonably satisfactory to the Mortgagee and any evidence of insurance submitted to Mortgagee shall be signed by the insurance company and by an agent authorized by the company to bind coverage. The Policy deductibles, if any, shall not exceed that which is customary. Owner may carry additional insurance as desired.

Should the Vessel subject to this Mortgage be navigated outside its customary navigation limits, Owner shall, prior to any such navigation, procure an endorsement to the policies obtained hereunder authorizing such navigation, and procure increased value, war risk and related coverages as may be required by Mortgagee.

While laid up, the Vessel subject to this Mortgage may, in lieu of the insurance specified herein, be insured by Owner or by any Charterer thereof to the same amount under customary port risk policies satisfactory to Mortgagee.

The Hull and Machinery Insurance shall name Mortgagee as additional Loss Payee, as its interest may appear, and shall be payable as hereinafter provided. Such policies shall provide that Mortgagee will receive at least thirty (30) days written notice from the insurance company prior to cancellation or any material alteration in the insurance policy or reduction in coverage which could materially affect the interest of Mortgagee.

Owner shall procure breach of warranty endorsements or a separate Mortgagee's single interest coverage in an amount at all times equal to or greater than the Owner's Indebtedness to Mortgagee secured hereby, such that no act or omission of Owner, or any charterer, or breach of any warranty, including breach of any warranty of seaworthiness, whether express or implied, shall operate to forfeit Mortgagee's coverage under the above policies or result in a cancellation of insurance as to Mortgagee. No policy required under this Section 2.04 shall contain any warranty, including any warranty of seaworthiness, the breach of which is not covered by this single interest coverage.

If any insurance referred to herein is not obtained by Owner, Owner will give Mortgagee written notice of such fact, and will endeavor to obtain such insurance. Owner will detain the Vessel in port until such insurance has been obtained. Any failure by Owner to keep the Vessel fully insured as required herein shall constitute an Event of Default hereunder.

In the event of a partial loss of the Vessel subject to this Mortgage, Mortgagee consents that the underwriters may pay directly for repairs, salvage or other charges, or may reimburse the Owner or any Charterer of the Vessel therefor, up to \$500,000.00, provided that Owner is not in default hereunder. If Owner is in default hereunder, Mortgagee shall be entitled to receive such insurance money directly from the underwriters. In the event of actual or constructive total loss of the Vessel subject to this Mortgage, all policy proceeds shall be paid directly to Mortgagee and shall be applied first to the payment to Mortgagee of all sums secured hereby, whether then due or not. Any remaining surplus shall be paid to Owner. All policies shall name Mortgagee as loss payee as its interests may appear and shall be paid as provided in this Paragraph.

Owner will keep or cause the aforesaid insurance to be kept valid, and renew, or cause the renewal of same, when necessary, providing Mortgagee with appropriate renewal binders and policy copies once prepared. Owner will cause the premiums and costs thereof to be paid when due and will furnish Mortgagee with evidence satisfactory to Mortgagee that said payments have been made. If Owner shall at any time fail to comply with the foregoing, Mortgagee may, without obligation, procure such insurance and pay any unpaid premiums or may procure other insurance necessary to protect Mortgagee's interest in the Vessel. The costs and expenses thereof, with interest at the highest rate applicable under the Indebtedness upon default (the "Default Rate"), from the date of such expenditure until paid, shall be an additional indebtedness due from Owner to Mortgagee secured by this Mortgage and payable on demand.

Owner will not do any act, nor voluntarily suffer or permit any act to be done, whereby any insurance is or may be suspended, impaired, or defeated. Owner will not suffer or permit the Vessel subject to this Mortgage to engage in any voyage, nor to carry any cargo not permitted under the policies of insurance in effect, without first adding or causing the addition of specific insurance on the Vessel, to the amount herein required, and satisfactory to the Mortgagee, which permits and covers such a voyage or the carriage of such cargo.

2.05 Compliance with Legal Restrictions. Owner covenants not knowingly to cause or permit the Vessel subject to this Mortgage to be operated in any manner contrary to the laws of the United States or of any state or country wherein the same is operated.

2.06 Notice of Seizure. If the Vessel subject to this Mortgage shall be libeled, attached, seized or otherwise detained under any legal authority, Owner shall immediately proceed to obtain the release or discharge of the Vessel as provided below, and, if Owner has not secured the release or discharge of the Vessel within forty-eight (48) hours, Owner shall

immediately notify Mortgagee of the seizure by telephone or facsimile confirmed in writing and delivered to Mortgagee by overnight courier.

2.07 Maintenance of Vessel. Owner will exercise due diligence to put, or will cause any charterers of the Vessel to put, the Vessel in good running condition, order and repair, well and sufficiently tackled, appareled, furnished and equipped and make her seaworthy. At all times, Owner will, or will cause any Charterers of the Vessel, at their own expense and risk, to so maintain and preserve the Vessel, ordinary wear and tear excepted; Owner shall keep the Vessel in such condition that she complies with all applicable United States laws, treaties, conventions, rules, regulations and Class Society Certifications and keep on board the Vessel, when required thereby, valid certificates showing compliance therewith.

2.08 Inspection of Vessel. Owner will, at all reasonable times, afford Mortgagee and its representatives, or cause any Charterers to afford Mortgagee and its representatives, complete access to the Vessel for the purpose of inspecting the same.

2.09 Payment of Taxes, etc. Owner will pay and discharge, from time to time, or cause to be paid and discharged, all claims, taxes, assessments, governmental charges, fines and penalties lawfully imposed upon, or which may become a lien or charge upon the Vessel. Nothing herein shall require the payment of any such claim, tax assessment, charge, fine or penalty so long as the same may be contested in good faith and by appropriate legal proceedings. In such event Owner shall take, or cause to be taken, whatever steps may be required to release or discharge the Vessel subject to this Mortgage from any arrest or seizure which may interfere with the regular use of the Vessel.

2.10 Compliance by Charterer. If any of the above-described duties, covenants, promises, conditions, agreements or terms shall have been delegated by Owner to any charterer in connection with any charter permitted hereunder, Owner will also cause charterer to comply fully therewith.

3.00 EVENTS OF DEFAULT. The following are Events of Default hereunder:

3.01 Failure to pay any installment of principal or interest under the Indebtedness, or the principal or interest scheduled under any other indebtedness of Owner to Mortgagee, within ten (10) days of the date such payment is due;

3.02 Failure to maintain in full force and effect the insurance required in Paragraph 2.04 of this Mortgage;

3.03 Default in the performance or observance by Owner of any covenant, warranty, promise, condition, agreement or term contained herein, in any commitment letter, or in any loan agreement, mortgage, security agreement or amendment or supplement thereof evidencing the Obligations or securing the Indebtedness, or other indebtedness of Owner to Mortgagee, or any other default by Owner or any other Obligor under any Obligation secured hereby, should such default remain uncured after ten (10) days from the occurrence thereof;

3.04 Any representation, warranty, statement, certificate, schedule or report made herein or furnished hereunder, or in any loan agreement, note, ship mortgage, assignment or security agreement, executed or endorsed by Owner in favor of Mortgagee, shall prove to have been false or misleading in any material respect when made, and such default is not remedied within thirty (30) days after written notice to Owner by Mortgagee;

3.05 Any evidence of debt to third persons for which Owner is liable as principal, guarantor or otherwise shall be in default (after any applicable period of cure) or become due by acceleration or otherwise, and shall not promptly be paid or timely contested in appropriate proceedings;

3.06 Any proceeds from the sale, loss, requisition, seizure or forfeiture of, or from any insurance carried on or in respect of, the Vessel subject to this Mortgage which is otherwise payable to Mortgagee shall not have been received by Mortgagee for distribution in accordance with the provisions hereof within ten (10) days after the same are received by Owner;

3.07 Owner shall (i) apply for or consent to the appointment of or the taking of possession by a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its property, (ii) admit in writing its inability to pay, or generally not be paying, its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) commence a voluntary action under the Federal Bankruptcy Code (as now or hereafter in effect), (v) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, (vi) fail to controvert in a timely or appropriate manner or acquiesce in writing to any petition filed against the Owner in an involuntary action under such Bankruptcy Code or (vii) take any action for the purpose of effecting any of the foregoing;

3.08 A proceeding or case shall be commenced without the consent of the Owner in any court of competent jurisdiction seeking (i) the liquidation, reorganization, dissolution, wind-up or composition or readjustment of debts of Owner, (ii) the appointment of a receiver, trustee, custodian, liquidator or the like for Owner or of all or a substantial part of its assets or (iii) similar relief with respect to Owner under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts; and such proceeding or case continues undismissed, or an order, judgment or decree approving or ordering any of the foregoing is entered and continues unstayed for a period of sixty (60) days, or any order for relief against the Owner is entered in any involuntary case under the Bankruptcy Code;

3.09 Any Guarantor or other Obligor under the Obligations secured hereby shall take any action as outlined in Paragraph (3.07) above or shall have instituted against such person any action as outlined in Paragraph (3.08) above.

4.00 RIGHTS AND REMEDIES ON DEFAULT. If any such Event of Default occurs and is continuing, Mortgagee may, at its option, do any one or more of the following:

4.01 Declare the Indebtedness, the Obligations and all other indebtedness of Owner or any other Obligor to Mortgagee, in principal and interest, forthwith due and payable.

4.02 Enforce Mortgagee's rights by an action at law, suit in equity or other appropriate proceeding, whether for the specific performance of, or for an injunction against a violation of, any term hereof, of the instruments evidencing the Indebtedness or the Obligations, or of any loan agreement, note, ship mortgage, assignment or security agreement executed or endorsed by Owner in favor of Mortgagee, or in the aid of the exercise of any power granted by this Mortgage, any said loan agreement, note, ship mortgage, assignment or security agreement, or by law.

4.03 Exercise all of the rights and remedies of foreclosure, and otherwise, given to Mortgagees by laws of the United States of America or other jurisdiction, including, but not limited to, the law of any jurisdiction in which the Vessel subject to this Mortgage may be found.

4.04 Take and enter into possession of the Vessel subject to this Mortgage at any time, wherever the same may be, without legal process and without being responsible for loss or damage. Owner or any other person in possession of the Vessel shall forthwith, upon demand of Mortgagee, surrender possession of the Vessel to Mortgagee. Mortgagee may, without being responsible for loss or damage, hold, lay up, lease, charter, operate or otherwise use the Vessel for such time and upon such terms as it may deem to be for its best advantage; make any necessary repairs on the Vessel; and demand, collect and retain all hire, freights, earnings, issues, revenues, income, profits, return of premiums, salvage awards or recoveries, recoveries in general average, and all other sums due or to become due in respect of the Vessel or in respect of any insurance thereon from any person whomsoever.

4.05 Take and enter into possession of the Vessel subject to this Mortgage, at any time, wherever the same may be, without legal process, and if it seems desirable to Mortgagee and without being responsible for loss or damage, sell the Vessel, at any place and at such time as Mortgagee may specify and in such manner as Mortgagee may deem advisable, free from any claim by Owner in admiralty, in equity, at law or by statute, after first giving Owner notice thereof ten (10) days in advance of the time and place of sale.

4.06 Exercise all rights, privileges and remedies in foreclosure or otherwise given Mortgagee by this Mortgage, or by any other instrument evidencing the Indebtedness or the Obligations or securing performance thereof, as well as such other rights, privileges and remedies granted by applicable law.

4.07 Collect, receive, compromise and sue for, in the name of Mortgagee or Owner all earned freights, charter hire, accounts, issues, revenues, income, profits or other earnings arising out of, or in any way connected with, the use or operation of the Vessel.

5.00 OTHER AGREEMENTS ON DEFAULT OR OTHERWISE

5.01 Sale of Vessel. Any sale of the Vessel made pursuant to this Mortgage, whether under the power of sale hereby granted or any judicial proceedings, shall operate to divest all right, title and interest of any nature whatsoever of Owner therein and thereto, and shall bar Owner, its successors and assigns, and all persons claiming by, through, or under them. No purchaser shall be bound to inquire whether notice has been given, or whether any default has occurred, or as to the propriety of the sale, or as to the application of the proceeds thereof.

5.02 Attorney-in-Fact. In the event that Owner or any other Obligor shall default in the payment of the principal, premium, if any, or interest on the Indebtedness or otherwise default under the Obligations, or upon the occurrence of any other Event of Default hereunder, or under any other loan agreement, mortgage, guaranty or security agreement securing the Indebtedness or the Obligations, or under any other obligation of Owner to Mortgagee, Owner irrevocably appoints Mortgagee the attorney-in-fact of Owner: (1) to execute, deliver and to make, in the name of and on behalf of Owner, a good conveyance of title to the Vessel to any purchaser (Owner will, if and when required by Mortgagee, execute such form of conveyance of title to the Vessel as Mortgagee may direct; Owner agrees that this requirement is subject to a suit for specific performance hereof); (2) to demand, collect, receive, compromise and sue for, in the name of Owner, all freight, hire, earnings, issues, revenues, income and profits of the Vessel, and all amounts due from underwriters under any insurance thereon as payment of losses, or as return premiums, or otherwise, salvage awards and recoveries, recoveries in general average or otherwise, and all other sums thereafter due or to become due in respect of the Vessel, or in respect of any insurance thereon, from any person whomsoever to the extent of Owner's interest therein, which said interest is hereby assigned to, and a security interest therein granted in favor of, Mortgagee; (3) to make, give and execute in the name of the Owner acquittances, receipts, releases or other discharges for the same, whether under seal or otherwise; (4) to endorse and accept, in the name of Owner, all checks, notes, drafts, warrants, agreements and other instruments in writing with respect to the foregoing. Owner authorizes the Mortgagee to take any such action or exercise any power enumerated in this Paragraph, or otherwise provided for in this Mortgage or under applicable law.

5.03 Arrest of Vessel. In the event that the Vessel subject to this Mortgage shall be arrested or detained by a Marshal or other officer of any court of law, equity or admiralty jurisdiction in any country or nation of the world, or by any government or other authority and shall not be released from arrest or detention within fifteen (15) days from the date of Owner's receipt of notice of any such arrest or detention, or within such lesser time as may be necessary under applicable law to avoid prejudice to Mortgagee's rights hereunder, Owner irrevocably appoints Mortgagee the attorney-in-fact of Owner and authorizes and empowers Mortgagee, or any appointee or appointees of Mortgagee, in the name of Owner, its successor or assigns, to apply for and receive or take possession of the Vessel with all the rights and powers that Owner, its successors or assigns, might have, possess or exercise in any such event. Owner authorizes and empowers Mortgagee, its appointees, or any of them, to appear in the name of Owner, its successors and assigns, in any court of any country or nation of the world where a suit is pending against the Vessel because of, or on account of, any alleged lien against the Vessel from which the Vessel has not been released, and to take such proceedings as to them may seem proper towards the defense of such suit and the purchase or discharge of such lien. All expenditures incurred for the purpose of such defense, purchase or discharge, with interest per annum at the Default Rate, from the date of any such expenditure until paid, shall be an additional indebtedness which shall be secured by this Mortgage, payable on demand.

5.04 Relationship of Owner and Mortgagee. In case Mortgagee shall have proceeded to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to Mortgagee, then and in every such case Owner and Mortgagee shall be restored to their former positions and rights hereunder with respect to the property subject or intended to be subject to this Mortgage, and all rights, powers and remedies of Mortgagee shall continue as if no such proceedings had been taken.

5.05 Cost of Collection; Attorneys' Fees. Whether or not litigation is commenced, Owner promises to pay all of Mortgagee's costs of collecting overdue amounts, including, without limitation, a reasonable hourly rate for collection personnel, whether employed in-house or on a contract basis, overhead costs, as reasonably allocated to the collection effort, and all other expenses actually incurred, including all attorney fees and related expenses incurred by Mortgagee. If either party hereto commences litigation to enforce or construe any term of this Mortgage, or of any instruments evidencing the Indebtedness or the Obligations, or to collect any amounts due hereunder or thereunder, the losing party will pay to the prevailing party such additional sums as the court may adjudge reasonable as attorneys' fees and costs in the litigation or any appeal or review therefrom.

5.06 Appointment of Receiver or Substitute Custodian. At Mortgagee's option, in any suit to foreclose the lien of this Mortgage, Mortgagee shall be entitled as a matter of right, and not as a matter of discretion, to the appointment of a receiver or substitute custodian of the Vessel. Any receiver so appointed shall have full rights and powers to use and operate the Vessel, and to a decree ordering and directing the sale and disposal thereof. In any such suit, Owner will enter a voluntary appearance. Mortgagee may bid and become a purchaser at such sale, and, in such event, shall be entitled to credit on the purchase price any and all sums due to Mortgagee hereunder. Any custodian so appointed shall have full rights and powers to retain possession of the Vessel, and to provide for their maintenance and safe-keeping prior to sale, in lieu of custody by the U.S. Marshal, other governmental authority, or their designees. Owner hereby designates Mortgagee, or any employee, agent, or other person named by Mortgagee at the time seizure of the Vessel subject to this Mortgage is effected, or at the commencement of any suit, to serve as receiver or custodian of the Vessel as the case may be.

5.07 Defense of Claims Against Vessel. In the event Owner fails promptly to defend any claim against the Vessel, Owner authorizes Mortgagee, or its appointees, at its option to appear in the name of Owner, its successors and assigns, in any court where a suit is pending against the Vessel because of any alleged lien against the Vessel and to take such action as to them may seem proper towards the defense of such suit and the discharge of such lien. All moneys expended by them for the purpose of such defense and/or discharge, with interest per annum at the Default Rate from the date of such expenditure until paid, shall be an additional Indebtedness due from Owner to Mortgagee secured by this Mortgage, payable on demand.

5.08 Mortgagee's Right to Cure Owner's Defaults. If Owner fails to pay any tax, claim, lien, or encumbrance that it is required to pay or discharge under the terms of this Mortgage, or to pay any insurance premium as aforesaid, or to maintain the Vessel as aforesaid, or commits or permits waste, or fails to perform or observe any term, agreement, provision, covenant, or condition of this Mortgage, Mortgagee may pay such claim, lien, encumbrance, tax, assessment, or premium, with right of subrogation thereunder, may make any repairs and take any steps it deems advisable to prevent or cure such waste, and may appear in any action or proceeding with respect to any of the foregoing and retain counsel therein, and take such action therein as Mortgagee deems advisable. For any of such purposes, Mortgagee may advance any sums of money it deems necessary. Mortgagor will pay to Mortgagee, immediately upon demand, all sums of money advanced by Mortgagee pursuant to this paragraph and until paid, all such sums, together with interest at the Default Rate from the date of such advance, shall be an additional Indebtedness secured hereby. Mortgagee's rights under this paragraph shall be exercisable in Mortgagee's sole discretion. In no event shall this Mortgage be construed to obligate Mortgagee to exercise any right of cure provided in this paragraph or elsewhere herein; nor shall Mortgagee be liable to Owner or any other person for any failure or refusal of Mortgagee to exercise any such right.

5.09 Powers and Remedies Cumulative. Each power or remedy herein given to Mortgagee, or granted to Mortgagee under any instruments evidencing the Indebtedness or the Obligations, or any additional mortgage or security agreement securing same, shall be cumulative and in addition to every other power or remedy specifically given in this Mortgage or existing in admiralty, in equity, at law or by statute. Each power or remedy may be exercised as often as deemed expedient by Mortgagee. No delay or omission by Mortgagee in the exercise of any power or remedy shall impair any such power or remedy, or shall be construed to be a waiver of any Event of Default. The acceptance by Mortgagee of any security or of any payment on account of the Indebtedness and other Obligations hereby secured shall not be a waiver of any right to take advantage of any further Event of Default or of any past Event of Default not completely cured thereby.

5.10 Application of Proceeds. The gross proceeds of the sale of the Vessel and the gross earnings of any charter operation or other use of the Vessel by Mortgagee under any of the powers herein specified, and any and all other monies received by Mortgagee pursuant to or under the terms of this Mortgage, or in any proceedings hereunder, the application of which has not elsewhere herein been specifically provided for, shall be held by Mortgagee and shall be applied as follows:

First: To the payment of all expenses and charges incurred by Mortgagee in the exercise of its rights and remedies hereunder, including the expenses of any sale, the expenses of any retaking, attorneys' fees, court costs, and any other expenses or advances made or incurred by Mortgagee in the protection of its rights or the pursuit of its remedies hereunder, and to provide adequate indemnity to Mortgagee against liens claiming priority over or equality with this Mortgage with interest per annum at the Default Rate, from the date of any such expense or charge incurred;

Second: To the payment of the Indebtedness together with interest thereon;

Third: To the payment of all other sums secured hereby; and

Fourth: To the payment of any surplus thereafter remaining to Owner, subject to setoff in favor of Mortgagee for any other indebtedness of Owner.

In the event that the proceeds are insufficient to pay the amounts specified in subclauses "First", "Second" and "Third" above, Mortgagee shall be entitled to collect the balance from Owner or any other person liable therefor.

6.00 MISCELLANEOUS

6.01 Quiet Enjoyment. Until the occurrence of one or more of the Events of Default described above, Owner shall be permitted to retain actual possession and use of the Vessel.

6.02 Consent of Mortgagee. Whenever pursuant to this Mortgage the consent of Mortgagee is required, that consent shall not be unreasonably withheld.

6.03 Notice. All notices, requests and other communications to any party hereunder shall be in writing and given to such party at the address, specified above, or at such other address as such party may from time to time designate as its address for the receipt of notices.

6.04 Successors and Assigns. All covenants, warranties, promises, conditions, agreements and terms herein shall bind Owner, its successors and assigns, and shall inure to the benefit of Mortgagee, its successors and assigns. In the event of any assignment of this Mortgage, the term "Mortgagee", as used in this Mortgage, shall mean any such assignee.

6.05 Savings Clause. In the event that any provision of this Mortgage is held to be invalid, such event shall not affect, in any respect whatsoever, the validity of the remainder of this Mortgage, and the remainder shall be reasonably construed without the invalid provision so as to carry out the intent of the parties hereto.

6.06 Separate Discharge. Nothing herein shall be deemed or construed to subject to the lien hereof any property other than a "vessel" as the term is used in Chapter 313 of Title 46 of the United States Code; and although it is not intended that this Mortgage include any property other than the Vessel, if any determination is made at any time that for any reason this Mortgage does include any property other than a "vessel" within the meaning of the said Act, then such property may be separately discharged from the lien of this Mortgage by the payment of .01% of the principal amount of the Obligations then outstanding.

6.07 Governing Law. The construction and enforcement of this Mortgage shall be governed by federal law, including without limitation, Chapter 313 of Title 46 of the United States Code and general maritime law, to the extent applicable, and otherwise by the internal laws of the State/Commonwealth of Florida without regard to its conflicts of laws rules.

6.08 Future Advances. This Mortgage is executed for the purpose of securing not only the payment of the above described note but also to secure all renewals, extensions or rate modifications of the above described note, and said Mortgage shall remain in full force and effect to secure all renewals, extensions or rate modifications of the above described note.

IN WITNESS WHEREOF, the undersigned has executed this instrument on this the 5th day of December, 2022.

AT LC 87, LLC, Owner/Mortgagor

By: _____

Jonathan M. Larmore, Manager

ACKNOWLEDGMENT

STATE / COMMONWEALTH OF FLORIDA COUNTY OF CHARLOTTE

The foregoing was sworn and subscribed before me, by means of ☒ physical presence or ☐ online notarization, this 5 day of DECEMBER, 2022, by Jonathan M. Larmore Manager of AT LC 87, LLC.

Personally Known X OR Produced Identification _____

Type of Identification Produced _____

Notary's Seal/Stamp



MICHAEL E. MULLINGER
Notary Public, State of Florida
Commission # HH 070636
My Commission Expires
December 10, 2024
Bonded Thru Notary Underwriters

Signature of Notary Public

My Commission Expires: 12/10/2024

EXHIBIT 4

EMAILED Batch #: 123110100 / Doc #: 2 / File Date: 9/28/2023 4:16:00 PM

ASSIGNMENT OF FIRST PREFERRED SHIP'S MORTGAGE

THIS ASSIGNMENT OF FIRST PREFERRED SHIP'S MORTGAGE made this 27th day of September, 2023, of the First Preferred Ship's Mortgage (the "Mortgage") dated December 5, 2022, identified below.

Vessel Name: "BBELLA"
Identification Number: 2014 CHEOY LEE 87
USCG O.N. 1290829

Mortgagor: AT LC 87 LLC
Address: 2701 E. CAMELBACK ROAD, SUITE 150
PHOENIX, AZ 85016

Mortgagee: JAMES F WILSON LIVING REVOCABLE TRUST OF
JAMES F WILSON - 100%
Recorded Address: 490 LAGUNA DRIVE
ST PETERSBURG FL 33715

Filed Port: NVDC
Mortgage Amount: \$ 1,000,000.00
Dated Filed: DECEMBER 12, 2022
Time Filed: 9:26 AM
Batch Number: 114197200
Doc ID Number: 5

1. **ASSIGNMENT:** For the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid by

Assignee: ST LIBERTY LLC
Address: 1560 SAWGRASS CORPORATE PARKWAY, FOURTH FLOOR
FT. LAUDERDALE, FL 33323

receipt of which is acknowledged, Mortgagee hereby transfers and assigns to Assignee all of Mortgagee's right, title, and interest as sole mortgagee under the Mortgage and in the Vessel, and all of Mortgagee's right, title, and interest as obligee under any and all instruments of indebtedness secured by the Mortgage and to the monies payable thereunder to have and to hold the same unto Assignee, its successors and assigns, forever.

2. **REPRESENTATIONS:** Mortgagee represents and warrants that Mortgagee has not otherwise assigned or encumbered its interest in the Mortgage and has the right to assign same to Assignee.
3. **FURTHER ASSURANCES:** Mortgagee further agrees to execute any and all documents and do any acts reasonably required by Assignee to perfect the Mortgage lien in favor of Assignee upon the Vessel.

National Vessel Documentation Center USCG
This document is to be a true copy
of the records on file with:



Director, National Vessel Documentation Center

4. **AUTHORITY OF ASSIGNEE:** Mortgagee ratifies and confirms the authority of Assignee, its successors and assigns, (a) to demand, collect, receive and sue for moneys due on, or to become due under, the Mortgage or any and all instruments of indebtedness secured by the Mortgage; (b) to exercise all of the rights of mortgagee of the Mortgage in accordance with Chapter 313, title 46, U.S. Code; (c) to exercise all of the rights of obligee under any and all instruments of indebtedness secured by the Mortgage; (d) to do all and things necessary or proper to accomplish any of the foregoing purposes or to cause this Assignment to be filed, recorded, and indexed within the meaning of Chapter 313, title 46, U.S. Code; and (e) to exercise all rights of Assignee hereunder.

**JAMES F WILSON LIVING
REVOCABLE TRUST OF JAMES F
WILSON**

By: James F. Wilson Trustee
James F. Wilson, Trustee

STATE OF FLORIDA

COUNTY OF Pinellas

) ss:

The foregoing was sworn and subscribed before me this 27 day of September 2023, by **JAMES F WILSON, TRUSTEE of JAMES F WILSON LIVING REVOCABLE TRUST OF JAMES F WILSON**, on behalf of the trust. He is personally known to me or produced DL 1W49544657410 as identification.

Notary's Seal:



Amel Hamda
Signature of Notary Public

EXHIBIT 5

**ALLONGE AND ASSIGNMENT OF PROMISSORY NOTE & SECURITY
AGREEMENT FOR PURCHASE OF VESSEL**

Borrower: Jon Larmore
ATA Fishville FL., LLC, Guarantor
Loan Amount: \$1,000,000.00
Dated: December 5, 2022

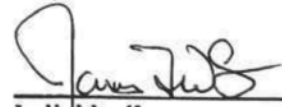
ORIGINALLY PAYABLE TO THE ORDER OF JAMES F WILSON LIVING
REVOCABLE TRUST OF JAMES F WILSON

**JAMES F WILSON and JAMES F WILSON LIVING REVOCABLE TRUST
OF JAMES F WILSON**, hereby endorse and assign their entire interest in the
above referenced **PROMISSORY NOTE & SECURITY AGREEMENT FOR
PURCHASE OF VESSEL** to the ORDER of **ST LIBERTY, LLC**, effective as of
the date of this instrument below.

This Allonge and Assignment of **PROMISSORY NOTE & SECURITY
AGREEMENT FOR PURCHASE OF VESSEL** is made in accordance with the
terms of the Loan Purchase Agreement between **ST LIBERTY, LLC** and **JAMES
F. WILSON and JAMES F WILSON LIVING REVOCABLE TRUST OF JAMES
F WILSON** dated as of September 26, 2023.

Dated as of the 26 day of September, 2023.

JAMES F. WILSON


Individually

**JAMES F WILSON LIVING
REVOCABLE TRUST OF JAMES
F WILSON**

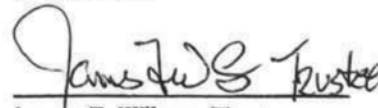

James F. Wilson, Trustee

EXHIBIT 6

**U.S. Department of
Homeland Security**



**United States
Coast Guard**

Director
National Vessel Documentation Center

792 T. J. Jackson Drive
Falling Waters, WV 25419
Phone: (800) 799-8362
Fax: 304-271-2405

October 27, 2023

Regarding your recent submission to the National Vessel Documentation Center

This cover letter with enclosure(s) is sent in response to a submission made to this office. If you have any questions, please contact the National Vessel Documentation Center at the number shown above.

RECORDED COPY OF ASSIGNMENT OF PM AND CC OF ASSIGNMENT

Enclosures:

- (1) Assignment of Mortgage O/N: 1290829 2 PAGE(S)
(2) <Certified Copy> Assignment of Mortgage O/N: 1290829 2 PAGE(S)

TOTAL: 5 PAGE(S) (including cover page)

EMAILED Batch #: 123110100 / Doc #: 2 / File Date: 9/28/2023 4:16:00 PM

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Identification Number: 2014 CHEOY LEE 87
USCG O.N. 1290829

Mortgagor: AT LC 87 LLC
Address: 2701 E. CAMELBACK ROAD, SUITE 150
PHOENIX, AZ 85016

Mortgagee: JAMES F WILSON LIVING REVOCABLE TRUST OF
JAMES F WILSON – 100%
Recorded Address: 490 LAGUNA DRIVE
ST PETERSBURG FL 33715

Filed Port: NVDC
Mortgage Amount: \$ 1,000,000.00
Dated Filed: DECEMBER 12, 2022
Time Filed: 9:26 AM
Batch Number: 114197200
Doc ID Number: 5

1. **ASSIGNMENT:** For the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid by

Assignee: ST LIBERTY LLC
Address: 1560 SAWGRASS CORPORATE PARKWAY, FOURTH FLOOR
FT. LAUDERDALE, FL 33323

receipt of which is acknowledged, Mortgagee hereby transfers and assigns to Assignee all of Mortgagee's right, title, and interest as sole mortgagee under the Mortgage and in the Vessel, and all of Mortgagee's right, title, and interest as obligee under any and all instruments of indebtedness secured by the Mortgage and to the monies payable thereunder to have and to hold the same unto Assignee, its successors and assigns, forever.

2. **REPRESENTATIONS:** Mortgagee represents and warrants that Mortgagee has not otherwise assigned or encumbered its interest in the Mortgage and has the right to assign same to Assignee.
3. **FURTHER ASSURANCES:** Mortgagee further agrees to execute any and all documents and do any acts reasonably required by Assignee to perfect the Mortgage lien in favor of Assignee upon the Vessel.

4. **AUTHORITY OF ASSIGNEE:** Mortgagee ratifies and confirms the authority of Assignee, its successors and assigns, (a) to demand, collect, receive and sue for moneys due on, or to become due under, the Mortgage or any and all instruments of indebtedness secured by the Mortgage; (b) to exercise all of the rights of mortgagee of the Mortgage in accordance with Chapter 313, title 46, U.S. Code; (c) to exercise all of the rights of obligee under any and all instruments of indebtedness secured by the Mortgage; (d) to do all and things necessary or proper to accomplish any of the foregoing purposes or to cause this Assignment to be filed, recorded, and indexed within the meaning of Chapter 313, title 46, U.S. Code; and (e) to exercise all rights of Assignee hereunder.

**JAMES F WILSON LIVING
REVOCABLE TRUST OF JAMES F
WILSON**

By: James F. Wilson Trustee
James F. Wilson, Trustee

STATE OF FLORIDA

COUNTY OF Pinellas

) ss:

The foregoing was sworn and subscribed before me this 27 day of September 2023, by **JAMES F WILSON, TRUSTEE of JAMES F WILSON LIVING REVOCABLE TRUST OF JAMES F WILSON**, on behalf of the trust. He is personally known to me or produced DL: W49546657470 as identification.

Notary's Seal:



Amel Hamda
Signature of Notary Public

EMAILED Batch #: 123110100 / Doc #: 2 / File Date: 9/28/2023 4:16:00 PM

ASSIGNMENT OF FIRST PREFERRED SHIP'S MORTGAGE

THIS ASSIGNMENT OF FIRST PREFERRED SHIP'S MORTGAGE made this 27th day of September, 2023, of the First Preferred Ship's Mortgage (the "Mortgage") dated December 5, 2022, identified below.

Vessel Name: "BBELLA"
Identification Number: 2014 CHEOY LEE 87
USCG O.N. 1290829

Mortgagor: AT LC 87 LLC
Address: 2701 E. CAMELBACK ROAD, SUITE 150
PHOENIX, AZ 85016

Mortgagee: JAMES F WILSON LIVING REVOCABLE TRUST OF
JAMES F WILSON - 100%
Recorded Address: 490 LAGUNA DRIVE
ST PETERSBURG FL 33715

Filed Port: NVDC
Mortgage Amount: \$ 1,000,000.00
Dated Filed: DECEMBER 12, 2022
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1. **ASSIGNMENT:** For the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid by

Assignee: ST LIBERTY LLC
Address: 1560 SAWGRASS CORPORATE PARKWAY, FOURTH FLOOR
FT. LAUDERDALE, FL 33323

receipt of which is acknowledged, Mortgagee hereby transfers and assigns to Assignee all of Mortgagee's right, title, and interest as sole mortgagee under the Mortgage and in the Vessel, and all of Mortgagee's right, title, and interest as obligee under any and all instruments of indebtedness secured by the Mortgage and to the monies payable thereunder to have and to hold the same unto Assignee, its successors and assigns, forever.

2. **REPRESENTATIONS:** Mortgagee represents and warrants that Mortgagee has not otherwise assigned or encumbered its interest in the Mortgage and has the right to assign same to Assignee.
3. **FURTHER ASSURANCES:** Mortgagee further agrees to execute any and all documents and do any acts reasonably required by Assignee to perfect the Mortgage lien in favor of Assignee upon the Vessel.

National Vessel Documentation Center USCG
The following information is a true copy
of the records on file with:



Director, National Vessel Documentation Center

4. **AUTHORITY OF ASSIGNEE:** Mortgagee ratifies and confirms the authority of Assignee, its successors and assigns, (a) to demand, collect, receive and sue for moneys due on, or to become due under, the Mortgage or any and all instruments of indebtedness secured by the Mortgage; (b) to exercise all of the rights of mortgagee of the Mortgage in accordance with Chapter 313, title 46, U.S. Code; (c) to exercise all of the rights of obligee under any and all instruments of indebtedness secured by the Mortgage; (d) to do all and things necessary or proper to accomplish any of the foregoing purposes or to cause this Assignment to be filed, recorded, and indexed within the meaning of Chapter 313, title 46, U.S. Code; and (e) to exercise all rights of Assignee hereunder.

**JAMES F WILSON LIVING
REVOCABLE TRUST OF JAMES F
WILSON**

By: James F. Wilson Trustee
James F. Wilson, Trustee

STATE OF FLORIDA

COUNTY OF Pinellas

) ss:

The foregoing was sworn and subscribed before me this 27 day of September 2023, by **JAMES F WILSON, TRUSTEE of JAMES F WILSON LIVING REVOCABLE TRUST OF JAMES F WILSON**, on behalf of the trust. He is personally known to me or produced DL 1W49544657410 as identification.

Notary's Seal:



Amel Hamda
Signature of Notary Public

EXHIBIT 7

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
NORFOLK DIVISION**

In Admiralty

JAMES F. WILSON LIVING REVOCABLE
TRUST OF JAMES F. WILSON,

Plaintiff,

vs.

AT LC 87, LLC, *in personam*,
and M/Y BBELLA, Official Number 1290829,
(ex JIMMYISM) her engines, apparel,
appurtenances, etc., *in rem*,

Defendants.

Civil No.:

VERIFIED COMPLAINT

Plaintiff, James F. Wilson Living Revocable Trust of James F. Wilson (“Wilson”) sues Defendants, AT LC 87, LLC (“AT LC 87”), and the motor yacht BBELLA, ex JIMMYISM, Official Number 1290829 (“BBELLA”), *in rem*, her engines, apparel, appurtenances, etc., and alleges upon information and belief as follows:

PARTIES, JURISDICTION, AND VENUE

1. This is an action brought pursuant to this Court’s admiralty and maritime jurisdiction pursuant to 28 U.S.C. § 1333, Rule 9(h) of the Fed. R. Civ. P. and Supplemental Rule for Admiralty and Maritime Claims C and a Complaint for money damages. This Court has jurisdiction pursuant to 28 U.S.C. § 1333 and 46 U.S.C. §§ 31321-31330.

2. This action is brought, in part, pursuant to 46 U.S.C. § 31325(b)(1) to enforce a preferred ship mortgage lien on the BBELLA. This Court has original jurisdiction over the preferred ship mortgage lien claim in accordance with 46 U.S.C. § 31325(c).

3. This Court has subject matter jurisdiction over the claims in this action that arise under the laws of the State of Florida pursuant to 28 U.S.C. § 1367(a), because the state law claims are so related to the federal claims that they form part of the same case or controversy and derive from a common nucleus of operative facts.

4. Plaintiff, Wilson, is a Revocable Trust organized and existing in the State of Florida.

5. Defendant, BBELLA, is a Cheoy Lee, 2014 Model Alpha 87' Express Sportbridge documented under the laws of the United States and is presently located within this district and therefore within the jurisdiction of this Court.

6. Defendant, AT LC 87, is an Arizona limited liability company and is the registered owner of BBELLA. AT LC 87 is registered to do business in the state of Florida and has a registered agent located in the state of Florida. Jurisdiction is proper over AT LC 87 as it has operated a vessel within the district.

COMMON FACTUAL ALLEGATIONS TO ALL COUNTS

7. This case arises from AT LC 87's purchase of BBELLA (f/k/a JIMMYISM) and failure to pay the purchase price.

8. On or about December 2022, AT LC 87, through its manager Larmore, contacted Wilson's authorized representative to purchase the BBELLA, which was located in Charlotte County, Florida.

9. AT LC 87 purchased the BBELLA for \$2,150,000.00. AT LC 87 would pay \$1,150,000.00 and the remaining \$1,000,000 would be paid pursuant to a promissory note and secured by a preferred ship mortgage.

10. Wilson and AT LC 87 entered into the First Preferred Ship Mortgage on December 5, 2022. (**Exhibit A**).

11. That same day, Wilson, Larmore, and ATA Fishville FL, LLC entered into the Promissory Note & Security Agreement for Purchase of Vessel “JIMMYISM” (hereinafter, ‘Note and Security Agreement’) secured by the First Preferred Ship Mortgage. (**Exhibit B**).

12. Pursuant to the Note and Security Agreement, Larmore became indebted to Wilson in the amount of \$1,000,000.00. Further, Larmore agreed to pay one hundred and twenty (120) equal monthly installments in the amount of \$11,610.85. *See Exhibit B*, at ¶ 1.a. The payments are due on the first day of each month and if a payment is not paid a 5% late fee is assessed. *Id.* at ¶ 1.b.-c.

13. The Note and Security Agreement granted a security interest in the BBELLA and was accompanied by the First Preferred Ship Mortgage on the BBELLA, which was duly executed and recorded with the United States Coast Guard central documentation office in Falling Waters, West Virginia on December 12, 2022 at 9:26 a.m., Batch No. 114197200. (Abstract of Title is attached as **Exhibit C**).

14. All of the acts and things required by the Ship Mortgage Act 1920, 46 U.S.C.A. § 31321, *et seq.*, in order to give the First Preferred Ship Mortgage, the status of a “Preferred Mortgage” were duly done or caused to be done either by the Mortgagor (AT LC 87 and/or Larmore), Mortgagee (Wilson), and/or the United States Coast Guard.

15. AT LC 87 made the first five (5) monthly installment payments (from January 2023-May 2023) required by the Note and Security Agreement and First Preferred Ship Mortgage. However, AT LC 87 has since failed to make any further payments. Accordingly, AT LC 87 has defaulted on the First Preferred Ship Mortgage

16. As a result, all of the sums due and owing under the First Preferred Ship Mortgage and Note and Security Agreement are hereby accelerated, and are now due and owing.

17. Wilson hereby claims a Preferred Mortgage lien against the BBELLA, her engines, tackle, equipment and appurtenances, etc. including equipment now on board or temporarily removed therefrom, in the amount of \$970,773.4, including accrued interest in the amount of \$30,778.97 and late fees (\$2,902.71) plus additional prejudgment interest at the daily factor/per diem rate of .0001944 and late fees to the date of judgment and post judgment interest at the aforesaid daily factor/per diem rate and late fees to the date of Marshal's sale, reasonable attorney's fees as provided in the First Preferred Ship Mortgage and the Note and Security Agreement, the costs of this action, and the cost of marine insurance for the BBELLA during the pendency hereof, and custodial costs in preference and priority over all other lienors of the BBELLA.

18. Wilson has retained the law firm of Crenshaw, Ware and Martin, PLC and Turkel Cuva Barrios, P.A., and is obligated to pay reasonable fees for their services.

19. All conditions precedent to bringing and maintaining this action and the granting of the relief requested have occurred, been performed, or have been waived.

COUNT I
FORECLOSURE ACTION
(Against BBELLA, *in rem*)

20. Plaintiff Wilson realleges and incorporates paragraphs 1 through 19 as if fully set forth herein.

21. Wilson brings this Count *in rem* against the BBELLA pursuant to 46 U.S.C. § 31341 and *et seq.* and in accordance with the Supplemental Rule C.

22. The First Preferred Ship Mortgage confirms that the owner, AT LC 87, is indebted to the mortgagee, Wilson, in the amount of \$970,773.46 plus accrued interest, late fees, attorney's

fees and costs as evidenced by the First Preferred Ship Mortgage and Note and Security Agreement, which was for the benefit of the mortgagee, Wilson. The Note and Security Agreement is defined as the “Indebtedness” under the terms of the First Preferred Ship Mortgage.

23. By the terms and provisions of the First Preferred Ship Mortgage, AT LC 87 is indebted to Wilson, in the amount of \$1,000,000.00 less any principal paid. It is estimated that about \$29,226.54 in principal has been paid. Interest continues to accrue at 7% per annum and late fees are owed.

24. Additionally, Wilson is entitled to recover his fees and costs in accordance with the terms of the First Preferred Ship Mortgage.

25. AT LC 87 is in default of the First Preferred Ship Mortgage as no payment on either principal or interest has been made since May 2023 in accordance with the terms of the First Preferred Ship Mortgage.

26. By the terms and provisions of the Note and Security Agreement, Larmore is indebted to Wilson, in the amount of \$1,000,000.00 less any principal paid. It is estimated that about \$29,226.54 in principal has been paid. Interest continues to accrue at 7% per annum and late fees are owed.

27. Additionally, Wilson is entitled to recover his fees and costs in accordance with the terms of the Note and Security Agreement.

28. Larmore is in default of the Note and Security Agreement as no payment on either principal or interest has been made since May 2023 in accordance with the terms of the Note and Security Agreement.

29. Wilson is entitled to enforce his maritime lien through the arrest and sale of the BBELLA.

30. Therefore, Wilson respectfully requests that this Court issue a summons and warrant for the arrest of the BBELLA and order for the sale of the BBELLA, thereby allowing Wilson to recoup the amounts owed included with all expenses permitted by law and pursuant to the terms of the First Preferred Ship Mortgage and Note and Security Agreement including but not limited to the cost associated with the arrest of the BBELLA, attorney's fees, and interest.

WHEREFORE, Plaintiff, James F. Wilson Living Revocable Trust of James F. Wilson, prays that after the due proceedings are had:

- a. That process in due form and according to the rules and practices of this Court in a cause of Admiralty and Maritime jurisdiction, be issued against the BBELLA authorizing the *in rem* arrest and seizure of the BBELLA;
- b. The First Preferred Ship Mortgage be declared to be a valid and sustaining preferred mortgage lien in favor of Wilson and against the BBELLA, in the amount of 970,773.46 including accrued interest in the amount of \$30,778.97 and additional interest through the date of the sale and late fees in the amount of \$2,902.71 and late fees that continue to accrue prejudgment interest at the daily factor/per diem rate of .0001944 and late fees to the date of judgment, post judgment interest at the aforesaid rate and late fees to the date of Marshal's sale, reasonable attorney's fees as provided in the First Preferred Ship Mortgage and the Note and Security Agreement, the costs of this action, and the cost of marine insurance for the BBELLA during the pendency hereof, in preference and priority over all other lienors of the BBELLA;
- c. This Court direct that notice of the commencement of this suit be given by Wilson to the owner and the caretaker of the BBELLA, and any other persons, firms or

corporations having any interest therein or having filed any mortgages or notices of liens against the BBELLA;

- d. That judgment be entered in favor of Plaintiff, Wilson and against Defendant, BBELLA, *in rem* in the amount set forth above plus accruing interest, attorney's fees, cost, (including custodial costs) together with all other damages and losses as permitted by law;
- e. That the BBELLA, its engines, tackle, equipment, appurtenances, etc., be arrested, condemned and sold by the United States Marshal of this District under the decree of this Court, and the proceeds realized to be paid over to plaintiff to satisfy or partially satisfy said judgment;
- f. That Wilson have a bidding credit with respect to the sale of the BBELLA in the amount of the indebtedness as of the date that the BBELLA is to be sold; and,
- g. For all such further and other relief which justice requires or may be deemed appropriate by this Court.

COUNT II
BREACH OF CONTRACT – THE FIRST PREFERRED MORTGAGE
(Against AT LC 87, *in personam*)

31. Plaintiff Wilson realleges and incorporates paragraphs 1 through 29 as if fully set forth herein.

32. Wilson brings this Count against AT LC 87, *in personam*, for a breach of the First Preferred Ship Mortgage.

33. Pursuant to the terms of the First Preferred Ship Mortgage, AT LC 87 is in default upon the occurrence of “[f]ailure to pay any installment of principal or interest under the Indebtedness, or the principal or interest scheduled under other indebtedness of [AT LC 87] to

[Wilson], *within ten (10) days of the date such payment is due.*” **Exhibit A**, at ¶ 3.01 (emphasis added).

34. AT LC 87 has failed to pay the outstanding indebtedness due to Wilson constituting a material breach of the First Preferred Ship Mortgage.

35. Larmore has failed to make timely payments since April 2023 and thus, the debt is more than ninety (90) days past due.

36. As a result of AT LC 87’s breach of the First Preferred Ship Mortgage, Wilson has incurred and will continue to incur damages including indebtedness owed, cost incurred for this action and attorney’s fees.

WHEREFORE, Plaintiff, James F. Wilson Living Revocable Trust of James F. Wilson, prays that after proceedings are had:

- a. That judgment be entered in favor of Plaintiff, Wilson and against Defendant, AT LC 87, *in personam*, in the amount of the outstanding principal approximately \$977,000.00 plus accruing interest, late fees, attorney’s fees and costs (including custodial costs) together with all such other damages and losses permitted by law; and
- b. For all such further relief which justice requires or may be deemed appropriate by this Court.

Dated: September 7, 2023

Respectfully submitted,

**JAMES F. WILSON LIVING REVOCABLE
TRUST OF JAMES F. WILSON,**

By: /s/ W. Ryan Snow
W. Ryan Snow, VSB No. 47423
K. Barrett Luxhoj, VSB No. 86302

CRENSHAW, WARE & MARTIN, P.L.C.

150 W. Main Street, Suite 1923

Norfolk, Virginia 23510

Telephone: (757) 623-3000

Facsimile: (757) 623-5735

wrsnow@cwm-law.com

kbluxhoj@cwm-law.com

*Attorneys for James F. Wilson Living Revocable
Trust of James F. Wilson*

VERIFICATION

BEFORE ME, the undersigned authority, personally appeared James F. Wilson on behalf of and with proper authority to sign on behalf of the James F. Wilson Living Revocable Trust of James F. Wilson executed on June 28, 2018, who upon being duly sworn, deposes and says:

I am the Plaintiff and as such have the authority to execute this verification; and I have read the foregoing Complaint and reviewed the terms of the First Preferred Mortgage and the Note and Security Agreement and know the contents thereof and the same are true to the best of my knowledge, except for those matters herein stated upon information of belief and as to those matters, I also believe to be true.

James F. Wilson Living Revocable Trust

By: WILLIAM BRASLEY HOLCOMBE, ESQ.

As Its: SVP / GENERAL COUNSEL

STATE OF: Georgia
COUNTY OF: DeKalb

[Signature] SEPTEMBER 7, 2023

BEFORE ME, the undersigned authority, the foregoing instrument was acknowledged before me by means of ✓ physical presence or online notarization, this 7TH day of September, 2023, by William Holcombe who is personally known to me or who has shown Diver's license as identification.

NOTARY PUBLIC

D. Robinson

Danae M. Robinson

Printed Name



Commission:

FIRST PREFERRED SHIP MORTGAGE

THIS FIRST PREFERRED SHIP MORTGAGE is executed on December 5, 2022, by **AT LC 87, LLC**, (100%) ("Owner"), a Delaware Limited Liability Company, whose address is 2701 E. Camelback Road, Suite 150, Phoenix, AZ 85016, in favor of James F. Wilson Living Revocable Trust of James F. Wilson executed June 28, 2018, (100%) ("Mortgagee"), whose address is 490 Laguna Drive, St. Petersburg, FL 33715.

Owner is the sole owner of the whole of the following Vessel, a documented vessel of the United States, whose records are maintained at the United States Coast Guard, National Vessel Documentation Center, Falling Waters, West Virginia.

VESSEL

OFFICIAL NUMBER
1290829

Ex: ~~XXXXXX~~ **BBella**

CHL050501314

(hereinafter the "Vessel").

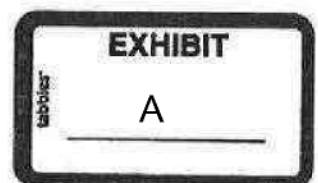
Owner is justly indebted to Mortgagee in the principal amount of \$1,000,000.00, as evidenced by its promissory note in such amount dated December 5, 2022 herewith, and is or may become indebted to Mortgagee under one or more term notes, interim notes, revolver notes, guarantees and other obligations made payable or endorsed by Owner to or for the benefit of Mortgagee, its successors and assigns, and under any extensions or renewals of, amendments to or replacements or substitutions for any of the foregoing (the "Indebtedness"). The maximum amount of direct or contingent obligations that may become secured by this Mortgage is \$1,000,000.00, excluding interest, expenses and fees. For the purpose of securing payment of said debt, plus interest, expenses and fees, and performance of Mortgage covenants, Owner has executed and delivered this Mortgage this date in the amount of \$1,000,000.00, to be preferred under Chapter 313 of Title 46 of the United States Code. Unless otherwise stated herein, or on a Schedule attached hereto, the discharge amount of this Mortgage is the same as the total amount.

In consideration of the premises and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to secure payment of the principal of and interest on the Indebtedness described above, the obligations of Owner under the instruments evidencing the Indebtedness, and all other sums that may be secured by this Mortgage, and to secure the due performance and observance of each and every one of the covenants, agreements, promises, terms and conditions set forth herein, or in the instruments evidencing the Indebtedness (collectively the "Obligations"), Owner mortgages to Mortgagee, its successors and assigns, on the terms set out below, the whole of the Vessel described above, together with all the engines, boilers, machinery, masts, boats, anchors, cables, chains, rigging, tackle, apparel, furniture, capstans, outfit, tools, pumps, gear, furnishings, appliances, fittings and spare and replacement parts, and all other appurtenances thereto appertaining or belonging, whether now owned or hereafter acquired by Owner, whether on board or not on board, and also any and all additions, improvements and replacements hereinafter made by Owner or on Owner's behalf to said Vessel, or any part thereof, and all products and proceeds of all of the foregoing. The total interest in the Vessel owned by Owner is a whole or 100% interest, and the interest in the Vessel mortgaged hereby is the whole or 100% interest.

1.00 TERMS AND CONDITIONS

1.01 Recordation. Owner will cause this Mortgage to be duly recorded at its own expense, and will comply with all of the provisions of applicable laws and regulations of the United States of America, as amended, in order to establish and maintain this Mortgage as a "preferred mortgage" on the Vessel and upon all renewals, replacements and improvements made by or for the benefit of Owner to the Vessel for the amounts secured hereby. The description of the Vessel, including the data required by law to entitle this Mortgage to preferred status under Chapter 313 of Title 46 of the United States Code, is true and accurate. Owner will execute and record from time to time, at its own expense, such additional instruments as may be necessary or appropriate so that this Mortgage will remain a valid lien on the Vessel, all improvements thereto, and substitute parts incorporated therein, by or for the benefit of the Owner.

1.02 Restrictions on Sale, etc. Owner will not sell, mortgage, demise or bareboat charter the Vessel (except for bareboat charters to corporations affiliated with Owner), nor shall the Owner operate the Vessel outside the waters in which the Vessel customarily trades, without the prior written consent of Mortgagee. Any consent by Mortgagee to any one sale, mortgage, demise, bareboat charter, or operation of the Vessel outside its customary navigation limits shall not be construed to be a waiver of this provision with respect to any subsequent proposed sale, mortgage, demise, charter, or operation. Owner may from time to time enter into time charters of the Vessel in the ordinary course of business without the prior



consent of Mortgagee provided that the term of such charters (including options) does not exceed one year. Time charters specifying a longer term may not be entered into without Mortgagee's prior written consent. All charters (whether bareboat, time or otherwise) permitted under this paragraph, shall contain a clause placing the charterer on notice of this mortgage and setting forth the agreement of Charterer that any claim that the Charterer may have against the Owner or the Vessel subject to this Mortgage arising under or as a result of such charter shall be subordinate to the lien of this Mortgage.

1.03 No Other Liens. Neither Owner, any charterer, any operator, the Master of the Vessel, nor any other person has any right, power or authority to create, incur or permit to be placed upon the Vessel any security interest or claim whatsoever, other than (a) this Mortgage or other liens in favor of Mortgagee, (b) liens for salvage, (c) inchoate liens for current crew's wages, (d) liens covered by valid policies of insurance held by or otherwise in favor of Owner and Mortgagee and meeting or exceeding the minimum limits specified in Paragraph 2.04 below, and (e) inchoate liens not covered by insurance, incurred in the ordinary course of business and not more than thirty (30) days past due. Any liens or charters to which the Vessel is currently subject, other than liens in favor of Mortgagee, are disclosed as follows (if blank then none):

1.04 Notice of Mortgage. Owner will cause to be placed and kept prominently displayed in a conspicuous place on the Vessel a notice as follows:

NOTICE OF MORTGAGE

This Vessel is covered by a Preferred Ship Mortgage to James F. Wilson Living Revocable Trust of James F. Wilson executed June 28, 2018, under authority of Chapter 313 of Title 46 of the United States Code, as amended, to secure payment to the Mortgagee of certain indebtedness. A certified copy of the Mortgage is on board the Vessel and is on file at the office of the Owner, where it may be examined, upon demand, by any person having business with the Vessel. Under the terms of this Mortgage, neither the Owner, any operator, any charterer, any cargo owner, any subcharterer, nor the Master of this Vessel has the right, power or authority to create, incur or permit to exist on this Vessel any lien or encumbrance whatsoever except liens for crew's wages and salvage, and the lien of said Mortgage.

Owner will promptly cause a counterpart of this Mortgage, certified by the United States Coast Guard, to be kept on board the Vessel subject hereto, if required by Chapter 313 of Title 46 of the United States Code, and in the office of Owner, available for inspection, and will exhibit the same and the ships' papers upon demand to any person having business with the Vessel. Owner will take such other appropriate steps from time to time as will give notice to the world that Owner's right, title and interest in and to the Vessel is subject to this Mortgage, and that, except for this Mortgage, Owner has no right, power or authority to suffer or permit any liens or claims against the Vessel.

2.00 WARRANTIES; AGREEMENTS. Owner represents, warrants and agrees that:

2.01 Organization; Citizenship. Owner was duly organized and is now a Limited Liability Company. Owner is now, and during the life of this Mortgage shall remain, a citizen of the United States. Owner is duly authorized to mortgage the property conveyed hereby, and has taken all action necessary and required by law for the execution and delivery of this Mortgage. This Mortgage, and the Obligations (including the Indebtedness) secured hereby, are and will be the valid and enforceable obligations of Owner in accordance with their terms.

2.02 Ownership; Defense of Claims. Owner owns and possesses the Vessel free from any lien or encumbrance whatsoever (other than liens in favor of Mortgagee), except as set forth above. Owner will warrant and defend title of the Vessel and possession thereof for the benefit of Mortgagee against the claims and demands of all persons, whether such liens are well founded or unfounded, choate or inchoate.

2.03 Vessel Documentation; Registry or Flag. The Vessel is and shall remain documented under the laws of the United States. Owner will promptly and properly renew the Vessel's documentation with the United States Coast Guard as required and will not allow the Vessel to be used for any purpose other than that for which it is documented with the United States Coast Guard. Owner will not change the Registry or Flag of the Vessel without the prior written consent of Mortgagee. Any written consent of Mortgagee to any one change of Registry or Flag shall not be construed to be a waiver of this provision with respect to any subsequent change of Registry or Flag.

2.04 Insurance on Vessel. Owner will cause to be carried and maintained on the Vessel at no cost to Mortgagee at all times during the existence of this Mortgage, (1) full form Hull and Machinery Insurance in an amount not less than the true market value of the Vessel, and in no case, less than 110% of amount due to Mortgagee, (2) Protection and Indemnity Insurance, including coverage for the crew of the Vessel, with such limits as may be required by Mortgagee. Owner will

provide Mortgagee with a policy or certificate which evidences the coverage as required herein. All insurance shall be placed and kept with insurers reasonably satisfactory to the Mortgagee and any evidence of insurance submitted to Mortgagee shall be signed by the insurance company and by an agent authorized by the company to bind coverage. The Policy deductibles, if any, shall not exceed that which is customary. Owner may carry additional insurance as desired.

Should the Vessel subject to this Mortgage be navigated outside its customary navigation limits, Owner shall, prior to any such navigation, procure an endorsement to the policies obtained hereunder authorizing such navigation, and procure increased value, war risk and related coverages as may be required by Mortgagee.

While laid up, the Vessel subject to this Mortgage may, in lieu of the insurance specified herein, be insured by Owner or by any Charterer thereof to the same amount under customary port risk policies satisfactory to Mortgagee.

The Hull and Machinery Insurance shall name Mortgagee as additional Loss Payee, as its interest may appear, and shall be payable as hereinafter provided. Such policies shall provide that Mortgagee will receive at least thirty (30) days written notice from the insurance company prior to cancellation or any material alteration in the insurance policy or reduction in coverage which could materially affect the interest of Mortgagee.

Owner shall procure breach of warranty endorsements or a separate Mortgagee's single interest coverage in an amount at all times equal to or greater than the Owner's Indebtedness to Mortgagee secured hereby, such that no act or omission of Owner, or any charterer, or breach of any warranty, including breach of any warranty of seaworthiness, whether express or implied, shall operate to forfeit Mortgagee's coverage under the above policies or result in a cancellation of insurance as to Mortgagee. No policy required under this Section 2.04 shall contain any warranty, including any warranty of seaworthiness, the breach of which is not covered by this single interest coverage.

If any insurance referred to herein is not obtained by Owner, Owner will give Mortgagee written notice of such fact, and will endeavor to obtain such insurance. Owner will detain the Vessel in port until such insurance has been obtained. Any failure by Owner to keep the Vessel fully insured as required herein shall constitute an Event of Default hereunder.

In the event of a partial loss of the Vessel subject to this Mortgage, Mortgagee consents that the underwriters may pay directly for repairs, salvage or other charges, or may reimburse the Owner or any Charterer of the Vessel therefor, up to \$500,000.00, provided that Owner is not in default hereunder. If Owner is in default hereunder, Mortgagee shall be entitled to receive such insurance money directly from the underwriters. In the event of actual or constructive total loss of the Vessel subject to this Mortgage, all policy proceeds shall be paid directly to Mortgagee and shall be applied first to the payment to Mortgagee of all sums secured hereby, whether then due or not. Any remaining surplus shall be paid to Owner. All policies shall name Mortgagee as loss payee as its interests may appear and shall be paid as provided in this Paragraph.

Owner will keep or cause the aforesaid insurance to be kept valid, and renew, or cause the renewal of same, when necessary, providing Mortgagee with appropriate renewal binders and policy copies once prepared. Owner will cause the premiums and costs thereof to be paid when due and will furnish Mortgagee with evidence satisfactory to Mortgagee that said payments have been made. If Owner shall at any time fail to comply with the foregoing, Mortgagee may, without obligation, procure such insurance and pay any unpaid premiums or may procure other insurance necessary to protect Mortgagee's interest in the Vessel. The costs and expenses thereof, with interest at the highest rate applicable under the Indebtedness upon default (the "Default Rate), from the date of such expenditure until paid, shall be an additional indebtedness due from Owner to Mortgagee secured by this Mortgage and payable on demand.

Owner will not do any act, nor voluntarily suffer or permit any act to be done, whereby any insurance is or may be suspended, impaired, or defeated. Owner will not suffer or permit the Vessel subject to this Mortgage to engage in any voyage, nor to carry any cargo not permitted under the policies of insurance in effect, without first adding or causing the addition of specific insurance on the Vessel, to the amount herein required, and satisfactory to the Mortgagee, which permits and covers such a voyage or the carriage of such cargo.

2.05 Compliance with Legal Restrictions. Owner covenants not knowingly to cause or permit the Vessel subject to this Mortgage to be operated in any manner contrary to the laws of the United States or of any state or country wherein the same is operated.

2.06 Notice of Seizure. If the Vessel subject to this Mortgage shall be libeled, attached, seized or otherwise detained under any legal authority, Owner shall immediately proceed to obtain the release or discharge of the Vessel as provided below, and, if Owner has not secured the release or discharge of the Vessel within forty-eight (48) hours, Owner shall

immediately notify Mortgagee of the seizure by telephone or facsimile confirmed in writing and delivered to Mortgagee by overnight courier.

2.07 Maintenance of Vessel. Owner will exercise due diligence to put, or will cause any charterers of the Vessel to put, the Vessel in good running condition, order and repair, well and sufficiently tackled, appareled, furnished and equipped and make her seaworthy. At all times, Owner will, or will cause any Charterers of the Vessel, at their own expense and risk, to so maintain and preserve the Vessel, ordinary wear and tear excepted; Owner shall keep the Vessel in such condition that she complies with all applicable United States laws, treaties, conventions, rules, regulations and Class Society Certifications and keep on board the Vessel, when required thereby, valid certificates showing compliance therewith.

2.08 Inspection of Vessel. Owner will, at all reasonable times, afford Mortgagee and its representatives, or cause any Charterers to afford Mortgagee and its representatives, complete access to the Vessel for the purpose of inspecting the same.

2.09 Payment of Taxes, etc. Owner will pay and discharge, from time to time, or cause to be paid and discharged, all claims, taxes, assessments, governmental charges, fines and penalties lawfully imposed upon, or which may become a lien or charge upon the Vessel. Nothing herein shall require the payment of any such claim, tax assessment, charge, fine or penalty so long as the same may be contested in good faith and by appropriate legal proceedings. In such event Owner shall take, or cause to be taken, whatever steps may be required to release or discharge the Vessel subject to this Mortgage from any arrest or seizure which may interfere with the regular use of the Vessel.

2.10 Compliance by Charterer. If any of the above-described duties, covenants, promises, conditions, agreements or terms shall have been delegated by Owner to any charterer in connection with any charter permitted hereunder, Owner will also cause charterer to comply fully therewith.

3.00 EVENTS OF DEFAULT. The following are Events of Default hereunder:

3.01 Failure to pay any installment of principal or interest under the Indebtedness, or the principal or interest scheduled under any other indebtedness of Owner to Mortgagee, within ten (10) days of the date such payment is due;

3.02 Failure to maintain in full force and effect the insurance required in Paragraph 2.04 of this Mortgage;

3.03 Default in the performance or observance by Owner of any covenant, warranty, promise, condition, agreement or term contained herein, in any commitment letter, or in any loan agreement, mortgage, security agreement or amendment or supplement thereof evidencing the Obligations or securing the Indebtedness, or other indebtedness of Owner to Mortgagee, or any other default by Owner or any other Obligor under any Obligation secured hereby, should such default remain uncured after ten (10) days from the occurrence thereof;

3.04 Any representation, warranty, statement, certificate, schedule or report made herein or furnished hereunder, or in any loan agreement, note, ship mortgage, assignment or security agreement, executed or endorsed by Owner in favor of Mortgagee, shall prove to have been false or misleading in any material respect when made, and such default is not remedied within thirty (30) days after written notice to Owner by Mortgagee;

3.05 Any evidence of debt to third persons for which Owner is liable as principal, guarantor or otherwise shall be in default (after any applicable period of cure) or become due by acceleration or otherwise, and shall not promptly be paid or timely contested in appropriate proceedings;

3.06 Any proceeds from the sale, loss, requisition, seizure or forfeiture of, or from any insurance carried on or in respect of, the Vessel subject to this Mortgage which is otherwise payable to Mortgagee shall not have been received by Mortgagee for distribution in accordance with the provisions hereof within ten (10) days after the same are received by Owner;

3.07 Owner shall (i) apply for or consent to the appointment of or the taking of possession by a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its property, (ii) admit in writing its inability to pay, or generally not be paying, its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) commence a voluntary action under the Federal Bankruptcy Code (as now or hereafter in effect), (v) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, (vi) fail to controvert in a timely or appropriate manner or acquiesce in writing to any petition filed against the Owner in an involuntary action under such Bankruptcy Code or (vii) take any action for the purpose of effecting any of the foregoing;

3.08 A proceeding or case shall be commenced without the consent of the Owner in any court of competent jurisdiction seeking (i) the liquidation, reorganization, dissolution, wind-up or composition or readjustment of debts of Owner, (ii) the appointment of a receiver, trustee, custodian, liquidator or the like for Owner or of all or a substantial part of its assets or (iii) similar relief with respect to Owner under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts; and such proceeding or case continues undismissed, or an order, judgment or decree approving or ordering any of the foregoing is entered and continues unstayed for a period of sixty (60) days, or any order for relief against the Owner is entered in any involuntary case under the Bankruptcy Code;

3.09 Any Guarantor or other Obligor under the Obligations secured hereby shall take any action as outlined in Paragraph (3.07) above or shall have instituted against such person any action as outlined in Paragraph (3.08) above.

4.00 RIGHTS AND REMEDIES ON DEFAULT. If any such Event of Default occurs and is continuing, Mortgagee may, at its option, do any one or more of the following:

4.01 Declare the Indebtedness, the Obligations and all other indebtedness of Owner or any other Obligor to Mortgagee, in principal and interest, forthwith due and payable.

4.02 Enforce Mortgagee's rights by an action at law, suit in equity or other appropriate proceeding, whether for the specific performance of, or for an injunction against a violation of, any term hereof, of the instruments evidencing the Indebtedness or the Obligations, or of any loan agreement, note, ship mortgage, assignment or security agreement executed or endorsed by Owner in favor of Mortgagee, or in the aid of the exercise of any power granted by this Mortgage, any said loan agreement, note, ship mortgage, assignment or security agreement, or by law.

4.03 Exercise all of the rights and remedies of foreclosure, and otherwise, given to Mortgagees by laws of the United States of America or other jurisdiction, including, but not limited to, the law of any jurisdiction in which the Vessel subject to this Mortgage may be found.

4.04 Take and enter into possession of the Vessel subject to this Mortgage at any time, wherever the same may be, without legal process and without being responsible for loss or damage. Owner or any other person in possession of the Vessel shall forthwith, upon demand of Mortgagee, surrender possession of the Vessel to Mortgagee. Mortgagee may, without being responsible for loss or damage, hold, lay up, lease, charter, operate or otherwise use the Vessel for such time and upon such terms as it may deem to be for its best advantage; make any necessary repairs on the Vessel; and demand, collect and retain all hire, freights, earnings, issues, revenues, income, profits, return of premiums, salvage awards or recoveries, recoveries in general average, and all other sums due or to become due in respect of the Vessel or in respect of any insurance thereon from any person whomsoever.

4.05 Take and enter into possession of the Vessel subject to this Mortgage, at any time, wherever the same may be, without legal process, and if it seems desirable to Mortgagee and without being responsible for loss or damage, sell the Vessel, at any place and at such time as Mortgagee may specify and in such manner as Mortgagee may deem advisable, free from any claim by Owner in admiralty, in equity, at law or by statute, after first giving Owner notice thereof ten (10) days in advance of the time and place of sale.

4.06 Exercise all rights, privileges and remedies in foreclosure or otherwise given Mortgagee by this Mortgage, or by any other instrument evidencing the Indebtedness or the Obligations or securing performance thereof, as well as such other rights, privileges and remedies granted by applicable law.

4.07 Collect, receive, compromise and sue for, in the name of Mortgagee or Owner all earned freights, charter hire, accounts, issues, revenues, income, profits or other earnings arising out of, or in any way connected with, the use or operation of the Vessel.

5.00 OTHER AGREEMENTS ON DEFAULT OR OTHERWISE

5.01 Sale of Vessel. Any sale of the Vessel made pursuant to this Mortgage, whether under the power of sale hereby granted or any judicial proceedings, shall operate to divest all right, title and interest of any nature whatsoever of Owner therein and thereto, and shall bar Owner, its successors and assigns, and all persons claiming by, through, or under them. No purchaser shall be bound to inquire whether notice has been given, or whether any default has occurred, or as to the propriety of the sale, or as to the application of the proceeds thereof.

5.02 Attorney-in-Fact. In the event that Owner or any other Obligor shall default in the payment of the principal, premium, if any, or interest on the Indebtedness or otherwise default under the Obligations, or upon the occurrence of any other Event of Default hereunder, or under any other loan agreement, mortgage, guaranty or security agreement securing the Indebtedness or the Obligations, or under any other obligation of Owner to Mortgagee, Owner irrevocably appoints Mortgagee the attorney-in-fact of Owner: (1) to execute, deliver and to make, in the name of and on behalf of Owner, a good conveyance of title to the Vessel to any purchaser (Owner will, if and when required by Mortgagee, execute such form of conveyance of title to the Vessel as Mortgagee may direct; Owner agrees that this requirement is subject to a suit for specific performance hereof); (2) to demand, collect, receive, compromise and sue for, in the name of Owner, all freight, hire, earnings, issues, revenues, income and profits of the Vessel, and all amounts due from underwriters under any insurance thereon as payment of losses, or as return premiums, or otherwise, salvage awards and recoveries, recoveries in general average or otherwise, and all other sums thereafter due or to become due in respect of the Vessel, or in respect of any insurance thereon, from any person whomsoever to the extent of Owner's interest therein, which said interest is hereby assigned to, and a security interest therein granted in favor of, Mortgagee; (3) to make, give and execute in the name of the Owner acquittances, receipts, releases or other discharges for the same, whether under seal or otherwise; (4) to endorse and accept, in the name of Owner, all checks, notes, drafts, warrants, agreements and other instruments in writing with respect to the foregoing. Owner authorizes the Mortgagee to take any such action or exercise any power enumerated in this Paragraph, or otherwise provided for in this Mortgage or under applicable law.

5.03 Arrest of Vessel. In the event that the Vessel subject to this Mortgage shall be arrested or detained by a Marshal or other officer of any court of law, equity or admiralty jurisdiction in any country or nation of the world, or by any government or other authority and shall not be released from arrest or detention within fifteen (15) days from the date of Owner's receipt of notice of any such arrest or detention, or within such lesser time as may be necessary under applicable law to avoid prejudice to Mortgagee's rights hereunder, Owner irrevocably appoints Mortgagee the attorney-in-fact of Owner and authorizes and empowers Mortgagee, or any appointee or appointees of Mortgagee, in the name of Owner, its successor or assigns, to apply for and receive or take possession of the Vessel with all the rights and powers that Owner, its successors or assigns, might have, possess or exercise in any such event. Owner authorizes and empowers Mortgagee, its appointees, or any of them, to appear in the name of Owner, its successors and assigns, in any court of any country or nation of the world where a suit is pending against the Vessel because of, or on account of, any alleged lien against the Vessel from which the Vessel has not been released, and to take such proceedings as to them may seem proper towards the defense of such suit and the purchase or discharge of such lien. All expenditures incurred for the purpose of such defense, purchase or discharge, with interest per annum at the Default Rate, from the date of any such expenditure until paid, shall be an additional indebtedness which shall be secured by this Mortgage, payable on demand.

5.04 Relationship of Owner and Mortgagee. In case Mortgagee shall have proceeded to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to Mortgagee, then and in every such case Owner and Mortgagee shall be restored to their former positions and rights hereunder with respect to the property subject or intended to be subject to this Mortgage, and all rights, powers and remedies of Mortgagee shall continue as if no such proceedings had been taken.

5.05 Cost of Collection; Attorneys' Fees. Whether or not litigation is commenced, Owner promises to pay all of Mortgagee's costs of collecting overdue amounts, including, without limitation, a reasonable hourly rate for collection personnel, whether employed in-house or on a contract basis, overhead costs, as reasonably allocated to the collection effort, and all other expenses actually incurred, including all attorney fees and related expenses incurred by Mortgagee. If either party hereto commences litigation to enforce or construe any term of this Mortgage, or of any instruments evidencing the Indebtedness or the Obligations, or to collect any amounts due hereunder or thereunder, the losing party will pay to the prevailing party such additional sums as the court may adjudge reasonable as attorneys' fees and costs in the litigation or any appeal or review therefrom.

5.06 Appointment of Receiver or Substitute Custodian. At Mortgagee's option, in any suit to foreclose the lien of this Mortgage, Mortgagee shall be entitled as a matter of right, and not as a matter of discretion, to the appointment of a receiver or substitute custodian of the Vessel. Any receiver so appointed shall have full rights and powers to use and operate the Vessel, and to a decree ordering and directing the sale and disposal thereof. In any such suit, Owner will enter a voluntary appearance. Mortgagee may bid and become a purchaser at such sale, and, in such event, shall be entitled to credit on the purchase price any and all sums due to Mortgagee hereunder. Any custodian so appointed shall have full rights and powers to retain possession of the Vessel, and to provide for their maintenance and safe-keeping prior to sale, in lieu of custody by the U.S. Marshal, other governmental authority, or their designees. Owner hereby designates Mortgagee, or any employee, agent, or other person named by Mortgagee at the time seizure of the Vessel subject to this Mortgage is effected, or at the commencement of any suit, to serve as receiver or custodian of the Vessel as the case may be.

5.07 Defense of Claims Against Vessel. In the event Owner fails promptly to defend any claim against the Vessel, Owner authorizes Mortgagee, or its appointees, at its option to appear in the name of Owner, its successors and assigns, in any court where a suit is pending against the Vessel because of any alleged lien against the Vessel and to take such action as to them may seem proper towards the defense of such suit and the discharge of such lien. All moneys expended by them for the purpose of such defense and/or discharge, with interest per annum at the Default Rate from the date of such expenditure until paid, shall be an additional Indebtedness due from Owner to Mortgagee secured by this Mortgage, payable on demand.

5.08 Mortgagee's Right to Cure Owner's Defaults. If Owner fails to pay any tax, claim, lien, or encumbrance that it is required to pay or discharge under the terms of this Mortgage, or to pay any insurance premium as aforesaid, or to maintain the Vessel as aforesaid, or commits or permits waste, or fails to perform or observe any term, agreement, provision, covenant, or condition of this Mortgage, Mortgagee may pay such claim, lien, encumbrance, tax, assessment, or premium, with right of subrogation thereunder, may make any repairs and take any steps it deems advisable to prevent or cure such waste, and may appear in any action or proceeding with respect to any of the foregoing and retain counsel therein, and take such action therein as Mortgagee deems advisable. For any of such purposes, Mortgagee may advance any sums of money it deems necessary. Mortgagor will pay to Mortgagee, immediately upon demand, all sums of money advanced by Mortgagee pursuant to this paragraph and until paid, all such sums, together with interest at the Default Rate from the date of such advance, shall be an additional Indebtedness secured hereby. Mortgagee's rights under this paragraph shall be exercisable in Mortgagee's sole discretion. In no event shall this Mortgage be construed to obligate Mortgagee to exercise any right of cure provided in this paragraph or elsewhere herein; nor shall Mortgagee be liable to Owner or any other person for any failure or refusal of Mortgagee to exercise any such right.

5.09 Powers and Remedies Cumulative. Each power or remedy herein given to Mortgagee, or granted to Mortgagee under any instruments evidencing the Indebtedness or the Obligations, or any additional mortgage or security agreement securing same, shall be cumulative and in addition to every other power or remedy specifically given in this Mortgage or existing in admiralty, in equity, at law or by statute. Each power or remedy may be exercised as often as deemed expedient by Mortgagee. No delay or omission by Mortgagee in the exercise of any power or remedy shall impair any such power or remedy, or shall be construed to be a waiver of any Event of Default. The acceptance by Mortgagee of any security or of any payment on account of the Indebtedness and other Obligations hereby secured shall not be a waiver of any right to take advantage of any further Event of Default or of any past Event of Default not completely cured thereby.

5.10 Application of Proceeds. The gross proceeds of the sale of the Vessel and the gross earnings of any charter operation or other use of the Vessel by Mortgagee under any of the powers herein specified, and any and all other monies received by Mortgagee pursuant to or under the terms of this Mortgage, or in any proceedings hereunder, the application of which has not elsewhere herein been specifically provided for, shall be held by Mortgagee and shall be applied as follows:

First: To the payment of all expenses and charges incurred by Mortgagee in the exercise of its rights and remedies hereunder, including the expenses of any sale, the expenses of any retaking, attorneys' fees, court costs, and any other expenses or advances made or incurred by Mortgagee in the protection of its rights or the pursuit of its remedies hereunder, and to provide adequate indemnity to Mortgagee against liens claiming priority over or equality with this Mortgage with interest per annum at the Default Rate, from the date of any such expense or charge incurred;

Second: To the payment of the Indebtedness together with interest thereon;

Third: To the payment of all other sums secured hereby; and

Fourth: To the payment of any surplus thereafter remaining to Owner, subject to setoff in favor of Mortgagee for any other indebtedness of Owner.

In the event that the proceeds are insufficient to pay the amounts specified in subclauses "First", "Second" and "Third" above, Mortgagee shall be entitled to collect the balance from Owner or any other person liable therefor.

6.00 MISCELLANEOUS

6.01 Quiet Enjoyment. Until the occurrence of one or more of the Events of Default described above, Owner shall be permitted to retain actual possession and use of the Vessel.

6.02 Consent of Mortgagee. Whenever pursuant to this Mortgage the consent of Mortgagee is required, that consent shall not be unreasonably withheld.

6.03 Notice. All notices, requests and other communications to any party hereunder shall be in writing and given to such party at the address, specified above, or at such other address as such party may from time to time designate as its address for the receipt of notices.

6.04 Successors and Assigns. All covenants, warranties, promises, conditions, agreements and terms herein shall bind Owner, its successors and assigns, and shall inure to the benefit of Mortgagee, its successors and assigns. In the event of any assignment of this Mortgage, the term "Mortgagee", as used in this Mortgage, shall mean any such assignee.

6.05 Savings Clause. In the event that any provision of this Mortgage is held to be invalid, such event shall not affect, in any respect whatsoever, the validity of the remainder of this Mortgage, and the remainder shall be reasonably construed without the invalid provision so as to carry out the intent of the parties hereto.

6.06 Separate Discharge. Nothing herein shall be deemed or construed to subject to the lien hereof any property other than a "vessel" as the term is used in Chapter 313 of Title 46 of the United States Code; and although it is not intended that this Mortgage include any property other than the Vessel, if any determination is made at any time that for any reason this Mortgage does include any property other than a "vessel" within the meaning of the said Act, then such property may be separately discharged from the lien of this Mortgage by the payment of .01% of the principal amount of the Obligations then outstanding.

6.07 Governing Law. The construction and enforcement of this Mortgage shall be governed by federal law, including without limitation, Chapter 313 of Title 46 of the United States Code and general maritime law, to the extent applicable, and otherwise by the internal laws of the State/Commonwealth of Florida without regard to its conflicts of laws rules.

6.08 Future Advances. This Mortgage is executed for the purpose of securing not only the payment of the above described note but also to secure all renewals, extensions or rate modifications of the above described note, and said Mortgage shall remain in full force and effect to secure all renewals, extensions or rate modifications of the above described note.

IN WITNESS WHEREOF, the undersigned has executed this instrument on this the 5th day of December, 2022.

AT LC 87, LLC, Owner/Mortgagor

By: [Signature]
Jonathan M. Larmore, Manager

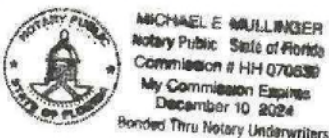
ACKNOWLEDGMENT

STATE / COMMONWEALTH OF FLORIDA COUNTY OF CHARLOTTE

The foregoing was sworn and subscribed before me, by means of ☒ physical presence or ☐ online notarization, this 5 day of DECEMBER, 2022, by Jonathan M. Larmore Manager of AT LC 87, LLC.

Personally Known X OR Produced Identification _____
Type of Identification Produced _____

Notary's Seal/Stamp



[Signature]
Signature of Notary Public

My Commission Expires: 12/10/2024

**PROMISSORY NOTE & SECURITY AGREEMENT FOR PURCHASE OF VESSEL
"JIMMYISM" (Cheoy Lee, 2014 Model Alpha 87 Express Sportbridge)**

SECURITY AGREEMENT, dated this 5th DAY OF December, 2022, between Jon Larmore, a resident of the State of Florida, hereinafter known as the "Borrower" and/or "Debtor", and James F. Wilson, a resident of the State of Florida, hereinafter known as the "Lender" and/or "Secured Party".

WHEREAS, the Borrower has entered into this Security Agreement and pledged to the Secured Party certain valuable property as described herein to secure a loan from the Secured Party, and subject to the terms and conditions contained therein; and

WHEREAS, the Secured Party shall lend to Borrower a principle sum of **ONE MILLION DOLLARS AND 00/100 (\$1,000,000.00 USD)** (the "Principle Sum");

WHEREAS, the Borrower promises to repay in-full to the Secured Party the principal sum, in addition to interest calculated via an annual percentage rate ("APR") of seven percent (7%) accruing on the unpaid balance, pursuant to the terms and conditions herein;

WHEREAS, it is a condition precedent to the Secured Party's making any loans to Borrower under this Agreement that the Borrower executes and delivers all necessary instruments to grant a security interest in the collateral described herein to the Secured Party, that shall begin as of the date above in the manner that follows:

1. INSTALLMENTS & LATE FEES:

- a. Borrower shall repay the debt plus interest to Lender in one hundred and twenty (120) equal monthly installments, via ACH or a reasonable payment method mutually-agreeable to the parties in the amount of \$11,610.85, amortizing as shown on "Exhibit A", attached hereto.
- b. Payments are due on the first day each month; and, payments are late on or after the fifth day of the month.
- c. In addition to accrued interest and any further remedies provided for in this agreement, Borrower shall be assessed a late fee of five percent (5%) of the total amount due on the first delinquent day and such amount shall accrue interest at the rate of 12% per annum until paid to Lender.

- 2. TEN-YEAR TERM / DUE DATE:** The term for payment is ten (10) years. The full balance is due and payable on the 7th day of December, 2032.

3. DEFAULT:

- a. The Borrower shall be in "default" if scheduled loan payments are more than 90 days late.
- b. After an Event of Default has occurred and is continuing, the Secured Party shall, without any other notice to or demand upon the Borrower, thereafter have in any jurisdiction in which enforcement hereof is sought, in addition to all other rights and remedies, the rights and remedies of a secured party under the Uniform Commercial Code of the State of Florida or any other relevant jurisdiction and any additional rights and remedies as may



be provided by applicable law, including the right to take possession of the Collateral, and for that purpose the Secured Party may, so far as the Borrower can give authority therefor, enter upon any premises on which the Collateral may be situated and remove the same therefrom. The Secured Party may in its discretion require the Borrower to assemble all or any part of the Collateral at such location or locations within the jurisdiction(s) of the Borrower's principal office(s) or at such other locations as the Secured Party may reasonably designate. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Secured Party shall give to the Borrower at least ten (10) days' prior written notice of the time and place of any public sale of Collateral or of the time after which any private sale or any other intended disposition is to be made. The Borrower hereby acknowledges that ten (10) days' prior written notice of such sale or sales shall be reasonable notice. In addition, the Borrower waives any and all rights that it may have to a judicial hearing in advance of the enforcement of any of the Secured Party's rights and remedies hereunder, including, without limitation, the Secured Party's right after an Event of Default has occurred and is continuing, to take immediate possession of the Collateral and to exercise its rights and remedies with respect thereto.

- c. To the extent that applicable law imposes duties on the Secured Party to exercise remedies in a commercially reasonable manner, the Borrower acknowledges and agrees that it is not commercially unreasonable for the Secured Party: (a) to fail to incur expenses reasonably deemed significant by the Secured Party to prepare Collateral for disposition or otherwise to complete raw material or work in process into finished goods or other finished products for disposition; (b) to fail to obtain third-party consents for access to Collateral to be disposed of, if not required by other law; (c) to fail to obtain governmental or third-party consents for the collection or disposition of Collateral to be collected or disposed of; (d) to fail to exercise collection remedies against account Borrowers or other persons obligated on Collateral or to remove liens or encumbrances on or any adverse claims against Collateral; (e) to exercise collection remedies against account Borrowers and other persons obligated on Collateral directly or through the use of collection agencies and other collection specialists; (f) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature; (g) to contact other persons, whether or not in the same business as the Borrower, for expressions of interest in acquiring all or any portion of the Collateral; (h) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the Collateral is of a specialized nature; (i) to dispose of Collateral by utilizing Internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets; (j) to dispose of assets in wholesale rather than retail markets; (k) to disclaim disposition warranties; (l) to purchase insurance or credit enhancements to insure the Secured Party against risks of loss, collection or disposition of Collateral or to provide to the Secured Party a guaranteed return from the collection or disposition of Collateral; or (m) to the extent deemed appropriate by the Secured Party, to obtain the services of brokers, investment bankers, consultants and other professionals to assist the Secured Party in the collection or disposition of any of the Collateral. The Borrower acknowledges that the purpose of this Section is to provide non-exhaustive indications of

what actions or omissions by the Secured Party would not be commercially unreasonable in the Secured Party's exercise of remedies against the Collateral and that other actions or omissions by the Secured Party shall not be deemed commercially unreasonable solely on account of not being indicated in this Section. Without limitation upon the foregoing, nothing contained in this Section shall be construed to grant any rights to the Borrower or to impose any duties on the Secured Party that would not have been granted or imposed by this Agreement or by applicable law in the absence of this Section.

4. PREPAYMENT: Borrower may pre-pay a portion or all of this Note without penalty or premium.

5. INTEGRATION & COLLATERAL FOR SECURITY AGREEMENT:

- a. There are no verbal or other agreements which modify or affect the terms of this Note, aside from the Lender's security interest(s) in Borrower's valuable property (i.e. "Collateral") that Borrower has lawfully pledged to Lender as a prerequisite to entering this Agreement.
- b. The Borrower pledges the following valuable consideration and collateral to the Secured Party:
 - i. ATA Fishville FL, LLC will guarantee the Loan (the "Guarantor"); and,
 - ii. The Vessel, "JIMMYISM" a Cheoy Lee, 2014 Model Alpha 87 Express Sportbridge, (wherever located).
- c. The Borrower represents and warrants to the Secured Party that: the Borrower has sufficient ownership rights in, or power to transfer rights in, the collateral for the secured party's security interest to attach (i.e. UCC §9-203(b)(2)); the collateral is either not encumbered or, if encumbered, the encumbrances are permitted under the credit agreement ("Permitted Liens"); and the Borrower will take all actions necessary to ensure continued perfection of the secured party's security interest in the collateral, including (if applicable) actions necessary to perfect a security interest in after-acquired collateral.
- d. It is the specific intent of the parties that this section and Lender's security interest in Borrower's Collateral shall conform with Uniform Commercial Code §9-102(a)(73); §1-201(b)(35).
- e. The Borrower hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any Uniform Commercial Code jurisdiction financing statements (including amendments and continuations thereto) that: (a) indicate the Collateral (i) as all assets of the Borrower or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the Uniform Commercial Code of the State or such jurisdiction, or (ii) as being of an equal or lesser scope or with greater detail; and (b) contain any other information required for the sufficiency or filing office acceptance of any financing statement or amendment, including (i) whether the Borrower is an organization, the type of organization, and any organization identification number issued to the Borrower (if required by the applicable jurisdiction) and, (ii) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. The Borrower agrees to furnish any such information to the Secured Party promptly upon the Secured Party's request. *[The Borrower also ratifies its authorization for the Secured Party to have filed in any Uniform*

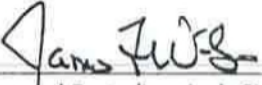
Commercial Code jurisdiction any like initial financing statements or amendments thereto if filed prior to the date hereof.])

- f. This Note may not be modified or amended except by written agreement signed by Borrower and Lender.

- 6. TERMINATION OF AGREEMENT & RELEASE OF SECURITY INTEREST:** Upon the satisfaction in full in cash of all amounts owing with respect to the loan to and other sums owed by, and all other obligations of, the Borrower under this Agreement and the other Loan Documents, the guaranty and payment and performance of all other obligations of Borrower under the Agreement, this Agreement shall terminate without further action by Lender; provided, however, that this Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Borrower for liquidation or reorganization, should Borrower become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of Borrower's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the obligations, or any part thereof, is, pursuant to Applicable Laws, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Loans to and other sums owed by, and all other obligations of, the Borrower under the Loan Agreement and the other Loan Documents, the guaranty and payment and performance of all other obligations of Borrower under the Agreement shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned. Upon termination of this Agreement, Lender will return the Pledged Collateral, if applicable, to Borrower upon request therefor and will execute and deliver to Borrower any releases, termination statements or similar instruments of reconveyance as Borrower may reasonably request. All such instruments and documents shall be prepared by Borrower and filed or recorded by Borrower, at Borrower's sole expense, and Lender shall not have any duty, obligation or liability with respect thereto.
- 7. NON-WAIVER:** No failure or delay by Lender in exercising Lender's rights under this Note shall be considered a waiver of such rights.
- 8. SEVERABILITY:** In the event that any provision herein is determined to be void or unenforceable for any reason, such determination shall not affect the validity or enforceability of any other provision, all of which shall remain in full force and effect.
- 9. NOTICE:** Any notices required or permitted to be given hereunder shall be given in writing and shall be delivered (a) in person, (b) by certified mail, postage prepaid, return receipt requested, (c) by facsimile, or (d) by a commercial overnight courier that guarantees next day delivery and provides a receipt, and such notices shall be made to the parties at the addresses listed below.
- 10. Applicable Law.** This Agreement and the rights and obligations of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Florida without giving effect to its conflicts of laws principles.

11. **EXECUTION:** The Borrower executes this Note as a principal and not as a surety.

WBA


Secured Party/Lender's Signature
Date 12 / 7 /2022
James F. Wilson / LIVING
REVOCABLE TRUST OF
JAMES F. WILSON executed June 28, 2018


Debtor/Borrower's Signature
Date 12 / 5 /2022
Jon Larmore


Guarantor's Signature
Date 12 / 5 /2022
ATA Fishville FL, LLC.
By: _____

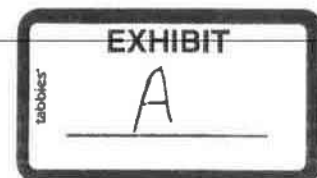

Witness's Printed Name


Witness's Signature

Amortization Calculator - Payment Schedule

Amortization schedule: 120 months to repay \$1,000,000 at 7%

Payment Number	Payment Amount	Interest Amount	Principal Reduction	Remaining Balance
1	\$11,610.85	\$5,833.33	\$5,777.51	\$994,222.49
2	\$11,610.85	\$5,799.63	\$5,811.22	\$988,411.27
3	\$11,610.85	\$5,765.73	\$5,845.12	\$982,566.15
4	\$11,610.85	\$5,731.64	\$5,879.21	\$976,686.94
5	\$11,610.85	\$5,697.34	\$5,913.51	\$970,773.43
6	\$11,610.85	\$5,662.85	\$5,948.00	\$964,825.43
7	\$11,610.85	\$5,628.15	\$5,982.70	\$958,842.73
8	\$11,610.85	\$5,593.25	\$6,017.60	\$952,825.13
9	\$11,610.85	\$5,558.15	\$6,052.70	\$946,772.43
10	\$11,610.85	\$5,522.84	\$6,088.01	\$940,684.42
11	\$11,610.85	\$5,487.33	\$6,123.52	\$934,560.90
12	\$11,610.85	\$5,451.61	\$6,159.24	\$928,401.66
13	\$11,610.85	\$5,415.68	\$6,195.17	\$922,206.49
14	\$11,610.85	\$5,379.54	\$6,231.31	\$915,975.18
15	\$11,610.85	\$5,343.19	\$6,267.66	\$909,707.52



Amortization Calculator - Amortization Schedule

16	\$11,610.85	\$5,306.63	\$6,304.22	\$903,403.30
17	\$11,610.85	\$5,269.85	\$6,341.00	\$897,062.30
18	\$11,610.85	\$5,232.86	\$6,377.98	\$890,684.32
19	\$11,610.85	\$5,195.66	\$6,415.19	\$884,269.13
20	\$11,610.85	\$5,158.24	\$6,452.61	\$877,816.52
21	\$11,610.85	\$5,120.60	\$6,490.25	\$871,326.26
22	\$11,610.85	\$5,082.74	\$6,528.11	\$864,798.15
23	\$11,610.85	\$5,044.66	\$6,566.19	\$858,231.96
24	\$11,610.85	\$5,006.35	\$6,604.49	\$851,627.47
25	\$11,610.85	\$4,967.83	\$6,643.02	\$844,984.44
26	\$11,610.85	\$4,929.08	\$6,681.77	\$838,302.67
27	\$11,610.85	\$4,890.10	\$6,720.75	\$831,581.92
28	\$11,610.85	\$4,850.89	\$6,759.95	\$824,821.97
29	\$11,610.85	\$4,811.46	\$6,799.39	\$818,022.58
30	\$11,610.85	\$4,771.80	\$6,839.05	\$811,183.53
31	\$11,610.85	\$4,731.90	\$6,878.94	\$804,304.59
32	\$11,610.85	\$4,691.78	\$6,919.07	\$797,385.52
33	\$11,610.85	\$4,651.42	\$6,959.43	\$790,426.09
34	\$11,610.85	\$4,610.82	\$7,000.03	\$783,426.06
35	\$11,610.85	\$4,569.99	\$7,040.86	\$776,385.19
36	\$11,610.85	\$4,528.91	\$7,081.93	\$769,303.26
37	\$11,610.85	\$4,487.60	\$7,123.25	\$762,180.02

Amortization Calculator - Amortization Schedule

38	\$11,610.85	\$4,446.05	\$7,164.80	\$755,015.22
39	\$11,610.85	\$4,404.26	\$7,206.59	\$747,808.62
40	\$11,610.85	\$4,362.22	\$7,248.63	\$740,559.99
41	\$11,610.85	\$4,319.93	\$7,290.91	\$733,269.08
42	\$11,610.85	\$4,277.40	\$7,333.44	\$725,935.63
43	\$11,610.85	\$4,234.62	\$7,376.22	\$718,559.41
44	\$11,610.85	\$4,191.60	\$7,419.25	\$711,140.16
45	\$11,610.85	\$4,148.32	\$7,462.53	\$703,677.63
46	\$11,610.85	\$4,104.79	\$7,506.06	\$696,171.57
47	\$11,610.85	\$4,061.00	\$7,549.85	\$688,621.72
48	\$11,610.85	\$4,016.96	\$7,593.89	\$681,027.83
49	\$11,610.85	\$3,972.66	\$7,638.19	\$673,389.65
50	\$11,610.85	\$3,928.11	\$7,682.74	\$665,706.91
51	\$11,610.85	\$3,883.29	\$7,727.56	\$657,979.35
52	\$11,610.85	\$3,838.21	\$7,772.64	\$650,206.71
53	\$11,610.85	\$3,792.87	\$7,817.98	\$642,388.74
54	\$11,610.85	\$3,747.27	\$7,863.58	\$634,525.16
55	\$11,610.85	\$3,701.40	\$7,909.45	\$626,615.71
56	\$11,610.85	\$3,655.26	\$7,955.59	\$618,660.12
57	\$11,610.85	\$3,608.85	\$8,002.00	\$610,658.12
58	\$11,610.85	\$3,562.17	\$8,048.68	\$602,609.44
59	\$11,610.85	\$3,515.22	\$8,095.63	\$594,513.82

Amortization Calculator - Amortization Schedule

60	\$11,610.85	\$3,468.00	\$8,142.85	\$586,370.97
61	\$11,610.85	\$3,420.50	\$8,190.35	\$578,180.62
62	\$11,610.85	\$3,372.72	\$8,238.13	\$569,942.49
63	\$11,610.85	\$3,324.66	\$8,286.18	\$561,656.30
64	\$11,610.85	\$3,276.33	\$8,334.52	\$553,321.79
65	\$11,610.85	\$3,227.71	\$8,383.14	\$544,938.65
66	\$11,610.85	\$3,178.81	\$8,432.04	\$536,506.61
67	\$11,610.85	\$3,129.62	\$8,481.23	\$528,025.38
68	\$11,610.85	\$3,080.15	\$8,530.70	\$519,494.68
69	\$11,610.85	\$3,030.39	\$8,580.46	\$510,914.22
70	\$11,610.85	\$2,980.33	\$8,630.51	\$502,283.71
71	\$11,610.85	\$2,929.99	\$8,680.86	\$493,602.85
72	\$11,610.85	\$2,879.35	\$8,731.50	\$484,871.35
73	\$11,610.85	\$2,828.42	\$8,782.43	\$476,088.92
74	\$11,610.85	\$2,777.19	\$8,833.66	\$467,255.25
75	\$11,610.85	\$2,725.66	\$8,885.19	\$458,370.06
76	\$11,610.85	\$2,673.83	\$8,937.02	\$449,433.04
77	\$11,610.85	\$2,621.69	\$8,989.16	\$440,443.88
78	\$11,610.85	\$2,569.26	\$9,041.59	\$431,402.29
79	\$11,610.85	\$2,516.51	\$9,094.33	\$422,307.96
80	\$11,610.85	\$2,463.46	\$9,147.38	\$413,160.57
81	\$11,610.85	\$2,410.10	\$9,200.74	\$403,959.83

Amortization Calculator - Amortization Schedule

82	\$11,610.85	\$2,356.43	\$9,254.42	\$394,705.41
83	\$11,610.85	\$2,302.45	\$9,308.40	\$385,397.01
84	\$11,610.85	\$2,248.15	\$9,362.70	\$376,034.31
85	\$11,610.85	\$2,193.53	\$9,417.31	\$366,617.00
86	\$11,610.85	\$2,138.60	\$9,472.25	\$357,144.75
87	\$11,610.85	\$2,083.34	\$9,527.50	\$347,617.25
88	\$11,610.85	\$2,027.77	\$9,583.08	\$338,034.17
89	\$11,610.85	\$1,971.87	\$9,638.98	\$328,395.18
90	\$11,610.85	\$1,915.64	\$9,695.21	\$318,699.97
91	\$11,610.85	\$1,859.08	\$9,751.76	\$308,948.21
92	\$11,610.85	\$1,802.20	\$9,808.65	\$299,139.56
93	\$11,610.85	\$1,744.98	\$9,865.87	\$289,273.69
94	\$11,610.85	\$1,687.43	\$9,923.42	\$279,350.27
95	\$11,610.85	\$1,629.54	\$9,981.30	\$269,368.97
96	\$11,610.85	\$1,571.32	\$10,039.53	\$259,329.44
97	\$11,610.85	\$1,512.76	\$10,098.09	\$249,231.35
98	\$11,610.85	\$1,453.85	\$10,157.00	\$239,074.35
99	\$11,610.85	\$1,394.60	\$10,216.25	\$228,858.10
100	\$11,610.85	\$1,335.01	\$10,275.84	\$218,582.26
101	\$11,610.85	\$1,275.06	\$10,335.78	\$208,246.48
102	\$11,610.85	\$1,214.77	\$10,396.08	\$197,850.40
103	\$11,610.85	\$1,154.13	\$10,456.72	\$187,393.68

Amortization Calculator - Amortization Schedule

104	\$11,610.85	\$1,093.13	\$10,517.72	\$176,875.96
105	\$11,610.85	\$1,031.78	\$10,579.07	\$166,296.89
106	\$11,610.85	\$970.07	\$10,640.78	\$155,656.11
107	\$11,610.85	\$907.99	\$10,702.85	\$144,953.25
108	\$11,610.85	\$845.56	\$10,765.29	\$134,187.96
109	\$11,610.85	\$782.76	\$10,828.08	\$123,359.88
110	\$11,610.85	\$719.60	\$10,891.25	\$112,468.63
111	\$11,610.85	\$656.07	\$10,954.78	\$101,513.85
112	\$11,610.85	\$592.16	\$11,018.68	\$90,495.17
113	\$11,610.85	\$527.89	\$11,082.96	\$79,412.21
114	\$11,610.85	\$463.24	\$11,147.61	\$68,264.60
115	\$11,610.85	\$398.21	\$11,212.64	\$57,051.96
116	\$11,610.85	\$332.80	\$11,278.04	\$45,773.91
117	\$11,610.85	\$267.01	\$11,343.83	\$34,430.08
118	\$11,610.85	\$200.84	\$11,410.01	\$23,020.07
119	\$11,610.85	\$134.28	\$11,476.56	\$11,543.51
120	\$11,610.85	\$67.34	\$11,543.51	\$0.00

U.S. Department of
Homeland Security

United States
Coast Guard



Director
National Vessel Documentation Center

792 T. J. Jackson Drive
Falling Waters, WV 25419
Phone: (800) 799-8362
Fax: 304-271-2405

June 22, 2023

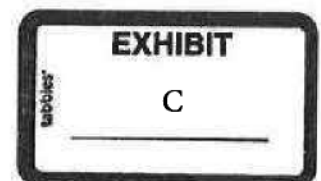
Regarding your recent submission to the National Vessel Documentation Center

This cover letter with enclosure(s) is sent in response to a submission made to this office. If you have any questions, please contact the National Vessel Documentation Center at the number shown above.

Enclosures:

(1) Abstract of Title O/N:1290829 2 PAGE(S)

TOTAL: 3 PAGE(S) (including cover page)



OFFICIAL NUMBER: 1290829 NAME OF VESSEL JIMMYISM
HIN NUMBER: _____ HULL ID NUMBER: CHL05050I314 IMO NUMBER: _____
VESSEL BUILT AT KOWLOON HONG KONG CHINA
(AND) _____ IN 2013
BY CHEOY LEE SHIPYARDS LIMITED

FOR CHEOY LEE SHIPYARDS NORTH AMERICA INC
FOR _____
BUILDER'S CERTIFICATE DATED 09/24/2018
TITLE ASSIGNED TO _____

INSTRUMENT TYPE

BILL OF SALE

% CONVEYED 100	DATE OF INSTRUMENT OCTOBER 11, 2018	AMOUNT \$1.00	BATCH 57084900	DOC ID 4
DATE FILED OCTOBER 16, 2018		TIME FILED 9:35 AM	STATUS RECORDED	
SELLER CHEOY LEE SHIPYARDS NORTH AMERICA INC				
BUYER JAMES FREDRICK WILSON				

DISCHARGED

YES

INSTRUMENT TYPE

PREFERRED MORTGAGE

% CONVEYED 100	DATE OF INSTRUMENT SEPTEMBER 6, 2018	AMOUNT \$1,300,000.00	BATCH 57084900	DOC ID 6
DATE FILED OCTOBER 16, 2018		TIME FILED 9:35 AM	STATUS RECORDED	
MORTGAGOR JAMES FREDRICK WILSON				
MORTGAGEE M&T BANK ONE FOUNTAIN PLAZA 4TH FLOOR BUFFALO NY 14203				

INSTRUMENT TYPE

BILL OF SALE

% CONVEYED 100	DATE OF INSTRUMENT NOVEMBER 30, 2022	AMOUNT \$1.00	BATCH 114197200	DOC ID 2
DATE FILED DECEMBER 12, 2022		TIME FILED 9:26 AM	STATUS RECORDED	
SELLER JAMES FREDERICK WILSON				
BUYER AT LC 87 LLC				

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INSTRUMENT TYPE

PREFERRED MORTGAGE

% CONVEYED 100	DATE OF INSTRUMENT DECEMBER 5, 2022	AMOUNT \$1,000,000.00	BATCH 114197200	DOC ID 5
DATE FILED DECEMBER 12, 2022		TIME FILED 9:26 AM	STATUS RECORDED	
MORTGAGOR AT LC 87 LLC				
MORTGAGEE JAMES F WILSON LIVING REVOCABLE TRUST OF JAMES F WILLSON 490 LAGUNA DRIVE ST PETERSBURG FL 33715				

INSTRUMENT TYPE

REFERS TO: BATCH: 57084900 DOC ID: 6

SATISFACTION OF MORTGAGE

% CONVEYED 100	DATE OF INSTRUMENT DECEMBER 12, 2022	AMOUNT \$1,300,000.00	BATCH 114222900	DOC ID 2
DATE FILED DECEMBER 12, 2022		TIME FILED 2:18 PM	STATUS RECORDED	
MORTGAGEE M&T BANK				
MORTGAGOR JAMES FREDERICK WILSON				

STATUS: ON RECORD

VESSEL NAME CHANGE TO: BBELLA (01/25/2023)

ISSUED AS AN ABSTRACT OF TITLE AS OF

DATE: 06/08/2023

TIME: 6:30 AM


DIRECTOR, NATIONAL VESSEL DOCUMENTATION CENTER

JS 44 (Rev. 04/21)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

JAMES F. WILSON LIVING REVOCABLE)
TRUST OF JAMES F. WILSON

(b) County of Residence of First Listed Plaintiff Charlotte County, FL.
(EXCEPT IN U.S. PLAINTIFF CASES)

W. Ryan Snow, Esq.
Crenshaw, Ware & Martin, P.L.C.
150 W. Main Street, Suite 1923
Norfolk, VA 23510 (757) 623-3000

DEFENDANTS

AT LC 87, LLC, in personam,
and M/Y BBELLA, Official Number 1290829,
(ex JIMMYISM) her engines, apparel,
appurtenances, etc., in rem,
County of Residence of First Listed Defendant _____

(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF
THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff
☒ 3 Federal Question (U.S. Government Not a Party)
☐ 2 U.S. Government Defendant
☐ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | PTF | DEF | | PTF | DEF |
|---|---------------------------------------|---------------------------------------|---|----------------------------|---------------------------------------|
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input checked="" type="checkbox"/> 2 | <input checked="" type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input checked="" type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)Click here for: [Nature of Suit Code Descriptions.](#)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input checked="" type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	<input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 INTELLECTUAL PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark <input type="checkbox"/> 880 Defend Trade Secrets Act of 2016 SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit (15 USC 1681 or 1692) <input type="checkbox"/> 485 Telephone Consumer Protection Act <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

V. ORIGIN (Place an "X" in One Box Only)

- ☒ 1 Original Proceeding
☐ 2 Removed from State Court
☐ 3 Remanded from Appellate Court
☐ 4 Reinstated or Reopened
☐ 5 Transferred from Another District (specify)
☐ 6 Multidistrict Litigation - Transfer
☐ 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

Supplemental Admiralty Rule C; 28 U.S.C. § 1333

Brief description of cause:

Rule C arrest of Vessel

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND \$
\$977,000.00

CHECK YES only if demanded in complaint:

JURY DEMAND: ☐ Yes ☒ No**VIII. RELATED CASE(S) IF ANY**

(See instructions):

JUDGE _____

DOCKET NUMBER _____

DATE

09/07/23

SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY

RECEIPT # _____

AMOUNT _____

APPLYING IFP _____

JUDGE _____

MAG. JUDGE _____

EXHIBIT 8



East Coast Marine Consulting

VALUATION & APPRAISAL

"Bbella"
2014 Cheoy Lee 87 MY



PREPARED EXCLUSIVELY FOR:

National Maritime Services Inc
1560 Sawgrass Corporate Parkway, Suite 400
Fort Lauderdale, FL 33323-2855

CONDUCTED BY:

Captain Bill Weyant, AMS 410-322-6701
East Coast Marine Consulting
www.EastCoastMarineConsulting.com
Assisted by Andrew Sheppard, SA
on
January 29, 2024

VALUATION & APPRAISAL

DECLARATION:

Rating of vessel condition was determined upon completion and review of all reported survey information including recommendations and comparing vessel to the same or similar age models. Possible vessel condition ratings are as follows:

- **EXCELLENT** - Essentially as new or bristol in appearance.
- **ABOVE AVERAGE** - Has had above average care with no obvious defects or limitations.
- **AVERAGE** - Ready for sale but needs some maintenance or repairs, updates or cleaning.
- **BELOW AVERAGE** - Needs significant maintenance, repair or service.

Estimated fair market value was determined by cross referencing data from BUC, NADA, Soldboats.com, Powerboat Guide and other brokerage listings or local dealers. Adjustments are then made for condition or equipment as necessary. The fair market value is for the vessel when all "Essential" and "Necessary" repairs or recommended items have been corrected.

Comparable Adjusted Listings Values Average	\$2,925,000
Soldboats.com - Listed and Sold Boat Average	\$2,367,000
BUC ValuePro - Average	\$ N/A
NADA Values - Average	\$ N/A

Estimated replacement cost was determined by using information obtained from BUC, NADA, or local dealer prices using the same or similar make and model with similar equipment options.

- **RATING OF VESSEL CONDITION..... AVERAGE CONDITION**
- **ESTIMATED FAIR MARKET VALUE..... \$1,850,000**
- **ORDERLY LIQUIDATION VALUE..... \$1,450,000**
- **ESTIMATED REPLACEMENT COST..... \$7,500,000**
- **INTENDED USE OF VESSEL..... Pleasure, and/or the intended design of the vessel**
- **SUITABILITY FOR INTENDED SERVICE: Vessel IS considered fit for it's intended use and bringing vessel up to current standards upon correction of all listed "Essential" and "Necessary" repairs and recommendations.**

NOTE: All "Desirables" should be thoroughly reviewed to improve the value of the vessel.

VALUATION & APPRAISAL

CLOSING STATEMENT & SIGNATURE:

This report is submitted in confidence for the exclusive use of Robert Toney without prejudice to the rights and/or interests of other concerned parties and may not be used for any other purpose or relied upon by any other person.



ATTENDING SURVEYOR:

Captain Bill Weyant, AMS 410-322-6701

East Coast Marine Consulting

www.EastCoastMarineConsulting.com

Certified ABYC Member

Accredited SAMS Member

USCG Licensed Master

UBMTA/BCMTA Member

Chapman School (YSC Surveying) Graduate

EXHIBIT 9

LOCAL RULES

FOR THE

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA



Effective January 18, 2023

LOCAL ADMIRALTY RULE (e)

ACTIONS IN REM AND QUASI IN REM: GENERAL PROVISIONS

- (1) **Itemized Demand for Judgment.** The demand for judgment in every complaint filed under Supplemental Rule B or C shall allege the dollar amount of the debt or damages for which the action was commenced; and the demand for judgment shall also allege the dollar amount of every claim for interest, costs, attorneys' fees, and other items of damage. The amount of the special bond posted under Supplemental Rule E(5) may be based upon these allegations.
- (2) **Salvage Actions Complaints.** In an action for a salvage reward, the complaint shall allege the dollar value of the vessel, cargo, freight, and other property salvaged, and the dollar amount of the reward claimed.
- (3) **Verification of Pleadings.** Every complaint in Supplemental Rule B, C and D actions shall be verified on oath or solemn affirmation by a party or by an authorized officer of a corporate party. If no party or authorized corporate officer is available, verification of a complaint may be made by an agent, attorney-in-fact, or attorney of record, who shall state the sources of the knowledge, information, and belief contained in the complaint; declare that the document verified is true to the best of that knowledge, information, and belief; state why verification is not made by the party or an authorized corporate officer; and state that the affiant is authorized so to verify. Such a verification will be deemed to have been made by the party to whom a document might apply as if verified personally. Any interested party may move the Court, with or without requesting a stay, for the personal oath of a party or of all parties, or the oath of an authorized corporate officer. If required by the Court, such verification shall be procured by commission or as otherwise ordered.
- (4) **Review by Judicial Officer.** Unless otherwise required by a judicial officer, the review of complaints and papers called for by Supplemental Rules B(1) and C(3) does not require the affiant party or attorney to be present. The applicant for review shall include a form of order from the Clerk to the Marshal or other person or organization which, upon signature by the judicial officer, will set in motion the arrest, attachment or garnishment sought by the applicant.
- (5) (A) **Service of Warrants and Process of Attachment.** Warrants for the arrest of a vessel, or cargo aboard a vessel, and process to attach a vessel or property aboard a vessel, shall be served only by the Marshal. If other property, tangible or intangible is the subject of the action, the warrant shall be delivered by the Clerk to a person or organization authorized to enforce it, who may be a Marshal, a person or organization contracted with by the United States, a person specially appointed by the Court for that purpose, or, if the action is brought by the United States, any officer or employee of the United States.
- (B) If the tangible property to be attached or arrested is a vessel, the Marshal shall affix a copy of the process on the forward bulkhead of the wheelhouse, and at the head of one accommodation where it is visible to people embarking or disembarking the vessel at the ladder. In addition, if the vessel is moored at a shoreside facility, the Marshal shall notify the owner or manager of the facility of the fact of the arrest or attachment.
- (6) **Marshal's Forms.** The party who requests a warrant of arrest or process of attachment or garnishment shall provide instructions to the Marshal or other process server on forms supplied by the

Marshal and available from the Marshal's Office.

(7) **Property in Possession of United States Officer.** When the property to be attached or arrested is in the custody of an employee or officer of the United States, the Marshal will deliver a copy of the complaint and warrant of arrest or summons and process of attachment or garnishment to that officer or employee if present, and otherwise to the custodian of the property. The Marshal will instruct the officer or employee or custodian to retain custody of the property until ordered to do otherwise by the Court.

(8) **Security for Costs.** In an action under Supplemental Rule E, a party may file and serve upon an adverse party a notice to post security for costs. Unless otherwise ordered by the Court, the amount of security shall be \$500.00. The party notified shall post security within five days after service. A party who fails to post security when due may not participate further in the proceedings, except for the purpose of seeking relief from the order.

(9) **Increased Security for Costs.** A party may apply to the Court for an order increasing the amount of security for costs. The Marshal shall notify the Court if a party fails to advance sums as requested, after property has been arrested, attached or garnished, and the Marshal may apply to the Court for directions if a question arises concerning the obligation of a party to advance moneys required under this rule.

(10) **Marshal's Fees and Expenses.** The party who first seeks arrest or attachment of property in an action under Supplemental Rule E or Fed. R. Civ. P. 4(n) shall deposit a sum of money with the Marshal to cover fees, expenses of arrest, and safekeeping charges for ten days. The Marshal is not required to execute process until the deposit is made. The sum of \$5,000.00 shall suffice in any case, subject to increase or to reduction following execution, and the party shall advance additional sums from time to time as requested to cover the Marshal's estimated fees and expenses until the property is released or disposed of as provided in Supplemental Rule E.

(11) **Appraisal.** An order for appraisal of property so that security may be given or altered will be entered by the Clerk at the request of any interested party. If the parties do not agree in writing upon an appraiser, a judicial officer will appoint the appraiser. The appraiser shall be sworn to the faithful and impartial discharge of the appraiser's duties before any federal or state officer authorized by law to administer oaths. The appraiser shall give one day's notice of the time and place of making the appraisal to counsel of record. The appraiser shall promptly file the appraisal with the Clerk and serve it upon counsel of record. The appraiser's fee normally will be paid by the moving party, but it is a taxable cost of the action.

(12) **Adversary Hearing.** The adversary hearing following arrest or attachment and garnishment that is called for in Supplemental Rule E(4)(f) shall be conducted by a judicial officer.

(13) **Intervenors' Claims.**

- (a) When a vessel or other property has been arrested, attached, or garnished and is in the hands of the Marshal or custodian substituted therefore, anyone having a claim against the vessel or property is required to present the claim by filing an intervening complaint, and not by filing an original complaint, unless otherwise ordered by a judicial officer. Upon the filing of an intervening complaint, the Clerk shall forthwith deliver a conformed copy to the Marshal, who shall deliver the copy to the vessel or custodian of the property, but the Marshal need not re-arrest or re-attach the vessel or property.

Intervenors shall thereafter be subject to the rights and obligations of parties.

- (b) No party may intervene without first obtaining leave of Court if intervention is sought within 15 days prior to the date for which a sale of the vessel or property has been set by the Court.
- (c) An intervenor shall share the deposit for Marshal's fees and expenses in the proportion that its claim bears to the sum of all the claims.

(14) Custody of Property.

- (a) Safekeeping of Property. When a vessel or other property is brought into the Marshal's custody by arrest or attachment, the Marshal shall arrange for adequate safekeeping, which may include the placing of keepers on or near the vessel, or the appointment of a facility or person as custodian of the property in place of the Marshal.
- (b) Cargo Handling, Repairs, and Movement of the Vessel. Following arrest or attachment of a vessel, no cargo handling, repairs, or movement may be made without an order of Court. The applicant for such an order shall give notice to the Marshal and to all parties of record. Upon proof of adequate insurance coverage of the applicant to indemnify the Marshal for his liability, the Court may direct the Marshal to permit cargo handling, repairs, movement of the vessel, or other operations.
- (c) Motion for Change in Arrangements. Before or after the Marshal has taken custody of a vessel, cargo, or other property, any party of record may move for an order to dispense with keepers or to remove or place the vessel, cargo or other property at a specified facility, to designate a substitute custodian, or for similar relief. Notice of the motion shall be given to the Marshal and to all parties of record. The judicial officer will require that adequate insurance on the property will be maintained by the successor to the Marshal, before issuing the order to change arrangements.
- (d) Insurance. The Marshal may order insurance to protect the Marshal, his deputies, keepers, and substitute custodians, from liabilities assumed in arresting and holding the vessel, cargo, or other property, and in performing whatever services may be undertaken to protect the vessel, cargo, or other property, and to maintain the Court's custody. The party who applies for arrest or attachment of the vessel, cargo, or other property shall reimburse the Marshal for premiums paid for the insurance. The party who applies for removal of the vessel, cargo, or other property to another location, for designation of a substitute custodian, or for other relief that will require an additional premium, shall reimburse the Marshal therefor. The premiums charged for the liability insurance are taxable as administrative costs while the vessel, cargo, or other property is in custody of the Court.
- (e) Claims by Suppliers for Payment of Charges. A person who furnishes supplies or services to a vessel, cargo, or other property in custody of the Court who has not been paid and claims the right to payment as an expense of administration shall submit an invoice to the Court for approval in the form of a verified claim at any time before the vessel, cargo, or other property is released or sold. The supplier must serve copies of the

claim on the Marshal, substitute custodian (if one has been appointed), and all parties of record. The Court may consider the claims individually or schedule a single hearing for all claims.

(15) Sale of Property Not Subject to Admiralty – Rule E (9)(b) Interlocutory Sales.

- (a) Notice. Unless otherwise ordered upon good cause shown or as provided by law, a notice of sale of property in an action *in rem*, including the terms of sale, shall be published daily for a period of six days prior to the day of sale in a newspaper of general circulation in the Division where arrest occurred and sale is to take place.
- (b) Sale and Report. All sales shall be made by the United States Marshal or his authorized deputy Marshal in the name of the Marshal or by other person or organization authorized to execute the warrant or by any other person assigned by the Court. All sales are subject to confirmation by the Court. The Marshal may, without leave of Court, decline to knock down a vessel or other property to the highest bidder when the highest bid is, in his or her opinion, grossly inadequate. On the day of the sale, the Marshal shall file his report with the Clerk giving all pertinent information, including the fact of the sale, the date, the price obtained and how paid or to be paid, and the name and address of the successful bidder.
- (c) Objection to Sale. An interested person may object to the sale by filing a written objection with the Clerk within two Court days following the sale, serving the objection on all parties of record, the successful bidder, and the Marshal. The Marshal is authorized to demand and receive from the objecting party a sum sufficient to pay the expense of keeping the property for at least seven days. The written objection must be endorsed by the Marshal prior to filing with the Clerk, as evidence of the acknowledgment of receipt of the deposit of the required expense funds.
- (d) Confirmation of the Sale Without Motion. A sale shall stand confirmed as of course without any action by the Court unless (1) written objection is filed with the Court within the time allowed under these rules, or (2) the purchaser is in default for failure to pay the balance due to the Marshal. The purchaser in a sale so confirmed as of course shall present a form of order reflecting the confirmation of the sale for entry by the Clerk on the fourth Court day following the sale or after the balance of sale funds have been paid, whichever last occurs. The Marshal shall transfer title to the purchaser upon presentation of such order signed by the Clerk.
- (e) Confirmation of the Sale Upon Motion. If an objection has been filed or if the successful bidder is in default, the Marshal, the objector, the successful bidder, or a party, may move the Court for relief. The motion will be heard summarily by a judicial officer. The person seeking the hearing on such a motion shall apply to the Court for an order fixing the date and time of the hearing and directing the manner of giving notice and shall give written notice of the motion to the Marshal, all parties, the successful bidder, and the objector. The Court may confirm the sale, order a new sale, or grant such other relief as justice requires. Notice of any hearing on such motion may be informal and, if approved by the Court, by telephone. The parties are expected to be prepared to go forward with any hearing so ordered.

(f) Disposition of Deposits.

- (1) Objection Sustained. If an objection is sustained, sums deposited by the successful bidder will be returned to the bidder forthwith. The sum deposited by the objector will be applied to pay the fees and expenses incurred by the Marshal in keeping the property until it is resold, and any balance remaining shall be returned to the objector. The objector will be reimbursed for the expense of keeping the property from the proceeds of a subsequent sale.
- (2) Objection Overruled. If the objection is overruled, the sum deposited by the objector will be applied to pay the expense of keeping the property from the day the objection was filed until the day the sale is confirmed, and any balance remaining will be returned to the objector forthwith.

EXHIBIT 4

PROPOSED ORDER

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**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

United States Securities and Exchange
Commission,

Plaintiff,

v.

Jonathan Larmore, et al.,

Defendants, and

Michelle Larmore; Marcia Larmore;
CSL Investments, LLC;
MML Investments, LLC;
Spike Holdings, LLC;
and JMMAL Investments, LLC,

Relief Defendants.

No. CV-23-02470-PHX-DLR

**[PROPOSED] ORDER APPROVING
ABANDONMENT AGREEMENT
AND TRANSFER OF VESSEL M/Y
BBELLA**

The Court has considered the Receiver’s Motion for an order approving the Abandonment Agreement dated June 6, 2024, providing for the abandonment of the 2014 built motor boat M/Y BBELLA (Official No. 1290829) (the “Vessel”), her engines, tackle, equipment, appurtenances and everything aboard her (the “Property”), between the Receiver and mortgagee, ST Liberty LLC (the “Mortgagee”), and granting related relief (the “Motion”);¹ and upon consideration of any and all responses and replies relating to the Motion; and upon due and sufficient notice of the Motion; and after due deliberation, and

¹ Capitalized, undefined terms are as in the Motion.

1 it appearing that the relief sought in the Motion is in the best interest of the Receivership
2 Estate, its creditors, and other parties in interest.

3 The Court makes the following findings:
4

5 1. This Court has jurisdiction over this matter, the above-captioned defendants
6 and relief-defendants, and over all property of the Receivership Estate.

7 2. Proper, timely, adequate, and sufficient notice of the Motion has been
8 provided, such notice was sufficient and appropriate under the particular circumstances,
9 and no other or further notice of the Motion or relief sought in the Motion is necessary or
10 required.
11

12 3. A reasonable opportunity to object or be heard regarding the requested relief
13 in the Motion and this Order has been afforded to all interested parties, including, without
14 limitation, all persons or entities known to the Receiver that have or may have an interest
15 in any portion of the property sought to be abandoned.
16

17 4. The Receiver has the power and authority to abandon the Vessel, or any asset
18 of the Receivership Estate, and enter into the Abandonment Agreement.
19

20 5. Upon the Receiver's appointment and after investigating the financial
21 condition of the Receivership Estate, the Receiver undertook a comprehensive effort to
22 analyze the value of the Vessel.
23

24 6. The Receiver demonstrated a sufficient basis and compelling circumstances
25 requiring the entry of this Order, and such actions: (a) are appropriate exercises of the
26 Receiver's reasonable business judgment; and (b) are in the best interest of the
27 Receivership Estate and its creditors, investors and all other stakeholders.
28

IT IS ORDERED that the Motion is **GRANTED** as follows:

- Dated this ____ day of ____, 2024

228898125 v6