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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

ELETSON HOLDINGS INC., *et al.*,  
  
Debtors.<sup>1</sup>

Chapter 11

Case No. 23-10322 (JPM)

(Jointly Administered)

**Objection Deadline:  
April 23, 2025**

**Hearing:  
April 30, 2025 at 10:00 AM via Zoom**

**MOTION OF ELAFONISSOS SHIPPING CORPORATION FOR RELIEF FROM THE  
COURT'S ORDERS OF JANUARY 29, 2025 AND MARCH 13, 2025 PURSUANT TO  
FEDERAL RULE OF CIVIL PROCEDURE 60(b)4 AND FEDERAL RULE OF  
BANKRUPTCY PROCEDURE 9024**

<sup>1</sup> The Debtors in these chapter 11 cases are: Eletson Holdings Inc., Eletson Finance (US) LLC, and Agathonissos Finance LLC. The address of the Debtors' corporate headquarters is 118 Kolokotroni Street, GR 185 35 Piraeus, Greece. The Debtors' mailing address is c/o Eletson Maritime, Inc., 1 Landmark Square, Suite 424, Stamford, Connecticut 06901.



Elafonissos Shipping Corporation (“Elafonissos”), by and through its undersigned counsel, respectfully submits this motion (the “Motion”), pursuant to Rule 60(b)(4) of the Federal Rules of Civil Procedure (“FRCP”), made applicable to this proceeding by Rule 9024 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for entry of an order substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”) granting Elafonissos relief from the Court’s Orders of January 29, 2025 (Dkt. No. 1402) (the “January 29 Order”), and March 13, 2025 (Dkt. No. 1537) (the “March 13 Order” and, together with the January 29 Order, the “Orders”) because the Orders are void as to Elafonissos for lack of personal jurisdiction.

In support of the Motion, Elafonissos submits the Declaration of Ioannis Zilakos, attached hereto as **Exhibit B**.

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**PRELIMINARY STATEMENT**

1. The Orders impose on Elafonissos, a Liberian corporation with its principal place of business in Greece that has never appeared before this Court prior to now, monetary sanctions of \$5,000 per day and an affirmative obligation to withdraw from legal proceedings in its home jurisdictions. The Court entered the Orders, however, without personal jurisdiction over Elafonissos, and the Orders are, therefore, void as to it. The Court should grant the Motion and vacate the Orders as to Elafonissos.

2. The Second Circuit has held that a motion for relief from a void order under FRCP 60(b)(4) can be made “at any time.” Elafonissos’s Motion is unquestionably timely here, as it is being made only 14 days following entry of the March 13 Order, the first Order imposing monetary sanctions on it and expressly ordering it to withdraw from judicial proceedings overseas. That Elafonissos did not appear to contest the motions is immaterial. A party over which a court lacks personal jurisdiction is entitled not to appear in the proceedings and to collaterally attack orders entered in those proceedings at a later time.

3. The Court lacks personal jurisdiction over Elafonissos in these proceedings, partially due to Reorganized Debtors’ own choices. Reorganized Debtors are well-aware that Elafonissos is located in Greece, a signatory to the Hague Convention, but chose to take a shortcut in attempting to serve its motion papers on Elafonissos. Rather than complying with the rules for service of process in Greece under the Hague Convention, which prohibit mail and email service, Reorganized Debtors chose to ignore the rules, and attempt service of Elafonissos only by mail and email. Compliance with the Hague Convention is mandatory to obtain personal jurisdiction over a foreign entity or individual in a signatory country. Thus, regardless of Elafonissos’s (non-

existent) contacts with the U.S., Reorganized Debtors' failure to properly serve Elafonissos deprives this Court of jurisdiction and renders the Orders void as to Elafonissos.

4. Even had Reorganized Debtors chosen to properly attempt service on Elafonissos, however, the Court would lack jurisdiction because Elafonissos does not have the sufficient minimum contacts with the U.S. necessary to confer jurisdiction. As a foreign entity with no presence in the U.S., Reorganized Debtors cannot claim the Court has general jurisdiction. But it also lacks specific jurisdiction because Elafonissos has not directed any of its actions at the U.S. Indeed, the only actions complained of by Reorganized Debtors are actions Elafonissos has taken overseas. Specific jurisdiction requires a finding that Elafonissos took some action in, or directed some action at, the U.S. relating to the subject matter of the action. None is alleged here, because there has been none.

5. Whether Elafonissos's actions in some way implicate or affect Reorganized Debtors in implementing the Plan or orders of this Court is irrelevant to the question of whether the Court has personal jurisdiction to sanction and compel action by Elafonissos. Courts have routinely held, for instance, that they lack jurisdiction over foreign parties with some relation to debtors in a U.S. bankruptcy when those parties violate the automatic stay. Indeed, a court may not look to the nature of the complained-of conduct (violation of the automatic stay, violation of an order, etc.) to determine whether it has personal jurisdiction over a foreign party.

6. Regardless of the merits of the Sanctions Motions, the Court lacks discretion to deny a motion under FRCP 60(b)(4), and Bankruptcy Rule 9024, where it lacks personal jurisdiction over the movant. The Court lacked personal jurisdiction over Elafonissos when it entered the Orders, and the Orders are therefore void as to it and must be vacated.



### **FACTUAL BACKGROUND**

7. Elafonissos is a Liberian corporation with its principal offices in Greece. Zilakos Decl. ¶ 2. It has no U.S. operations, offices, employees, or assets, and, until this Motion, has not appeared in these bankruptcy cases. *Id.* ¶¶ 3-4.

8. Nonetheless, it has been enjoined and sanctioned by this Court through a series of Orders arising out of post-confirmation motions brought by the reorganized Debtor, Eletson Holdings Inc. (“Reorganized Holdings”). (Dkt. Nos. 1402, 1537.)

9. On November 4, 2024 the Court entered an Order (the “Confirmation Order”) confirming the Petitioning Creditors’ Chapter 11 plan of reorganization (the “Plan”). (Dkt. No. 1223.)

10. On November 25, 2024, Reorganized Debtors moved for an order pursuant to Bankruptcy Rule 9020 seeking injunctive relief and sanctions (the “First Sanctions Motion”) against a broad range of entities and individuals, including the Debtor’s pre-confirmation shareholders, directors, and officers, as well as law firms representing those parties, both foreign and domestic. (*See* Dkt. No. 1268 at 1.) The initial basis for the First Sanctions Motion was purportedly that each of the entities, individuals, and law firms were in violation of the Plan and Confirmation Order for failing to file a change of Reorganized Holdings’ address of record (“AOR”) and to “file Reorganized Holdings’ new corporate documents with LISCR,” the Liberian corporate registry. (*Id.* at 2-3.)

11. Despite that Elafonissos had not appeared in this matter and is located in Greece, a signatory to the Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters (the “Hague Convention”), Reorganized Debtors certified that they attempted service of the First Sanctions Motion and supporting papers on Elafonissos only by first-

class mail and email. (Dkt. No. 1281.) The affidavit of service filed by Reorganized Holdings in connection with the First Sanctions Motion does not indicate any attempt to comply with the Hague Convention. (*Id.*) Elafonissos did not appear in response to the First Sanctions Motion.

12. Following a January 6, 2025 evidentiary hearing, the Court issued the January 29 Order ordering the parties against whom Reorganized Debtors moved (referred to in the January 29 Order as the “Ordered Parties”), among other things, (1) “to comply with the Confirmation Order and the Plan to assist in effectuating, implementing, and consummating the terms thereof,” and (2) “to take all steps reasonably necessary as requested by Holding to unconditionally support the effectuation, implementation, and consummation of the Plan, including but not limited to, by no later than seven (7) days from the date of service of this Order in accordance with applicable law . . . taking all steps reasonably necessary to update or amend (a) Holdings’ AOR to reflect that Adam Spears is Holdings’ AOR and (b) Holdings’ corporate governance documents on file with LISCR as directed by Holdings.” (Dkt. No. 1402 at 2.) The January 29 Order further provided that if the Ordered Parties (including Elafonissos) did not “cause the specific acts set forth in” the Order to occur within seven days, Reorganized Holdings could move on short notice for sanctions against the Ordered Parties. (*Id.* at 4.)

13. On February 6, 2025, Reorganized Holdings again moved for sanctions against the Ordered Parties (the “Second Sanctions Motion”), purportedly for failure of the Ordered Parties to cause the AOR to be updated and for certain statements made in court proceedings and otherwise, as well as for motions filed, by Ordered Parties other than Elafonissos. (*See* Dkt. No. 1416 ¶¶ 1-2, 6-26.)

14. Again, Reorganized Holdings attempted service of the Second Sanctions Motion on Elafonissos solely by first-class mail and email. (Dkt. Nos. 1427-1429.) The affidavits of

service filed by Reorganized Holdings in connection with the Second Sanctions Motion do not indicate any attempt to comply with the Hague Convention. (*Id.*) Elafonissos did not appear in response to the Second Sanctions Motion.

15. On February 19, 2025, with the Second Sanctions Motion pending, Reorganized Debtors again moved for sanctions against the Ordered Parties (the “Third Sanctions Motion” and, together with the First Sanctions Motion and the Second Sanctions Motion, the “Sanctions Motions”), seeking both monetary sanctions and positive injunctions compelling the Ordered Parties to withdraw certain judicial actions pending in Liberia and Greece. (Dkt. No. 1459 ¶¶ 1-2.)

16. As with the first two Sanctions Motions, Reorganized Holdings attempted service of the Third Sanctions Motion on Elafonissos solely by first-class mail and email. (Dkt. No. 1427-1501.) The affidavit of service filed by Reorganized Holdings in connection with the Third Sanctions Motion does not indicate any attempt to comply with the Hague Convention. (*Id.*) Elafonissos did not appear in response to the Second Sanctions Motion.

17. On February 27, 2025, the Court entered an Order (the “February 27 Order”) in response to the Second Sanctions Motion, imposing monetary sanctions of \$1,000 per day upon certain of the Ordered Parties, though not Elafonissos, and reserving Reorganized Debtors’ rights to seek additional sanctions against those parties. (Dkt. No. 1495 ¶ 1 at 10.)

18. On March 13, 2025, the Court entered the March 13 Order, imposing monetary sanctions of \$5,000 per day on a group of the Ordered Parties (referred to in the March 13 Order as the “Violating Parties”), now including Elafonissos, ordering them to withdraw all filings in certain judicial proceedings ongoing in Greece and Liberia, and enjoining them “from making any

filings in any court seeking to oppose or undermine in any way the judicial recognition of the Confirmation Order . . . .” (Dkt. No. 1537 ¶¶ 1-3, Ex. 1.)

### **ARGUMENT**

#### **A. The Motion is Timely**

19. Bankruptcy Rule 9024 makes FRCP 60 applicable to cases brought under the Bankruptcy Code with several exceptions not applicable here. Fed. R. Bankr. P. 9024. A motion for relief from an order or judgment for being void must be made “within a reasonable time.” Fed. R. Civ. P. 60(c)(1). Courts in the Second Circuit are “exceedingly lenient in defining the term ‘reasonable time,’ with respect to voidness challenges.” “*R*” *Best Produce, Inc. v. DiSapio*, 540 F.3d 115, 124 (2d Cir. 2008) (quoting *Beller & Keller v. Tyler*, 120 F.3d 21, 24 (2d Cir. 1997)); *see also Luo v. Kaiyi Inc.*, 18-CV-3101 (JMF), 2024 WL 4904644, at \*2 (S.D.N.Y. Nov. 27, 2024) (“[I]t has been oft-stated that, for all intents and purposes, a motion to vacate a default judgment as void may be made at any time.”) (quoting *Beller & Keller*, 120 F.3d at 24). Where, as here, a party moves on the ground of voidness under FRCP 60(b)(4), federal courts have found near uniformly that no time limit applies. *See, e.g.*, 11 Wright & Miller, Federal Practice & Procedure § 2866 & (3d ed. 2024) (explaining that the “reasonable time” limitation “does not apply to a motion under clause (4) attacking a judgment as void. There is no time limit on a motion of that kind.”) & n. 4 (citing cases).

20. Here, Elafonissos has brought the Motion within a “reasonable time.” The Motion was filed within 14 days of the March 13 Order (the first Order imposing monetary sanctions on Elafonissos) and within fewer than 60 days from the January 29 Order, the first Order imposing affirmative obligations upon Elafonissos. Because a motion to vacate for voidness may be made “at any time,” courts routinely find timely such motions made years after entry of a judgment or order. *See, e.g., Central Vt. Pub. Serv. Corp. v. Herbert*, 341 F.3d 186, 188-89 (2d Cir. 2003)

(finding bankruptcy and district courts erred in finding motion to vacate bankruptcy court injunction untimely where movant filed motion more than four years after entry despite knowledge of its entry).

21. Further, Elafonissos was under no obligation to appear and raise lack of personal jurisdiction as a defense to the Sanctions Motions when the motions were made. “A defendant is always free to ignore the judicial proceedings, risk a default judgment, and then challenge that judgment on jurisdictional grounds” under FRCP 60(b)(4). “*R” Best Produce, Inc.*, 540 F.3d at 123 (quoting *Ins. Corp. of Ireland, Ltd. v. Compagnie des Bauxites de Guinee*, 456 U.S. 694, 706 (1982)).

22. Having not previously appeared in this action and raised the issue of the Court’s lack of personal jurisdiction over it, Elafonissos may now move under FRCP 60(b)(4), made applicable by Bankruptcy Rule 9024, to vacate the Orders as applied to it, and the Motion is timely.

**B. The Orders Are Void as to Elafonissos Because the Court Lacks Personal Jurisdiction Over Elafonissos**

23. The Court entered the Orders without personal jurisdiction over Elafonissos because (1) Elafonissos was not served with process in accordance with Bankruptcy Rule 7004, and (2) Elafonissos does not have sufficient contacts with the U.S. such that the Court can exercise jurisdiction over it. As a result, the Orders are void and must be vacated as to Elafonissos.

24. “[P]ersonal jurisdiction is fundamental to a court’s power to adjudicate a case” and “[i]t is well established that a court may not grant an ‘injunction over a party over whom it does not have personal jurisdiction.’” *Sec. Investor Protection Corp. v. Bernard L. Madoff Inv. Sec. LLC*, Nos. 12-mc-115(JSR), 12-cv-5597(JSR), 2013 WL 4077586, at \*3 (S.D.N.Y. Aug. 2, 2013) (“*Madoff II*”) (quoting *Hyundai Mipo Dockyard Co. v. AEP/Borden Indus.*, 261 F.3d 264, 270 (2d Cir. 2001)). Indeed, even the automatic stay—an injunction that is fundamental to the

administration of the bankruptcy estate—while widely recognized as having extraterritorial reach, cannot be enforced against foreign parties over whom the bankruptcy courts lack personal jurisdiction. *Sec. Inv. Protection Corp. v. Bernard L. Madoff Inv. Sec. LLC*, 474 B.R. 76, 82 (Bankr. S.D.N.Y. 2012) (“*Madoff I*”) (“[A] bankruptcy court can enforce the automatic stay extraterritorially only against entities over which it has *in personam* jurisdiction.”).

25. Further, the Court has no discretion to deny the Motion if it lacked personal jurisdiction over Elafonissos when it entered the Orders. “Rule 60(b)(4) ‘is unique . . . because relief is not discretionary and a meritorious defense is not necessary.’” *Irvin v. Harris*, 944 F.3d 63, 68 (2d. Cir. 2019) (quoting *Covington Indus., Inc. v. Resintex A.G.*, 629 F.2d 730, 733 n. 3 (2d Cir. 1980)). “[I]f the underlying judgment is void for lack of jurisdiction, ‘it is a *per se* abuse of discretion . . . to deny a movant’s motion to vacate the judgment under Rule 60(b)(4).’” *City of New York v. Mickalis Pawn Shop, LLC*, 645 F.3d 114, 138 (2d Cir. 2011) (quoting *Burda Media, Inc. v. Viertel*, 417 F.3d 292, 298 (2d Cir. 2005)).

**1. The Court Lacked Personal Jurisdiction Over Elafonissos in Entering the Orders Because Reorganized Holdings Chose Not to Properly Effectuate Service Under the Hague Convention**

26. *First*, the Orders are void as to Elafonissos because Elafonissos was not properly served. *See Baliga ex rel. Link Motion Inc. v. Link Motion Inc.*, 385 F. Supp. 3d 212, 218 (S.D.N.Y. 2019) (explaining that court could not hold party in contempt for violating injunction where party was not properly served); *see also Ray v. Choueka*, 683 F. Supp. 3d 427, 430 (S.D.N.Y. 2023) (explaining “a Court must have personal jurisdiction over a defendant to enter a default judgment, and personal service requires proper service of process” and that a judgment “obtained by way of defective service is void *ab initio*[.]”) (internal quotation omitted).

27. The Sanctions Motions were brought pursuant to Bankruptcy Rule 9020, which provides that “Rule 9014 governs a motion for a contempt order . . . .” (Dkt. Nos. 1268 at 1; 1416

at 1; 1459 at 1.) Bankruptcy Rule 9014 governs contested matters, and requires that motions thereunder “shall be served in the manner provided for service of a summons and complaint by Rule 7004[.]” Fed. R. Bankr. P. 9014(b). Bankruptcy Rule 7004, in turn, incorporates FRCP 4(f) and (h), which govern the service of individuals and corporations outside of the U.S. *See In re Hawker Beechcraft, Inc.*, 486 B.R. 264, 283 (Bankr. S.D.N.Y. 2013).

28. Pursuant to FRCP 4(f) and 4(h), “[s]ervice pursuant to the Hague Convention is mandatory when serving a foreign defendant in a signatory country.” *In re Advance Watch Co., Ltd.*, 587 B.R. 598, 603 (Bankr. S.D.N.Y. 2018) (internal quotation omitted); *see also Smart Study Co., Ltd. v. Acuteye-Us*, 620 F. Supp. 3d 1382, 1389 (S.D.N.Y. 2022) (“Compliance with the [Hague] Convention is mandatory in all cases to which it applies.”) (quoting *Volkswagenwerk Aktiengesellschaft v. Schlunk*, 486 U.S. 694, 705 (1988)).

29. It is indisputable that Reorganized Holdings failed to serve Elafonissos in accordance with the Hague Convention, to which Greece is a signatory, and that its service upon Elafonissos of the Sanctions Motions therefore did not fulfill the requirements of Bankruptcy Rule 7004. The Court need look no further than Reorganized Holdings’ own sworn admissions representing that service of the Sanctions Motions upon Elafonissos was attempted solely by email and first-class mail in Greece. (*See* Dkt. Nos. 1281, 1427-1429, 1501.) Email and regular mail service upon a party residing in Greece is plainly insufficient under the Hague Convention.

30. Elafonissos’s principal offices are in Greece, where service was attempted by email and first-class mail. *See* Zilakos Decl. ¶ 3. Both Greece and the U.S. are signatories to the Hague Convention. *See Daskin v. Knowles*, 193 A.3d 717, 724 (Del. 2018) (“Both the United States and Greece have ratified or acceded to the [Hague] Convention.”). Under the Hague Convention, “service by mail is permissible if two conditions are met: first, the receiving state has not objected

to service by mail; and second, service by mail is authorized under otherwise-applicable law.”  
*Water Splash, Inc. v. Menon*, 581 U.S. 271, 284 (2017).

31. Greece, however, “objects to service of process via mail” under the Hague Convention, and service by mail is therefore not proper service upon an entity in Greece. *See Daskin*, 193 A.3d at 724; *see also* United States Department of State – Bureau of Consular Affairs, Judicial Assistance Country Information for Greece, *available at* <https://travel.state.gov/content/travel/en/legal/Judicial-Assistance-Country-Information/Greece.html> (last accessed March 27, 2025) (noting that Greece is a party to the Hague Convention but does not allow service of process by mail).

32. Nor has Greece acceded to direct service by email as a means of service of process under the Hague Convention. *See* Greece – Central Authority & Practical Information, Hague Conference on Private International Law, *available at* <https://www.hcch.net/en/states/authorities/details3/?aid=258> (last accessed March 27, 2025) (explaining under “Methods of Service” that “[t]he service of judicial and extrajudicial documents is executed by virtue of an order of the competent Public Prosecutor . . . of the district where the person being served is resident” and that, subsequently, “service of documents is performed by a process server.”); *see also Smart Study*, 620 F. Supp. 3d at 1396 (holding that where a signatory country objects to mail service and does not expressly allow for email service, email service is not proper under Hague Convention).

33. Reorganized Holdings’ failure to effect proper service ends the inquiry. Because Reorganized Holdings chose to take a shortcut, rather than comply with the Hague Convention, in serving Elafonissos, the Court lacked personal jurisdiction over Elafonissos with regard to the Sanctions Motions and the Orders are void as to them. *See Ray*, 683 F. Supp. 3d at 430 (judgment



entered without personal jurisdiction is void). Inconvenient or not, Reorganized Holdings' failure to follow the rules in serving Elafonissos deprives the Court of the discretion to deny Elafonissos's Motion, regardless of the merits of the Sanctions Motions. *Irvin*, 944 F.3d at 68.

**2. The Court Lacked Personal Jurisdiction Over Elafonissos in Entering the Orders Because the Exercise of Jurisdiction Is Inconsistent With Due Process**

34. Even if Reorganized Holdings effectuated service under the Hague Convention—which it never so much as attempted to do—the Orders would still be void as to Elafonissos because exercising personal jurisdiction over it would be inconsistent with due process. “Rule 7004(f) provides that a bankruptcy court may exercise personal jurisdiction over a defendant properly served under Rule 7004, ‘[i]f the exercise of jurisdiction is consistent with the Constitution and laws of the United States.’” *Monica v. CEVA Grp. PLC (In re CIL Ltd.)*, 582 B.R. 46, 70 (Bankr. S.D.N.Y. 2018) (quoting Fed. R. Bankr. P. 7004(f)). Exercising personal jurisdiction must, accordingly, “be consistent with the Due Process Clause of the Fifth Amendment.” *Bickerton v. Bozel S.A. (In re Bozel S.A.)*, 434 B.R. 86, 97 (Bankr. S.D.N.Y. 2010). “That analysis has two components: (i) whether the defendants have the requisite ‘minimum contacts’ with the relevant forum such that the exercise of personal jurisdiction ‘does not offend traditional notions of fair play and substantial justice,’ and (ii) whether the exercise of jurisdiction is reasonable in the circumstances.” *Monica*, 582 B.R. at 70 (quoting *Int’l Shoe v. Wash.*, 326 U.S. 310, 316 (1945)).

35. Elafonissos does not have the requisite “minimum contacts” with the U.S. necessary for the Court to exercise personal jurisdiction over it. Courts distinguish between “general” and “specific” jurisdiction in applying the minimum contacts test. *See SPV Osus Ltd. v. UBS AG*, 882 F.3d 333, 343 (2d Cir. 2018). General jurisdiction arises from “the defendant’s general business contacts with the forum state and permits a court to exercise its power in a case

where the subject matter of the suit is unrelated to those contacts.” *Id.* (quoting *Met. Life Ins. Co. v. Robertson-Ceco Corp.*, 84 F.3d 560, 567 (2d Cir. 1996)). “Specific jurisdiction exists when a State exercises personal jurisdiction over a defendant in a suit arising out of or related to the defendant’s contacts with the forum[.]” *SPV Osus Ltd.*, 882 F.3d at 343 (quoting *Met Life Ins. Co.*, 84 F.3d at 567).

36. Elafonissos is, beyond question, not subject to general jurisdiction in the U.S. To be subject to general jurisdiction, a “corporation’s affiliations with the State [must be] so continuous and systematic as to render it essentially at home in the forum State.” *SPV Osus Ltd.*, 882 F.3d at 343 (quoting *Daimler AG v. Bauman*, 571 U.S. 117, 127 (2014)). Here, Elafonissos “is a Liberian Corporation with its principal offices in Greece” and “has no office, no employees, and no assets in the United States, and it does not conduct business in the United States.” Zilakos Decl. ¶¶ 2-3. Thus, like the foreign entities in *SPV Osus Ltd.*, which “lack[ed] any presence in New York at all,” the Court lacks general jurisdiction over Elafonissos. 882 F.3d at 343-44 (“[A]side from the truly exceptional case, a corporation is at home and subject to general jurisdiction only in its place of incorporation and principal place of business.”) (quoting *Brown v. Lockheed Martin Corp.*, 814 F.3d 619, 629 (2d Cir. 2016)).

37. Nor is Elafonissos subject to specific jurisdiction because the actions complained of by Reorganized Holdings—commencing litigation in Greece—are not directed at the U.S. “[T]he inquiry whether a forum State may assert specific jurisdiction over a nonresident defendant focuses on the relationship among the defendant, the forum, and the litigation.” *SPV Osus Ltd.*, 882 F.3d at 344 (quoting *Walden v. Fiore*, 571 U.S. 277, 283-84 (2014)). “[S]pecific jurisdiction is confined to adjudication of issues deriving from, or connected with, the very controversy that establishes jurisdiction.” *SPV Osus Ltd.*, 882 F.3d at 344 (quoting *GoodyearDunlop tires Ops.*,

*S.A. v. Brown*, 564 U.S. 915, 919 (2011)). “A court must look to ‘whether there was some act by which the defendant purposefully availed itself of the privilege of conducting activities within the forum State, thus invoking the benefits and protections of its laws.’” *SPV Osus Ltd.*, 882 F.3d at 344 (quoting *Goodyear*, 564 U.S. at 924). “[T]he defendant’s suit-related conduct must create a *substantial connection* with the forum State.” *SPV Osus Ltd.*, 882 F.3d at 344 (emphasis added) (quoting *Walden*, 571 U.S. at 284). “Specific jurisdiction . . . depends on an affiliation between the forum and underlying controversy, principally, *activity or occurrence* that takes place *in the forum State* and is therefore subject to the State’s regulation.” *Goodyear*, 564 U.S. at 919 (emphasis added).

38. The purported activities of Elafonissos complained of by Reorganized Holdings consist solely of activities undertaken in foreign courts, not in the U.S. (*See, e.g.*, Dkt. No. 1459 (Second Sanctions Motion) ¶ 9.) Far from alleging a “substantial connection” with the U.S., let alone a single “activity or occurrence” undertaken here by Elafonissos, the crux of Reorganized Holdings’ Sanctions Motions, as to Elafonissos, is that Elafonissos—a Liberian corporation operating in Greece with no U.S. activity—filed a petition in a foreign court. (*See id.*) Whether Elafonissos’s activities in Greece affect or relate in some way to these bankruptcy cases is irrelevant for the Court’s personal jurisdiction analysis. Indeed, in *Lehman Brothers Special Financing Inc. v. Bank of America National Association (In re Lehman Brothers Holdings Inc.)*, 535 B.R. 608, 623 (Bankr. S.D.N.Y. 2015), the court rejected the plaintiff’s argument that, because the complained of actions would constitute a violation of the automatic stay, the bankruptcy court had specific jurisdiction over the foreign defendant. It noted the cases the plaintiff relied upon uniformly held “that a court cannot enforce an *in rem* judgment against a foreign defendant unless the foreign defendant has the requisite minimum contacts with the United States.” *Id.*; *see also id.*

at 620 (“[T]he foreseeability of causing harm in the forum state, without more, is not enough to establish minimum contacts.”) (citing *Walden*, 571 U.S. at 289-90).

39. Critically, as is the case here, the court explained it “[could not] rest its finding of jurisdiction over the defendant on the very subject of the dispute.” *Lehman Bros.*, 535 B.R. at 624 (citing *Electra Aviation, Inc. v. European Org. for the Safety of Air Navigation (In re EAL (Delaware) Corp.)*, No. 93-578-SLR, 1994 WL 828320, at \*16 (D. Del. Aug. 3, 1994) (“Because the question of whether the automatic stay was violated is the underlying dispute in the case, the alleged violation cannot constitute the basis for personal jurisdiction.”)). Similarly, the mere fact that the subject of the dispute here is compliance with the Court’s Orders does not confer specific jurisdiction. Personal jurisdiction is a threshold issue and, regardless of the underlying issue being adjudicated, a court cannot enforce an order against a party over whom it lacks jurisdiction. *See Madoff I*, 474 B.R. at 82.

40. Finally, even if Elafonissos had the requisite “substantial connection” to the U.S. to exercise personal jurisdiction, the Court should not do so, as doing so would not be reasonable and would offend “traditional notions of fair play and substantial justice.” As set forth above, Elafonissos is a Liberian corporation doing business in Greece. It has no ties to the U.S. and the Orders enjoining and imposing sanction on it arise solely from its activities in Greece. Under these circumstances, a U.S. court enjoining and imposing sanctions on Elafonissos would not comport with “traditional notions of fair play and substantial justice.” *See Aqualine Cap. Partners LLC v. FinArch LLC*, 861 F. Supp. 2d 378, 391 (S.D.N.Y. 2012) (finding “mere fact” of “foreseeable consequences” in forum insufficient to comport with fair play and substantial justice standard).

**CONCLUSION**

For the foregoing reasons, the Court should grant the Motion and vacate the Orders as against Elafonissos as void.

Dated: March 27, 2025  
New York, New York

Respectfully submitted,

/s/ Lawrence M. Rolnick  
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*Counsel for Elafonissos Shipping Corporation*

**Exhibit A**

**Proposed Order**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

ELETSON HOLDINGS INC., *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No. 23-10322 (JPM)

(Jointly Administered)

**ORDER VACATING THE COURT’S PRIOR ORDERS OF  
JANUARY 29, 2025 AND MARCH 13, 2025 AS TO ELAFONISSOS SHIPPING  
CORPORATION PURSUANT TO FEDERAL RULE OF CIVIL PROCEDURE 60(b)4  
AND FEDERAL RULE OF BANKRUPTCY PROCEDURE 9024**

Upon the motion (the “Motion”)<sup>2</sup> of Elafonissos Shipping Corporation (“Elafonissos”) for entry of an order (this “Order”) granting Elafonissos relief from the Court’s Orders of January 29, 2025 (Dkt. No. 1402) (the “January 29 Order”) and March 13, 2025 (Dkt. No. 1537) (the “March 13 Order” and, together with the January 29 Order, the “Orders”) pursuant to Federal Rule of Civil Procedure 60(b)(4), made applicable to this proceeding by Federal Rule of Bankruptcy Procedure 9024, because the Orders are void as to Elafonissos for lack of personal jurisdiction; this Court having jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having found that proper and adequate notice of the Motion and the relief requested therein has been provided; and any objections (if any) to the Motion having been withdrawn or overruled on the merits; and a hearing having been held to consider the relief requested in the Motion; and upon the record of the hearing and all of the proceedings had before this Court; and this Court having found and determined that

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<sup>1</sup> The Debtors in these chapter 11 cases are: Eletson Holdings Inc., Eletson Finance (US) LLC, and Agathonissos Finance LLC. The address of the Debtors’ corporate headquarters is 118 Kolokotroni Street, GR 185 35 Piraeus, Greece. The Debtors’ mailing address is c/o Eletson Maritime, Inc., 1 Landmark Square, Suite 424, Stamford, Connecticut 06901.

<sup>2</sup> Capitalized terms not otherwise defined herein are to be given the meanings ascribed to them in the Motion.

the legal and factual bases set forth in the Motion establish just cause for the relief granted herein;  
and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The Orders are hereby vacated as against Elafonissos.

Dated:  
New York, New York

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HONORABLE JOHN P. MASTANDO III  
UNITED STATES BANKRUPTCY JUDGE



## **EXHIBIT B**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

ELETSON HOLDINGS INC., *et al.*,  
Debtors.<sup>1</sup>

Chapter 11

Case No. 23-10322 (JPM)

(Jointly Administered)

**DECLARATION OF IOANNIS ZILAKOS IN SUPPORT OF MOTION OF  
ELAFONISSOS SHIPPING CORPORATION FOR RELIEF FROM THE COURT'S  
ORDERS OF JANUARY 29, 2025, FEBRUARY 27, 2025, AND MARCH 13, 2025  
PURSUANT TO FEDERAL RULE OF CIVIL PROCEDURE 60(b)4 AND FEDERAL  
RULE OF BANKRUPTCY PROCEDURE 9024**

Ioannis Zilakos declares as follows under 28 U.S.C. § 1746:

1. I am a duly authorized representative of Elafonissos Shipping Corporation ("Elafonissos"). I submit this declaration in support of the Motion of Elafonissos Shipping Corporation For Relief From the Court's Orders of January 29, 2025, February 27, 2025, and March 13, 2025 Pursuant to Federal Rule of Civil Procedure 60(b)(4) and Federal Rule of Bankruptcy Procedure 9024 (the "Motion"). I am fully familiar with the facts set forth below and this Declaration is based on my own personal knowledge.

2. Elafonissos is a Liberian Corporation with its principal offices in Greece.

3. Elafonissos has no presence in the United States. Elafonissos has no office, no employees, and no assets in the United States, and it does not conduct business in the United States.

4. Prior to the Motion, Elafonissos has not appeared in this Bankruptcy matter.

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<sup>1</sup> The Debtors in these chapter 11 cases are: Eletson Holdings Inc., Eletson Finance (US) LLC, and Agathonissos Finance LLC. The address of the Debtors' corporate headquarters is 118 Kolokotroni Street, GR 185 35 Piraeus, Greece. The Debtors' mailing address is c/o Eletson Maritime, Inc., 1 Landmark Square, Suite 424, Stamford, Connecticut 06901.

5. I am not aware of any service or attempted service upon Elaфонισσος of the motion papers for the motions underlying the Court's Orders of January 29, 2025, February 27, 2025, and March 13, 2025, which are the subject of the Motion.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on: March 27, 2025  
Piraeus, Greece



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Ioannis Zilakos