

**quinn emanuel trial lawyers | new york**

295 5th Avenue, New York, New York 10016-7103 | TEL (212) 849-7000 FAX (212) 849-7100

April 2, 2025

**VIA ECF**

Honorable John P. Mastando III  
United States Bankruptcy Court for the  
Southern District of New York  
One Bowling Green  
New York, NY 10004-1408

Re: *In re Eletson Holdings Inc., et al.*, Case No 23-10322 (JPM)

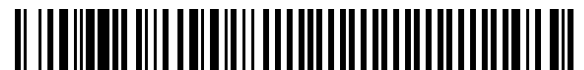
Your Honor:

I am writing on behalf of Levona Holdings to further supplement my responses to Your Honor's questions at the March 3, 2025 hearing on Levona's Motion To Enforce The Stipulated Stay Relief Order And For Sanctions (ECF 1367) concerning the adverse impact to Eletson Gas's business as a result of the Purported Preferred Nominees' unauthorized exercise of control over the company following their purported changes to its share registry and board of directors (the "Purported Governance Changes").<sup>1</sup> See 3/3/25 Hr. Tr. at 54:12-55:16; see also ECF 1518 (Letter from I. Nesser to the Court regarding harm to Levona as a result of Purported Nominees' purported governance changes).

I am writing to inform the Court that, in pending litigation related to the possession of Eletson Gas ships, entities associated with the Purported Preferred Nominees have recently explicitly relied on their Purported Governance Changes as the basis for a claim that they control Eletson Gas. See Case No. 25-42 (S.D. Tex.), ECF 51 at 3–7 (falsely asserting that "[t]he Preferred Eletson Gas Directors were formally designated and appointed by the Preferred Holders via a February 26, 2024 written Notice of Removal and Appointment"); *id.* at 4 ("The Award and the SDNY Order are effective and enforceable as they currently stand, including the findings that the Cypriot Nominees have owned the Preferred Shares since March 11, 2022."); *id.* at 10 (falsely asserting that the preferred shares "still remain in the hands of the Cypriot Nominees, who continue to control Eletson Gas"); *id.* at 21 (falsely asserting that "the SDNY ha[s] already determined that the Preferred Shares were transferred to the [purported] Cypriot Nominees ... and those rulings

---

<sup>1</sup> Indeed, Judge Liman's March 24, 2025 Order stated that the Purported Governance Changes were improper actions that "reflect the relief [the Purported Preferred Nominees] believe they obtained through the Award and to authorize themselves to *enforce* it." Case No. 23-7331, ECF 295 at 16 n.8 (emphasis added).



have not been stayed, modified, or vacated”); Case No. 25-755 (S.D. Tex.), ECF 53 at 14 (falsely asserting that “Levona’s preferred shares in Eletson Gas were transferred to the Cypriot Nominees .... [and] [t]hat finding has been confirmed by the SDNY and has not been stayed, vacated, or modified.”). The foregoing filings are attached as Exhibits 1 and 2 to this letter.

The misrepresentations at issue not only double down on the Stay Relief Order violations that are *sub judice* in connection with Levona’s pending motion, but also harm Levona by undermining its legitimate ownership interests and rights in Eletson Gas, interfering with Levona’s ability to exercise control over Eletson Gas assets, and creating competing legal claims that threaten the value of Levona’s interests. Levona thus respectfully reiterates its request that the Court grant Levona’s motion by ordering the rescission of the Purported Governance Changes and imposing sanctions to prevent ongoing and future reliance on the Purported Governance Changes in other proceedings, *see* ECF 1476-1.

Respectfully submitted,

/s/ Isaac Nesser

Isaac Nesser

# EXHIBIT 1

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
CORPUS CHRISTI DIVISION

KITHNOS SPECIAL MARITIME  
ENTERPRISE, ELETSON HOLDINGS INC.,  
ELETSON CORPORATION, ELETSON GAS  
LLC,

*Plaintiffs,*

v.

M/V KITHNOS (IMO 9711523), her engines,  
tackle, equipment, and appurtenances, *in rem*,

and

FAMILY UNITY TRUST COMPANY,  
GLAFKOS TRUST COMPANY, LASSIA  
INVESTMENT COMPANY, ELAFONISSOS  
SHIPPING CORPORATION, KEROS  
SHIPPING CORPORATION, VASSILIS  
HADJIELEFThERiADiS, LASKARINA  
KARASTAMATI, VASSILIS E.  
KERTSIKOFF, VASILEIOS  
CHATZIELEFThERiADiS,  
KONSTANTINOS  
CHATZIELEFThERiADiS, IOANNIS  
ZILAKOS, ELENi KARASTAMATI,  
PANAGIOTIS KONSTANTARAS,  
EMMANOUIL ANDREOULAKIS, ELENi  
VANDOROU, *in personam*

*Defendants.*

C.A. No. 2:25-cv-00042

In Admiralty, Rule 9(h)

**KITHNOS SPECIAL MARITIME ENTERPRISE’S  
MOTION TO VACATE THE ARREST OF THE LPG/C KITHNOS**

COMES NOW Claimant Kithnos Special Maritime Enterprise (“Claimant” or “Kithnos SME”), on the authority of its lawful board of directors, and, subject to its Supplemental Rule E(8) restricted appearance, files this Motion to Vacate the Arrest of the LPG/C KITHNOS (“KITHNOS” or “Vessel”), and, in support of same, provides as follows:

I.  
**INTRODUCTION & SUMMARY OF ARGUMENT**

This suit is part of a multi-year shareholder dispute between (1) the affiliates of Murchinson Ltd. (“Murchinson”), a Canadian alternative management firm that specializes in distressed, corporate action, and structure finance situations, and (2) the Greek families that have operated Eletson’s fleet of vessels since its founding in 1966. The shareholder dispute boils down to who owns 100% of the preferred membership units in Eletson Gas LLC, which is the parent of Kithnos SME.

In this most recent salvo, Murchinson (appearing as Plaintiffs Eletson Holdings, Inc. (“Eletson Holdings”), Eletson Corporation (“Eletson Corp”), Eletson Gas, LLC (“Eletson Gas”), and Kithnos SME (collectively referred to as the “Murchinson Plaintiffs”)) claim that they are entitled to possession of the KITHNOS, a liquid petroleum gas carrier vessel that is bareboat chartered to Kithnos SME, a wholly-owned subsidiary of Eletson Gas.<sup>1</sup>

More specifically, the Murchinson Plaintiffs contend that their claimed 100% possession of the *common shares* of Eletson Gas vests the Murchinson Plaintiffs with control over Eletson Gas and Kithnos SME. **The principal problem with the Murchinson Plaintiffs’ claim is that they do not own or possess the preferred shares in Eletson Gas** (the “Preferred Shares”). According to the Eletson Gas LLCA,<sup>2</sup> the owners and holders of the Preferred Shares (the

---

<sup>1</sup> The Murchinson Plaintiffs have filed similar litigation regarding at least three other vessels under the Eletson Gas enterprise, including Case No. 4:25-cv-00755, *Kithara [sic] Gas Company, et al. v. M/V Kithira (IMO 9788978) and Family Unity Trust Company, et al.*; in the United States District Court for the Southern District of Texas (Houston Division); Case No. 6:25-cv-00016, *In re: M/V Ithacki (IMO 9788966)*; in the United States District Court for the Southern District of Texas (Victoria Division); No. 1:25-cv-00004, *Kinaros Special Maritime Enterprise, et al. v. M/V Kinaros, et al.*; in the United States District Court for the Southern District of Texas (Brownsville Division). Such suits are likewise improperly brought under the names of Eletson Gas, and the other respective Murchinson Plaintiffs.

<sup>2</sup> The “LLCA” or “Eletson Gas LLCA” refers to the August 16, 2019 Third Amended and Restated Limited Liability Company Agreement of Eletson Gas LLC. The LLCA is amended in part by the April 16, 2020 Amendment No. 1 to the Third Amended and Restated Limited Liability Company Agreement of Eletson Gas LLC (the “LLCA Amendment”).

“Preferred Holders”) are entitled to a majority of seats on the Eletson Gas board of directors (the “Eletson Gas Board”), which is responsible for the management and operations of Eletson Gas and its wholly-owned subsidiaries, including Kithnos SME.<sup>3</sup> Accordingly, to the extent that this suit, which effectively amounts to a shareholder dispute that is already pending elsewhere, is within the Court’s jurisdiction, the Murchinson Plaintiffs have acted without proper authority (standing) in bringing this suit, and the arrest must be vacated.

For purposes of this motion, the arrest should be vacated because, even assuming that Murchinson controls the common shares of Eletson Gas through control of Eletson Holdings, Murchinson does not control the Preferred Shares of Eletson Gas. Under the LLCA, the holders of the Preferred Shares functionally control Eletson Gas, and Murchinson cannot bring this action on its own.

While this shareholder dispute has a long and litigious history, the pertinent facts are simple and dispositive: Eletson Gas is a limited liability company whose membership is made up of common unit holders and preferred unit holders. The LLCA, as amended by the LLCA Amendment, provides that (i) the common unit holders may designate two seats on the Eletson Gas Board, (ii) the Preferred Holders may designate three seats on the Eletson Gas Board, and (iii) a sixth director shall be designated by the majority of the remaining directors.<sup>4</sup> The Eletson Gas Board may only act by majority vote, and there can be no majority without one or more of the Preferred Holders’ designated directors. Therefore, an act of the common unit holders alone, or their board designees, is not a valid act of Eletson Gas.

---

<sup>3</sup> Exhibit 1, LLCA § 3.3; Exhibit 2 § 1(c). The undersigned counsel has appeared on behalf of Kithnos SME in this suit pursuant to the instructions of the lawful board of directors of Kithnos SME, acting under the ultimate authority of the Cypriot Nominees (as defined in footnote 6).

<sup>4</sup> Exhibit 1, LLCA § 3.3; Exhibit 2 § 1(c).

Indeed, a JAMS arbitration has already taken place on the issue of who owns the Preferred Shares. In a September 29, 2023 Final Award (the “Award”),<sup>5</sup> the arbitrator, the Hon. Ariel E. Belen, found that the Preferred Shares were transferred to the Cypriot Nominees<sup>6</sup> as of March 11, 2022.<sup>7</sup> The Award was confirmed by order of the District Court for the Southern District of New York (the “SDNY”) in Case No. 23-cv-07331, *Eletson Holdings, Inc. and Eletson Corporation v. Levona Holdings Ltd.* (the “SDNY Case”) by that court’s February 9, 2024 Opinion and Order (as amended, the “SDNY Order”). See SDNY Case Docket Nos. 83<sup>8</sup>, 104<sup>9</sup>, 105<sup>10</sup>, and 268<sup>11</sup>. While the Award is the subject of a pending motion to vacate in front of the SDNY, the finding that the Preferred Shares were transferred to the Cypriot Nominees on March 11, 2022 has not been stayed or vacated and it has not been modified as to the ownership of the Preferred Shares. The Award and the SDNY Order are effective and enforceable as they currently stand, including the findings that the Cypriot Nominees have owned the Preferred Shares since March 11, 2022.

This suit was filed by the Murchinson Plaintiffs, purporting to act on behalf of Eletson Gas and its subsidiary, Kithnos SME.<sup>12</sup> The Complaint makes many factual assertions about the

---

<sup>5</sup> A true and complete copy of the Award is attached hereto as Exhibit 3.

<sup>6</sup> The Cypriot Nominees are Fentalon Limited, Desimusco Trading Limited, and Apargo Limited.

<sup>7</sup> The arbitrator found that “the preferred interests in the Company were transferred to the Preferred Nominees, effective as of March 11, 2022, and the Preferred Nominees are permitted transferees under the LLCA.” SDNY Order, p. 87 (citing the Award). The Award refers to Eletson Gas as “the Company” and to the preferred shares or preferred units in Eletson Gas as the “Preferred Interests.”

<sup>8</sup> Exhibit 4, SDNY Case Docket No. 83.

<sup>9</sup> Exhibit 5, SDNY Case Docket No. 104.

<sup>10</sup> Exhibit 6, SDNY Case Docket No. 105.

<sup>11</sup> Exhibit 7, SDNY Case Docket No. 268.

<sup>12</sup> Section 3.3 of the LLCA entitles the Eletson Gas Board to appoint directors to Eletson Gas’s subsidiaries, including Kithnos SME. Exhibit 1, LLCA § 3.3(c). Pursuant to the governing documents of Kithnos SME, directors must then be elected by Kithnos SME’s shareholders. See Exhibit 8 hereto, Deed of Shipping Company Establishment According to the Type of Special Maritime Enterprise with Corporate Name “Kithnos Special Maritime Enterprise” (the “Kithnos SME Deed”), pp. 7-8.

ownership and governance of Eletson *Holdings*, which is the common unit owner of Eletson *Gas*, but omits the existence of the preferred share owners in order to imply that Eletson Holdings controls the board of Eletson Gas. This is both misleading and untrue.

The present legal status of the parties' dispute is that (i) by its mere ownership of common shares in Eletson Gas, Eletson Holdings is not entitled to act unilaterally on behalf of Eletson Gas, (ii) the Award established that the Preferred Shares (which designate a majority of the Eletson Gas Board) were transferred to the Cypriot Nominees in March 2022, and that finding in the Award has been confirmed by the SDNY and is not stayed, vacated or modified as to such finding, and (iii) no Eletson Gas Board member designated by the Preferred Holders ever approved the Vessel's arrest or the filing of this suit. As a result of these three facts, which are not subject to reasonable dispute, the Vessel was arrested without the requisite corporate authority. The arrest should be vacated immediately. Moreover, given the egregiousness of the Murchinson Plaintiffs' bad-faith conduct, Kithnos SME is entitled to substantial damages for the Murchinson Plaintiffs' wrongful arrest of the Vessel.

## **II.**

### **FACTUAL BACKGROUND**

#### **A. Eletson Gas and Kithnos SME**

Eletson Gas was established in October 2013, pursuant to a joint venture between Eletson Holdings and affiliates of Blackstone, Inc. (collectively, "Blackstone"), a US-based alternative investment management company. A true and complete copy of the LLCA and the LLCA Amendment, which make up the current operating agreement for Eletson Gas, are attached hereto as Exhibit 1 and Exhibit 2, respectively. Eletson Gas eventually grew to consist of a fleet of 14 liquefied petroleum gas carrier (LPG/C) vessels, including the KITHNOS.



Blackstone was originally Eletson Gas's Preferred Holder, which is shown on the Register of units of interest in Eletson Gas included in the LLCA, and owned 100% of the Preferred Shares. Blackstone remained the holder of all Preferred Shares until Blackstone sold the Preferred Shares to Murchinson in 2021 for an initial investment of \$3 million. Murchinson created a special purpose vehicle, Levona Holdings, Ltd. ("Levona"), to hold the Preferred Shares transferred from Blackstone in 2021.

Shortly after Levona took possession of the Preferred Shares, discussions commenced for a buyout of the Preferred Shares by Eletson Gas or its nominees. Pursuant to the performance of the terms of a Binding Offer Letter dated February 22, 2022 (the "BOL"), Levona's interests in the Preferred Shares were transferred not to Eletson Gas but to the Cypriot Nominees as of March 11, 2022. In exchange, Levona received two of the 14 LPG/C vessels, the LPG/C SYMI and the LPG/C TELENDOS (worth at least \$23 million at the time) as well as an assignment of claims as collateral. About four months later, and in complete disregard of this transaction, Levona entered a July 15, 2022 Letter of Intent with Unigas, Eletson Gas's main competitor in the LPG market, to sell Eletson Gas's entire fleet of vessels for \$262 million.

The resulting shareholder dispute over ownership of the Preferred Shares was submitted to JAMS arbitration in accordance with the Eletson Gas LLCA. In the Award, the arbitrator found that "as of March 11, 2022, Levona had no membership interest in the Company,"<sup>13</sup> [and] that the Preferred Interests<sup>14</sup> were transferred to the Nominees."<sup>15</sup> SDNY Order, p. 115 (citing the Award). Levona presently has a pending motion in the SDNY Case contesting confirmation of the Award. However, the SDNY's finding that the Preferred Shares were transferred to the Cypriot Nominees

---

<sup>13</sup> The "Company" as used in the Award refers to Eletson Gas.

<sup>14</sup> The "Preferred Interests" as used in the Award refers to the Preferred Shares.

<sup>15</sup> The "Nominees" as used in the Award refers to the Cypriot Nominees.

as of March 11, 2022 remains effective because that finding in the Award and the SDNY Order have not been stayed, and such finding has not been modified or vacated.<sup>16</sup>

The current lawful Preferred Holders-appointed directors of Eletson Gas, who are the managers under the LLCA,<sup>17</sup> are: (1) Eleni Chatzieleftheriadi; (2) Konstantinos Kertsikoff; (3) Adrianos Psomadakis-Karastamatis; and (4) Maria Biniou (collectively, the “Preferred Eletson Gas Directors”). The Preferred Eletson Gas Directors were formally designated and appointed by the Preferred Holders via a February 26, 2024 written Notice of Removal and Appointment of New Directors to Eletson Gas LLC, a true and correct copy of which is attached hereto as Exhibit 9 (the “Cypriot Nominees’ Directors Appointment”).<sup>18</sup> Prior to the March 11, 2022 transfer of Levona’s ownership of the Preferred Shares to the Cypriot Nominees, Levona’s designees to the Eletson Gas Board were Adam Spears, Joshua Fenttiman, Mark Lichtenstein, and Eliyahu Hassett (collectively, the “Levona Former Directors”). After the March 11, 2022 transfer of the Preferred Shares to the Cypriot Nominees, Levona no longer had any rights to designate members of the Eletson Gas Board.<sup>19</sup> The current lawful officers of Eletson Gas are: (1) Vasileios Kertsikoff (Chairman, President and Treasurer); and (2) Laskarina Karastamati (Secretary). Pursuant to the laws of the Marshall Islands, where Eletson Gas is incorporated, the current membership, managers, directors, and officers are confirmed by the Certificate of Incumbency attached hereto as Exhibit 10.

---

<sup>16</sup> While Levona continues to challenge the Award via a pending motion to vacate the Award in the SDNY Case, no ruling has been made and discovery on Levona’s motion has been stayed as of December 30, 2024. The Award, as modified by the SDNY Order, still stands as of the date of this Motion. There is not a single arbitration award, court decision, or other authority proving that the Murchinson Plaintiffs are now the rightful holders of the Eletson Gas Preferred Shares or are otherwise in control of Kithnos SME and, thus, the Vessel’s bareboat charterer.

<sup>17</sup> Exhibit 1, LLCA § 3.1(a) and 3.3(a).

<sup>18</sup> As discussed below, the replacement of the Levona Former Directors on the Eletson Gas Board as late as February 26, 2024, happened *before* Holdings purportedly designated its two directors to the Eletson Gas Board on November 29, 2024, which shows that the narrative advanced by the Murchinson Plaintiffs in the Complaint and through Exhibit 11 to the Complaint is false.

<sup>19</sup> See Award, Exhibit 3, pp. 45-46.

As explained below, the Eletson Holdings bankruptcy case and confirmed chapter 11 plan did not change the makeup or governance of Eletson Gas, its board of directors, its managers, or its officers, nor did they strip control over the Eletson Gas Board from the Preferred Holders. None of the Preferred Eletson Gas officers, directors, and/or managers have authorized the Murchinson Plaintiffs, including but not limited to Murchinson's purported "Eletson Gas", to arrest the Vessel or bring this suit.

Kithnos SME is the bareboat charterer of the Vessel. *See* Doc. 2, Exhibit 1. The current lawful board of directors of Kithnos SME, serving pursuant to the ultimate authority of the Cypriot Nominees, are: (1) Vasileios Kertsikoff (President); (2) Vasileios Chatzieleftheriadis (Vice President and Treasurer); and (3) Laskarina Karastamati (Secretary). No lawful director or officer of Kithnos SME has authorized the Murchinson Plaintiffs to arrest the Vessel or bring this suit. The "Kithnos SME" board of directors espoused by the Murchinson Plaintiffs was purportedly "appointed" without the proper and required input<sup>20</sup> of the Eletson Gas Preferred Holders (the Cypriot Nominees) and it has no legal authority to act on behalf of Kithnos SME, including but not limited to arresting the Vessel or the bringing of this suit.

## **B. The Eletson Holdings Bankruptcy**

Shortly before the JAMS evidentiary hearing of the shareholder dispute in respect of Eletson Gas, another Murchinson affiliate, Pach Shemen, LLC, purchased substantial debts of Eletson Holdings and, along with two other petitioning creditors (with Pach Shemen purportedly holding over \$183 million of the approximately \$213 million aggregate claims of the petitioners), initiated a Chapter 7 involuntary bankruptcy proceeding against Eletson Holdings, as well as two related entities, Eletson Finance (US) LLC ("Eletson Finance") and Agathonissos Finance, LLC

---

<sup>20</sup> Exhibit 1, LLCA § 3.3(c); Exhibit 8, Kithnos SME Deed, pp. 7-8.

(“Agathonissos Finance,” and collectively with Eletson Holdings and Eletson Finance, the “Debtors”), on March 7, 2023. The case was eventually converted to a Chapter 11 reorganization. On October 25, 2024 and November 4, 2024, a Chapter 11 Plan was confirmed which, among other things, provided for the cancellation of the existing equity of Eletson Holdings and the distribution of new shares in the “Reorganized” Eletson Holdings to creditors, including the Murchinson affiliates.

The Murchinson Plaintiffs repeatedly emphasize the following regarding the Chapter 11 Plan:

“Crucially, Section 5.2(c) providing that ‘on the Effective Date, all property in each Estate, including all Retained Causes of Action, and any property acquired by any of the Debtors, **including interests held by the Debtors in their respective non-Debtor direct and indirect subsidiaries and Affiliates shall vest in Reorganized Holdings...**’” *See* Complaint (Doc. 2), p. 7, ¶ 32.h. (emphasis in original); *id.* pp. 10-11, ¶ 45.

While it is undisputed that the Chapter 11 Plan includes this language, the problem for the Murchinson Plaintiffs is that the Preferred Shares were not property of the estates of Eletson Holdings or any other Debtor, or elsewhere in their respective corporate structures—because the Preferred Shares were not owned by any Debtor when the bankruptcy case was filed.<sup>21</sup> *See* 11 U.S.C. § 541(a) (The bankruptcy “estate is comprised of all the following property, wherever located and by whomever held: . . . all legal or equitable interests of the debtor in property as of the commencement of the case”). Rather, as a consequence of the BOL transaction, and as found in the JAMS Award, the Preferred Shares (i) were never owned by Eletson Holdings and (ii) had been transferred not to Eletson Gas but to the Cypriot Nominees about a year before Murchinson (Pach Shemen) initiated the involuntary bankruptcy proceedings, and thus they were not subject

---

<sup>21</sup> This fact is consistent with the bankruptcy schedules of assets and liabilities filed by Eletson Holdings, wherein Eletson Holdings listed its ownership of 100% of the common shares of Eletson Gas but did not list any ownership of the preferred shares of Eletson Gas.

to transfer, cancellation, or otherwise under the Chapter 11 Plan. They still remain in the hands of the Cypriot Nominees, who continue to control Eletson Gas and, through Eletson Gas, Kithnos SME.

The Murchinson Plaintiffs appear to argue that in gaining control over all of the common stock of Eletson Gas, they acquired control of the Eletson Gas Board. Paragraph 34 of the Complaint states: “On November 29, 2024, Plaintiff Eletson Holdings as the sole common shareholder in Plaintiff Eletson Gas removed all of its former appointee directors in that Plaintiff entity and appointed new directors.” While it is true that Eletson Holdings held all of the common shares of Eletson Gas at that time, that interest only entitled Eletson Holdings to replace its own two designees on the Eletson Gas Board—not to replace the entire Eletson Gas Board, which the Complaint incorrectly implies. The factual omissions of the Complaint on this issue are highlighted by the inclusion of the Common Unit Consent attached to the Complaint as Exhibit 11, which is also attached hereto as Exhibit 11 for the Court’s convenience. The Common Unit Consent states that as of November 29, 2024, the Eletson Gas Board includes the Levona Former Directors. *See* Exhibit 11. However, at least nine months before this self-serving document was created, the Levona Former Directors had already been validly removed from the Eletson Gas Board,<sup>22</sup> which action is formalized by the Cypriot Nominees’ Directors Appointment and recognized by the Marshall Islands. *See* Exhibits 9 & 10. Based on the Cypriot Nominees’ Directors Appointment, the Preferred Eletson Gas Directors have been on the Eletson Gas Board since at least February 26, 2024. Thus, the purported directors listed on Exhibit 11 to the Complaint—which was created

---

<sup>22</sup> The Cypriot Nominees, as successors to Blackstone’s original interests in Eletson Gas, are the “Designating Member” under section 303 of the LLCA. *See* Exhibit 1, LLCA § 12.6 (“This Agreement shall inure to the benefit of the Members...and shall be binding upon the parties, and, subject to Section 10.2, their respective successors, [and] permitted assigns...”) and § 3.3 (“Only the Designating Member who originally designated a Director may remove such Director...”).

November 29, 2024—are not the Eletson Gas Board. Any action taken by this invalid group of Murchinson Plaintiffs’ designees is not a valid act of Eletson Gas, including the arrest of the Vessel and the filing of this suit.

The reorganization of Eletson Holdings did not give Eletson Holdings more powers than it had under the Eletson Gas LLCA and did not empower Eletson Holdings to remove the Eletson Gas directors originally designated by the Preferred Holders. Nor did these events remove the Eletson Gas LLCA provision that the Preferred Holders—not Eletson Holdings—are entitled to appoint the majority of board members of Eletson Gas’s subsidiaries, including Kithnos SME.<sup>23</sup>

### **C. The Arbitration and the Bankruptcy Stay Relief Order**

As detailed above, the Award issued by the arbitrator, the Hon. Ariel E. Belen, found that the Preferred Shares were transferred to the Cypriot Nominees on March 11, 2022 (about a year before the Eletson Holdings bankruptcy was initiated). This ruling has been confirmed by the SDNY. Completely ignoring these facts, the Murchinson Plaintiffs argue that the Cypriot Nominees are violating an April 11, 2023 stipulated stay relief order of the bankruptcy court (the “Stay Relief Order”) which lifted the automatic stay of 11 U.S.C. § 362 to allow the arbitration to proceed. The “Arbitration Parties” are defined in the Stay Relief Order as: (1) Eletson Holdings; (2) Eletson Corporation; and (3) Levona Holdings Ltd; the “Arbitration Parties” do not include the Cypriot Nominees or Eletson Gas. The Murchinson Plaintiffs’ unsubstantiated argument in the Complaint that the Cypriot Nominees are violating the Stay Relief Order is a red herring. The proper focus of this Court is that the Murchinson Plaintiffs have brought this suit without authority in blatant violation of the LLCA. In any event, the bankruptcy court is the proper court to interpret and enforce the Stay Relief Order, not this Court.

---

<sup>23</sup> Exhibit 1, LLCA § 3.3(c); Exhibit 8, Kithnos SME Deed, pp. 7-8.

**III.**  
**ARGUMENT & AUTHORITIES**

**A. Admiralty Law Does Not Govern Agreements Between Parties to Jointly Engage in Business, Even If the Business is Maritime in Nature**

This suit is essentially a shareholder dispute regarding control of Eletson Gas, and, in turn, Kithnos SME. The Murchinson Plaintiffs – wrongfully claiming authority via 100% of Eletson Gas’s common shares – have invalidly appointed their own purported boards of directors for Eletson Gas and Kithnos SME. The Cypriot Nominees – the holders of the Preferred Shares per the Award and the SDNY Order – had already lawfully appointed valid boards for Eletson Gas and Kithnos SME in accordance with the LLCA. In effect, the Murchinson Plaintiffs are asking this Court to determine which of the respective boards have authority to act on behalf of Eletson Gas and Kithnos SME pursuant to the LLCA and the Kithnos SME Deed. This falls outside of admiralty jurisdiction. Moreover, the LLCA requires a dispute resolution forum – arbitration – which has already been exercised, and further proceedings regarding the arbitration are ongoing. Although the Murchinson Plaintiffs may be unhappy with some of the findings of the JAMS arbitrator and the SDNY to date, admiralty jurisdiction is not available to the Murchinson Plaintiffs to attempt to usurp the already pending proceedings and bring another court into this dispute to potentially disrupt the binding conclusions of the arbitrator and SDNY, which properly has and continues to exercise jurisdiction over this shareholder dispute.

The fundamental interest giving rise to maritime jurisdiction is protection of maritime commerce. *Norfolk v. Southern Ry Co. v. James N. Kirby, Pty Ltd.*, 543 U.S. 14, 125 S. Ct. 385 (2004). The remedies contained in the Supplemental Rules for Admiralty and Maritime Claims (including Supplemental Rule D) do not create jurisdiction; they are dependent on jurisdiction otherwise established. *Cary Marine, Inc. v. Motorvessel Papillion*, 872 F. 2d 751, 754 (6th Cir.

1989). Corporate disputes, such as the one before this Court, are not cognizable in admiralty and do not support the maritime remedies of attachment and arrest of a vessel. *Stathos v. The Maro*, 134 F. Supp. 330 (E.D. Va. 1955); *The Managua*, 42 F. Supp. 381 (S.D.N.Y. 1941). The fact that Eletson Gas's wholly-owned subsidiary, Kithnos SME, is the bareboat charterer of the Vessel is merely incidental to the underlying corporate dispute and does not convert this into a maritime claim. "The mere fact that a ship is involved will not bring the cause within the jurisdiction of the admiralty court." *Richard Bertram & Co., v. The Yacht Wanda*, 447 F. 2d 966, 967-68 (5th Cir. 1971).

As early as the 1850s, US courts have been clear that an agreement to operate a business is not subject to the court's admiralty jurisdiction. In *Ward v. Thompson (The Detroit)*, the United States Supreme Court held that an agreement between parties to run a maritime business was not a maritime contract. 63 U.S. 330, 334 (1859). The parties in *The Detroit* jointly agreed to operate the steamboat Detroit, with one party contributing the vessel and the other his operational knowledge of the vessel. The Court held that if the two parties to the contract joined together to run the business, and if the profits were to be split between the participants, no admiralty jurisdiction exists. *Id.* at 334. "Of such a contract, a court of admiralty has no jurisdiction." *Id.*; see also *Turner v. Beacham*, 24 F. Cas. 346, 348 (C.C.D. Md. 1858) ("[A] contract to form a partnership to purchase a vessel, or to purchase anything else, is certainly not maritime; a court of admiralty has no right to decide whether such a contract was legally or equitably binding, nor to adjust the accounts and liabilities of the different partners. These questions are altogether outside of the jurisdiction of the court;"). The holding in *The Detroit* was not an anomaly; the Court held similarly three years earlier in *Vandewater v. Mills, Claimant of Yankee Blade*, 60 U.S. 82, 92



(1856). In *Vandewater*, the Court explained that merely because a business venture is maritime in nature, does not create admiralty jurisdiction. As the Court explained:

This is nothing more than an agreement for a special and limited partnership in the business of transporting freight and passengers between New York and San Francisco, and the mere fact that the transportation is by sea, and not by land, will not be sufficient to give the court of admiralty jurisdiction of an action for a breach of the contract. It is not one of those to which the peculiar principles or remedies given by the maritime law have any special application, and is the fit subject for the jurisdiction of the common-law courts. *Id.* at 92.

*See also The Managua*, 42 F.Supp. 382 (court lacked jurisdiction inasmuch as, although claim was denominated as petitory, possessory or licitation cause of action in admiralty, its main purpose was to settle a partnership dispute, after which vessels were to be delivered to partnership or partition sought); *Coutsodontis v. M/V ATHENA*, 2008 WL 4330236, at \* 1 (E.D. La. Sept. 16, 2008) (quashing a Supplemental Rule D arrest by a purported 50% owner of a vessel, finding that there was no admiralty jurisdiction to determine the rights of the co-venturers); *Economu v. Bates*, 222 F. Supp. 988, 992 (S.D.N.Y. 1963) (an agreement to enter into a joint venture or partnership to operate a vessel was not a maritime agreement); *J.A.R., Inc. v. M/V Lady Lucille*, 963 F.2d 96, 99–100 (5th Cir. 1992) (“The only reason title over The Lady Lucille is at issue is that her purchaser and her builder are arguing over the terms of their contract. Interpretation of that contract will determine who rightfully holds permanent title. **The fact that the parties have contractually agreed to pluck off the petals of this dispute and sort through them in arbitration does not change the identity of this action—that is, it does not transform a contract dispute into a maritime action. Characterizing the dispute before us as a ‘petitory’ action for title apart from the underlying contract dispute so that it can become ‘maritime’ and bestow**

**jurisdiction upon this court to determine who holds title while arbitration is in progress is, to say the least, grasping. We cannot oblige.”** (emphasis added).<sup>24</sup>

The courts in *Stathos*, 134 F. Supp 330 and *The Managua*, 42 F. Supp. 381, which were similarly faced with shareholder/partnership disputes that involved a vessel, reached the same conclusion. *Stathos* involved a joint venture between the plaintiff and a corporation, Maria Trading Corporation. Maria Trading was the legal title owner of the vessel, Maro. The corporation had no assets other than the vessel. Coincidentally, 500 shares of bearer stock were authorized by the corporation. Per agreement, the corporation was to transfer to the plaintiff or his designees 250 shares of stock “representing one-half interest in the Maria Trading Corporation and the S/S Maro.” *Stathos*, 134 F. Supp. at 331. The transfer did not take place and plaintiff filed a purported “possessory” action praying for the appointment of a trustee to manage the vessel and for an accounting of profits generated by her. Although a vessel was involved, the court found that the basis of the claim was a corporate stock dispute. The court held that the “primary purpose of this action is to require specific performance of the agreement to transfer stock of Maria Trading Corporation. It is the opinion of this Court that admiralty has no jurisdiction to entertain such a controversy.” *Stathos*, 134 F. Supp. at 332. Similarly, in *The Managua*, 42 F. Supp. 381, the plaintiff was a partner who invoked Supplemental Rule D to assert petitory and possessory claims as a result of his partnership’s alleged wrongful sale of four vessels, which were owned by the partnership, without the consent of the plaintiff. The court vacated the vessels’ arrest finding there was no admiralty jurisdiction, reasoning:

---

<sup>24</sup> See also *Fathom Expeditions, Inc. v. M/T Gavron*, 402 F. Supp. 390, 396 (M.D. Fla. 1975) (recognizing that contracts related to joint ventures or partnerships in maritime businesses are beyond the court’s admiralty jurisdiction).

[The dispute] clearly involves a partnership dispute cognizable in equity, and not in admiralty. The claim that the suit is one on a petitory, possessory and licitation cause of action cannot be sustained. Clearly, the main purpose is to settle a partnership dispute ....

Despite the Murchinson Plaintiffs' characterization of their claims under Supplemental Rule D, they are likewise derived from the shareholder dispute involving the LLCA. The Murchinson Plaintiffs' characterization of their claims as maritime is improper. The underlying dispute regarding the LLCA has been submitted to arbitration. The March 2022 transfer of the Preferred Shares to the Cypriot Nominees has been confirmed by both the JAMS arbitrator and the SDNY. While Murchinson has kept the door open to further challenge the transfer of the Preferred Shares in the SDNY Case, the Murchinson Plaintiffs should not be entitled to run to another forum in an attempt to overturn the previous findings of the arbitrator and the SDNY *which the Murchinson Plaintiffs are already challenging via a motion to vacate the Award in the SDNY Case*. Simply, this lawsuit entails a land-based shareholder dispute that is not cognizable in admiralty, and the Vessel's arrest must be vacated for that reason alone.<sup>25</sup>

**B. The Murchinson Plaintiffs Lack Standing to Bring This Suit and Lack Authority to Act on Behalf of Eletson Gas**

Standing is a constitutional requirement "that the plaintiff personally suffered some actual or threatened injury that can fairly be traced to the challenged action and is redressable by the

---

<sup>25</sup> The Murchinson Plaintiffs also bring a cause of action for conversion, but they contend that the arrest of the Vessel is simply pursuant to Rule D and not to enforce a claimed maritime lien or to seek security. *See* Doc. 2, ¶ 82. Thus, the Murchinson Plaintiffs' conversion cause of action should not be applicable to the arrest of the Vessel or this Motion. Moreover, even if the Murchinson Plaintiffs sought to enforce a purported maritime lien or obtain security in relation to their conversion cause of action, the alleged tort arises from the alleged breach of the non-maritime LLCA and, accordingly, does not support admiralty jurisdiction. *Gulf Coast Shell & Aggregate LP v. Newlin*, 623 F.3d 235, 240 (5th Cir. 2010) ("Neither the contract nor its breach are maritime in nature, and any torts arising therefrom are similarly non-maritime. A court of admiralty thus has no jurisdiction over this lawsuit."). The Murchinson Plaintiffs also assert a claim under the Declaratory Judgment Act, 28 U.S.C. § 2201. However, the Declaratory Judgment Act does not provide an independent basis for federal jurisdiction. *Provident Life & Accident Ins. Co. v. Transamerica-Occidental Life Ins. Co.*, 850 F.2d 1489, 1491 (11th Cir.1988). Accordingly, the lack of subject-matter jurisdiction over the Murchinson Plaintiffs' other claims requires a finding of no subject-matter jurisdiction over their declaratory-judgment claim for the same reason.

courts.” *Doe v. Tangipahoa Parish Sch. Bd.*, 494 F.3d 494, 496 (5th Cir. 2007). “Standing to sue must be proven, not merely asserted, in order to provide a concrete case or controversy and to confine the courts’ rulings within [their] proper judicial sphere.” *Id.* at 496-97. As set forth above in detail, the Murchinson Plaintiffs lack authority to act on behalf of Eletson Gas or Kithnos SME. The Cypriot Nominees own the Preferred Shares, and they – not the Murchinson Plaintiffs – control the commercial activities and operations of Eletson Gas and its wholly-owned subsidiary, Kithnos SME. As the Murchinson Plaintiffs lack standing to bring this suit and lack authority to act on behalf of Eletson Gas or Kithnos SME, even if there is admiralty jurisdiction, the arrest must be vacated and the suit dismissed.

**C. The Murchinson Plaintiffs Fail to Allege/Support Key Element of Possessory and Petitory Actions**

**1) The Murchinson Plaintiffs’ petitory action fails because they have no claim to legal title of the Vessel.**

“A petitory suit is utilized to assert legal title to a vessel, or to remove a cloud upon one’s title...” *Trueman v. Historic Steamtug N.Y.*, 120 F. Supp. 2d 228, 232-33 (N.D.N.Y. 2000) (citing *Wehr v. Pheley*, 2000 U.S. Dist. LEXIS 2375, \*3 (N.D. Cal. Feb. 16, 2000)). In order to bring a petitory action, the plaintiff must assert legal title. Assertion of a merely equitable interest is insufficient. *See* Thomas J. Schoenbuam, 2 Admiralty and Maritime Law § 21-4 (2d ed. 1994). (citing *Jones v. One Fifty-Foot Gulfstar Motor Sailing Yacht*, 625 F.2d 44 (5th Cir. 1980)); *Silver v. The Sloop Silver Cloud*, 259 F. Supp. 187, 191 (S.D.N.Y. 1966).

In this case, the Murchinson Plaintiffs have no good faith basis to claim legal title to the Vessel through their ownership of only the common shares of Eletson Gas. As set forth above, the Cypriot Nominees control the Eletson Gas Board. Kithnos SME, the bareboat charterer of the Vessel and a wholly-owned subsidiary of Eletson Gas, is likewise under the control of a board of

directors appointed by the Cypriot Nominees in their lawful exercise of their rights under the Eletson Gas LLCA. Murchinson and Eletson Holdings have no legal title to the Vessel or any other right to initiate this arrest action. As a result, the petitory action must fail.

**2) The Murchinson Plaintiffs’ possessory action is defeated by the fact that the Murchinson Plaintiffs never had prior actual or constructive possession of the Vessel.**

As the term indicates, a possessory action is one in which a party seeks to be placed in possession of a vessel. Such actions often involve claims by vessel owners against charterers who refuse to redeliver vessels, and they always require that the claimant had prior possession of the vessel. *See* William A. Durham, “*We Just Want Our Ship Back*” - *Action for Possession in Admiralty*, 15 TUL. MAR. L.J. 47, 49 (1990). “[A possessory action] is brought to *reinstate* an owner of a vessel who alleges wrongful deprivation of property. This statement indicates that the action is one to recover possession rather than to obtain original possession.” *Silver v. Sloop Silver Cloud*, 259 F. Supp. 187, 191 (N.D.N.Y. 1966). A possessory action “must be brought by the vessel owner, who must seek to *recover* possession rather than to obtain original possession, and the complainant must allege wrongful deprivation of property.” *Offshore Express, Inc. v. Bergeron Boats, Inc.*, 1978 AMC 1504, 1506 (E.D. La. 1977) (emphasis added). While constructive possession – the power to exercise dominion and control of the vessel – may be sufficient to satisfy the prior possession requirement, in the present case the Murchinson Plaintiffs have never had possession of the Vessel of any kind. Neither the Vessel nor any title/rights as bareboat charterer to the Vessel were ever delivered to the Murchinson Plaintiffs, who, as set forth above, have willfully and wrongfully alleged they have authority to act on behalf of Eletson Gas and Kithnos SME.<sup>26</sup> Thus, the possessory action is without foundation and must be dismissed.

---

<sup>26</sup> Additionally, Supplemental Rule D remedies have only been recognized as available to the owner or bareboat charterer of a vessel. *See Gulf Coast Shell*, 623 F.3d at 239 (“[A]dmiralty has jurisdiction in a possessory suit by

**D. The Murchinson Plaintiffs' Arrest of the Vessel Is in Bad Faith, Requires Vacatur of the Arrest, and Mandates an Award of Damages, Attorneys' Fees, and Costs Under the Circumstances**

Kithnos SME respectfully requests leave to file a motion amplifying the reasons why this Court should award damages, attorneys' fees, and costs against the Murchinson Plaintiffs for their wrongful arrest of the Vessel, and to quantify the damages Kithnos SME has sustained as a result of the Murchinson Plaintiffs' actions. "It is an established principle of maritime law that one who suffers a wrongful arrest may recover damages from the party who obtained the arrest, provided he proves that such party acted in bad faith." *See Furness Withy (Chartering), Inc., Panama v. World Energy Sys. Assocs., Inc.*, 854 F.2d 410, 411 (11th Cir. 1988). To recover for wrongful arrest of a vessel, there must be (1) no bona fide claim against the vessel and (2) a showing of bad faith, malice, or gross negligence of the offending party. *Comar Marine, Corp. v. Raider Marine Logistics*, 792 F.3d 564, 574-75 (5th Cir. 2015); *Frontera Fruit Co. v. Dowling*, 91 F.2d 293, 297 (5th Cir. 1937) ("The gravamen of the right to recover damages for wrongful seizure or detention of vessels is the bad faith, malice, or gross negligence of the offending party.").

The Murchinson Plaintiffs' conduct clearly indicates bad faith. Specifically, the Murchinson Plaintiffs orchestrated this arrest in bad faith for the purpose of imposing commercial pressure on Kithnos SME. In abusing the Supplemental Admiralty Rules, the Murchinson Plaintiffs obtained the arrest of the Vessel with full knowledge that the substantive rights they claim are not theirs to assert. The damages to Kithnos SME from this arrest are substantial and will continue as long as the Vessel remains under seizure. Kithnos SME is currently preparing a

---

the legal owner of a vessel who has been wrongfully deprived of possession.") (citation omitted); *The Nellie T*, 235 Fed. 117 (C.C.A.2 1916) (recognizing the right of a bareboat charterer to bring a possessory suit to regain possession of a vessel that had been temporarily withdrawn by the owners for repairs and not returned even though the charter party had not yet expired). As Eletson Holdings, Eletson Corp, and Eletson Gas clearly are not the owner or bareboat charterer of the Vessel, any arrest of the Vessel on their behalf is improper and cannot stand.

summary of the damages it has incurred – and continues to incur – as a result of the Murchinson Plaintiffs’ blatantly wrongful conduct, and, accordingly, respectfully request the opportunity to present same for this Court’s further consideration.

**E. Kithnos SME Is Entitled to an Expedited Hearing**

The Murchinson Plaintiffs cannot demonstrate sufficient grounds to support the extraordinary remedies available under Supplemental Rule D, and an expedited Supplemental Rule E(4)(f) hearing is required. Supplemental Rule E(4)(f) provides any person whose property has been attached under Supplemental Rule D an immediate opportunity to appear before a district court to contest the attachment: “Whenever property is arrested or attached, any person claiming an interest in it shall be entitled to a prompt hearing at which the plaintiff shall be required to show why the arrest or attachment should not be vacated or other relief granted consistent with these rules.” FED. R. CIV. P. SUPP. R. E(4)(f). This rule – which puts the burden on the plaintiff – is necessary to give a respondent its day in court after a plaintiff has obtained *ex parte* relief, outside of the adversarial system with minimal oversight, to seize another’s property. Given the extreme deficiencies in the Murchinson Plaintiffs’ claims, Kithnos SME respectfully seeks to enforce this right to an expedited hearing.

**IV.  
CONCLUSION**

This suit amounts to an improper attempt to invoke admiralty jurisdiction and its extraordinary remedies in order to disregard and usurp the already pending shareholder dispute which has been adjudicated by the arbitration Award and confirmed in relevant part by the SDNY that involve a shareholder dispute over the land-based LLCA. The Murchinson Plaintiffs’ improper and wrongful efforts to use this suit to avoid the unfavorable results that have come to them from those proceedings to date should not be countenanced.

Even if the Court finds it has admiralty jurisdiction over this dispute, the Murchinson Plaintiffs have failed to demonstrate their authority or standing to bring this suit and the existence of a *prima facie* claim/right to take possession of the Vessel pursuant to Supplemental Rule D. Thus, this Court should dismiss the Verified Complaint and vacate the arrest of the Vessel. Additionally, the Murchinson Plaintiffs have failed to allege and cannot establish even prior constructive possession or that they have any colorable claim as bareboat charterer of the Vessel.

The Murchinson Plaintiffs' attempts to establish that they control the Eletson Gas Board fail. The Complaint ignores the LLCA, the Kithnos SME Deed, and the existence of the Preferred Shares altogether. Under the LLCA, Eletson Holdings did not have the right to designate more than two of six directors on the Eletson Gas Board or to take unilateral action purportedly on behalf of the Eletson Gas Board. That lack of rights did not change after the confirmation of Eletson Holdings' chapter 11 plan of reorganization in the bankruptcy court. The Award and the SDNY have already determined that the Preferred Shares were transferred to the Cypriot Nominees as of March 11, 2022, and those rulings have not been stayed, modified, or vacated. Three of the six directors on the Eletson Gas Board may therefore only be designated by the Cypriot Nominees, who are the Preferred Holders—not Eletson Holdings or the Murchinson Plaintiffs—and no director designated by the Preferred Holders authorized the arrest of the Vessel or the bringing of this suit. Thus, any unilateral act taken by Eletson Holdings does not constitute an act of the Eletson Gas Board. The Murchinson Plaintiffs' attempts to take purported action on behalf of Eletson Gas and Kithnos SME are unlawful and in knowing violation of the LLCA.<sup>27</sup>

---

<sup>27</sup> Nothing in this Motion shall waive or shall be deemed to waive any rights of Kithnos SME, the Cypriot Nominees, the Eletson Gas Board, the Preferred Eletson Gas Directors, or any of their affiliates, directors, officers, agents, successors, or assigns with respect to the multiple disputes over the ownership and governance of Eletson Gas in any forum, whether in the United States or in any foreign country, and all the foregoing entities' and individuals' rights are reserved with respect to same.



The *ex parte* arrest of the Vessel was obtained in bad faith for the sole purpose of pressuring Kithnos SME to acquiesce to the Murchinson Plaintiffs' demands in separate legal proceedings, and to damage the business and reputation of Kithnos SME. The Murchinson Plaintiffs have withheld key facts from the Court regarding the underlying shareholder dispute involving the LLCA, including the critical circumstances regarding the legal, rightful, and current holders the Preferred Shares in Eletson Gas, which effectively vest Claimant with bareboat charterer control of the Vessel through Eletson Gas's wholly-owned subsidiary, Kithnos SME. Kithnos SME respectfully urges this Court to reject the Murchinson Plaintiffs' bad-faith use of Supplemental Rule D by vacating the arrest, dismissing the Verified Complaint, and permitting Claimant to further pursue damages, attorneys' fees, and costs against the Murchinson Plaintiffs for wrongful arrest.

Respectfully submitted,

By: /s/ Dimitri P. Georgantas

Dimitri P. Georgantas

State Bar No. 07805100

Federal I.D. No. 2805

[dimitri.georgantas@roystonlaw.com](mailto:dimitri.georgantas@roystonlaw.com)

Kevin P. Walters

State Bar No. 20818000

Federal I.D. No. 5649

[kevin.walters@roystonlaw.com](mailto:kevin.walters@roystonlaw.com)

Eugene W. Barr

State Bar No. 24059425

Federal I.D. No. 1144784

[eugene.barr@roystonlaw.com](mailto:eugene.barr@roystonlaw.com)

Blake E. Bachtel  
State Bar No. 24116055  
Federal I.D. No. 3479533  
[blake.bachtel@roystonlaw.com](mailto:blake.bachtel@roystonlaw.com)  
ROYSTON, RAYZOR, VICKERY & WILLIAMS, L.L.P.  
1415 Louisiana Street, Suite 4200  
Houston, Texas 77002  
Telephone: (713) 224-8380  
Facsimile: (713) 225-9945

**ATTORNEYS FOR CLAIMANT KITHNOS  
SPECIAL MARITIME ENTERPRISE**

OF COUNSEL:  
ROYSTON, RAYZOR, VICKERY & WILLIAMS, L.L.P.

**CERTIFICATE OF SERVICE**

I hereby certify that on the 11th day of March 2025, I served a true and correct copy of the foregoing pursuant to Rule 5 of the Federal Rules of Civil Procedure and/or via the CM/ECF Filing System and/or by depositing the same in the United States Mail, postage prepaid and properly addressed to all known counsel of record.

/s/ Dimitri P. Georgantas  
Dimitri P. Georgantas

# EXHIBIT 2

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

**KITHIRA GAS SHIPPING COMPANY,  
ELETSON HOLDINGS INC., ELETSON  
CORPORATION, ELETSON GAS LLC,**

***Plaintiffs,***

**v.**

**M/V KITHIRA (IMO 9788978), her engines,  
tackle, equipment, and appurtenances, *in rem*,**

**and**

**FAMILY UNITY TRUST COMPANY,  
GLAFKOS TRUST COMPANY, LASSIA  
INVESTMENT COMPANY, ELAFONISSOS  
SHIPPING CORPORATION, KEROS  
SHIPPING CORPORATION, LASKARINA  
KARASTAMATI, VASSILIS E.  
KERTSIKOFF, VASILEIOS  
CHATZIELEFThERIADIS,  
KONSTANTINOS  
CHATZIELEFThERIADIS, IOANNIS  
ZILAKOS, ELENI KARASTAMATI,  
PANAGIOTIS KONSTANTARAS,  
EMMANOUIL ANDREOULAKIS, ELENI  
VANDOROU, *in personam***

***Defendants.***

**C.A. No. 4:25-cv-00755**

**In Admiralty, Rule 9(h)**

**KITHIRA GAS SHIPPING COMPANY’S ANSWER TO PLAINTIFFS’  
AMENDED VERIFIED COMPLAINT AND COUNTERCLAIM**

COMES NOW, Kithira Gas Shipping Company (“Claimant”), as Claimant of the LPG/C  
KITHIRA and her tackle, equipment, and appurtenances (the “Vessel”), by its attorneys ROYSTON,  
RAYZOR, VICKERY & WILLIAMS, L.L.P., and expressly makes a restricted appearance as provided  
in Rule E(8) of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture

Actions to the Federal Rules of Civil Procedure, and, subject to its Supplemental Admiralty Rule E(8) restricted appearance, files this Answer and Counterclaim to the Amended Verified Complaint (“Complaint”) of Plaintiffs Kithira Gas Shipping Company, Eletson Holdings, Inc., Eletson Corporation, and Eletson Gas LLC (collectively the “Murchinson Plaintiffs”), and would respectfully show as follows:

#### **FIRST DEFENSE**

Claimant will show that the Complaint should be dismissed pursuant to Rule 12(b)(1) for lack of subject matter jurisdiction.

#### **SECOND DEFENSE**

Claimant will show that the Complaint should be dismissed pursuant to Rule 12(b)(2) for lack of personal jurisdiction.

#### **THIRD DEFENSE**

Claimant will show that the Complaint should be dismissed pursuant to Rule 12(b)(6) for failing to state a claim upon which relief can be granted.

#### **FOURTH DEFENSE**

Claimant will show that the Complaint was filed without valid corporate authority and in violation of the governing documents of Claimant, and Eletson Gas.

#### **FIFTH DEFENSE**

Claimant will show that the Complaint should be dismissed pursuant to Rule 12 (b)(7) for failure to join a necessary party.

#### **SIXTH DEFENSE**

Claimant answers the allegations contained in the Complaint in correspondingly numbered paragraphs as follows:

**PARTIES**

1. The allegations in Paragraph 1 are admitted.
2. The allegations in Paragraph 2 are admitted.
3. The allegations in Paragraph 3 are admitted.
4. The allegations in Paragraph 4 are admitted.
5. The allegations in Paragraph 5 are admitted.
6. The allegations in Paragraph 6 are denied.
7. The allegations in Paragraph 7 are admitted.
8. The allegations in Paragraph 8 are admitted.

**JURISDICTION AND VENUE**

9. The allegations set forth in Paragraph 9 of the Complaint are legal in nature and do not require a response from Claimant. To the extent any response may be required, Claimant denies the allegations in Paragraph 9. Claimant specifically denies that (i) this is a valid petitory and possessory action, and (ii) this shareholder dispute falls within the Court's admiralty subject matter jurisdiction.

10. The allegations set forth in Paragraph 10 of the Complaint are legal in nature and do not require a response from Claimant. To the extent any response may be required, Claimant denies the allegations in Paragraph 10.

11. The allegations set forth in Paragraph 11 of the Complaint are legal in nature and do not require a response from Claimant. To the extent any response may be required, Claimant denies the allegations in Paragraph 11.

12. The allegations set forth in Paragraph 12 are denied.

13. The allegations set forth in Paragraph 13 of the Complaint are legal in nature and do not require a response from Claimant. To the extent any response may be required, Claimant denies the allegations in Paragraph 13.

14. Claimant admits the Vessel is currently within the district. The remaining allegations in Paragraph 14 are legal in nature and do not require a response from Claimant. To the extent any response may be required, Claimant denies the remaining allegations in Paragraph 14.

### **FACTS**

#### **A. The Parties and Contracts Involved**

15. Claimant denies that this lawsuit was filed with corporate authority because it was filed under the direction of individuals who are not officers, directors, managers, or controlling persons of Kithira Gas Shipping Company . Claimant is responding to this suit under the authority of the lawful directors of Kithira Gas Shipping Company and admits that Kithira Gas Shipping Company is the time charterer of the LPG/C KITHIRA. Claimant denies that the Murchinson Plaintiffs (purportedly Kithira Gas Shipping Company) have standing or corporate authority to bring the present action. The remainder of the allegations in Paragraph 15 reference an exhibit to the Complaint. The document speaks for itself. Claimant denies any allegation that goes beyond the document.

16. The allegations in paragraph 16 are denied.

17. The allegations in Paragraph 17(a-l) reference an exhibit (Exhibit 1) to the Complaint. The document speaks for itself. Claimant denies any allegation that goes beyond the document. However, with respect to Paragraph 17(a), there is no clause 2(d) in the Time Charter, and with respect to Paragraph 17(d), Clause 70 of the Time Charter does not relate to nationality of the crew members.

18. With respect to Paragraph 18, Claimant admits that all shares of Kithira Gas Shipping Company are owned by Eletson Gas, LLC (“Eletson Gas”). Any further allegations or implications beyond that, specifically that the Plaintiffs in this suit are acting with corporate authority on behalf of Kithira Gas Shipping Company or Eletson Gas, are denied.

19. With respect to Paragraph 19, Claimant admits that all common shares of Eletson Gas are controlled by Eletson Holdings, but denies the Complaint’s implication that such common shares are the only shares (or controlling shares) of Eletson Gas. Eletson Gas also issued preferred membership units (“the Preferred Shares”), the holders of which are Fentalon Limited, Desimusco Trading Limited, and Apargo Limited (collectively, the “Cypriot Nominees” or the “Preferred Holders”). The Preferred Holders control the Eletson Gas board of directors pursuant to the governing documents of Eletson Gas.<sup>1</sup>

20. The allegations set forth in Paragraph 20 are admitted.

21. The allegations in Paragraph 21 and references to the “Eletson entities” and “families” are vague, such that the Claimant is unable to admit or deny.

22. The allegations set forth in Paragraph 22 are admitted.

23. With respect to Paragraph 23, Claimant admits that Eletson Corp. is the manager of the vessel but denies that the Plaintiffs in this suit are acting with corporate authority on behalf of Eletson Corp. The remaining allegations in Paragraph 23 reference an exhibit to Plaintiffs’ Original Verified Complaint. The document speaks for itself. Claimant denies any allegation that goes beyond the document.

---

<sup>1</sup> The relevant governing documents of Eletson Gas are the August 16, 2019 Third Amended and Restated Limited Liability Company Agreement of Eletson Gas LLC (the “LLCA” or “Eletson Gas LLCA”). The LLCA is amended in part by the April 16, 2020 Amendment No. 1 to the Third Amended and Restated Limited Liability Company Agreement of Eletson Gas LLC (the “LLCA Amendment”).



24. The allegations in Paragraph 24 are denied to the extent pertinent to Claimant. To the extent not pertinent to Claimant, such allegations are denied for want of knowledge or information sufficient to form a belief as to their truth.

**B. The Bankruptcy of Plaintiff Eletson Holdings and Termination of Its Old Management**

25. The allegations in Paragraph 25 are admitted.

26. The allegations in Paragraph 26 are admitted.

27. The allegations in Paragraph 27 are admitted.

28. With respect to Paragraph 28, Claimant admits that the Chapter 11 Plan (as defined in the Complaint) provides for the rights offering as described.

29. The allegations in Paragraph 29 are denied.

30. With respect to Paragraph 30, Claimant admits that the Chapter 11 Plan, as confirmed by the Chapter 11 Order (as defined in the Complaint), provided for the cancellation of all equity in Eletson Holdings, which was the debtor in the Bankruptcy Case<sup>2</sup> “where permitted by applicable law”. [Plan § 5.4.] Claimant denies all remaining allegations in Paragraph 30.

31. With respect to Paragraph 31, Claimant denies that the allegations in Paragraph 31 “are the combined result” of the allegations of Paragraph 31(a)-(i) and admits only the following:

- a. With respect to Paragraph 31(a), Claimant admits that the Chapter 11 Plan contains the referenced provisions and that the effective date of the Chapter 11 Plan occurred on November 19, 2024.

---

<sup>2</sup> The “Bankruptcy Case” shall refer to the jointly administered bankruptcy cases of Eletson Holdings, Inc., Eletson Finance (US) LLC (“Eletson Finance”), and Agathonissos Finance, LLC (“Agathonissos”), Case No. 23-10322-jpm, in the United States Bankruptcy Court for the Southern District of New York.

- b. With respect to paragraph 31(b), Claimant admits that the Chapter 11 Plan provided for the cancellation of all existing stock in Eletson Holdings “where permitted by applicable law”.
- c. With respect to paragraph 31(c), Claimant admits that the Chapter 11 Plan provided for the execution of a new shareholder agreement of Eletson Holdings in accordance with the terms of the Chapter 11 Plan.
- d. With respect to Paragraph 31(d), Claimant admits that the Chapter 11 Plan contains the referenced provisions regarding Eletson Holdings, Eletson Finance, and Agathonissos (collectively, the “Debtors”).
- e. With respect to Paragraph 31(e), Claimant admits that the Chapter 11 Plan contains the referenced provision with respect to the Debtors, only.
- f. With respect to Paragraph 31(f), Claimant admits that the Chapter 11 Plan contains the referenced provision with respect to the Debtors, only, and specifically denies that the Chapter 11 Plan vested the Reorganized Eletson Holdings with any greater ownership or interests than Eletson Holdings had before the effective date of the Chapter 11 Plan.
- g. With respect to Paragraph 31(g), Claimant admits that the Chapter 11 Plan contains the referenced provision.
- h. With respect to Paragraph 31(h), Claimant admits that the Chapter 11 Plan contains the referenced provision with respect to Eletson Holdings only.
- i. With respect to Paragraph 31(i), Claimant admits that the Chapter 11 Order (as defined in the Complaint) confirmed the Chapter 11 Plan, which speaks for itself.

32. With respect to Paragraph 32, Claimant denies that the events described in Paragraph 32(a)-(d) were sufficient to transfer control over Eletson Gas to Eletson Holdings in violation of the Eletson Gas LLCA, and admits only the following:

- a. With respect to Paragraph 32(a), Claimant admits that shortly after November 19, 2024 (the “Plan Effective Date”), a shareholder agreement was executed in accordance with the Chapter 11 Plan that issued new shares in Eletson Holdings.
- b. With respect to Paragraph 32(b), Claimant admits that the Chapter 11 Plan provided for the cancellation of all shares in Eletson Holdings that existed before the Plan Effective Date “where permitted by applicable law”.
- c. With respect to Paragraph 32(c), Claimant admits that Exhibits 6 and 7 purport to show Eletson Holdings removed all former directors of Eletson Holdings and appoint new directors of Eletson Holdings.
- d. With respect to Paragraph 32(d), Claimant admits Exhibits 8 and 9 purport to show Eletson Holdings removed all directors in Eletson Corp and appointed a new board of Eletson Corp.

33. With respect to Paragraph 33, Claimant admits that the true plaintiffs in this case, the Murchinson Plaintiffs, executed documents dated November 29, 2024 purporting to remove the two directors of Eletson Gas who were previously nominated by Eletson Holdings and appoint a new director on behalf of Eletson Holdings. Any allegations beyond this fact in Paragraph 33 are denied, including but not limited to the implication that Eletson Holdings alone can remove or replace the Preferred Holders’ appointed directors on the Eletson Gas Board.

34. The allegations in Paragraph 34 are denied. The Kithira Gas Shipping Company Board was not reconstituted as purported by the Murchinson Plaintiffs, and Exhibit 10 does not establish otherwise.

35. Paragraph 35 of the Complaint cites documents attached as exhibits. Claimant denies knowledge of those documents or any facts beyond those documents.

**C. Refusal of Old Management of Eletson Holdings to Comply with U.S. Court Orders**

36. The allegations in paragraph 36 are denied. Claimant specifically denies that the Chapter 11 Plan, Chapter 11 Order, Chapter 11 Decision or any subsequent Bankruptcy Court or SDNY rulings transferred or required the transfer of ownership of any preferred equity interest in Eletson Gas, or any equity interest in Kithira Gas Shipping Company.

37. Paragraph 37 references a document that is attached as Exhibit 13 to the Complaint. This document speaks for itself. Claimant denies any allegation that goes beyond the fact that the Murchinson Affiliates filed such document in the Bankruptcy Court and the Bankruptcy Court has entered an order regarding it.

38. The allegations in Paragraph 38 (a)-(d), insofar as they purport to pertain to the Claimant are denied. The remaining allegations are denied for want of knowledge and information sufficient to form a belief as to their truth.

39. The allegations in Paragraph 39 are denied.

40. The allegations in Paragraph 40 are denied. Claimant further denies that the Murchinson Plaintiffs are entitled to control the fleet of ships managed by Eletson Gas or have any rights as “time charterers, operators, and managers of the Vessel.”

41. The allegations in Paragraph 41 are denied.

42. The allegations in Paragraph 42 misinterpret, misapply, and improperly extend the terms of the Chapter 11 Plan, Chapter 11 Order, and sections 1141 and 1142 of the Bankruptcy Code beyond the facts of this case and are therefore denied.

43. Claimant admits that the language from the Chapter 11 Plan quoted in Paragraph 43 is in fact in the Chapter 11 Plan, but denies the implication that such language affects any property that was not in the bankruptcy estate of Eletson Holdings.

44. With regard to Paragraph 44, Claimant denies any allegation that goes beyond the fact that there was a hearing on January 24, 2025.

45. Paragraph 45 references a document that is attached as Exhibit 14 to the Complaint. This document speaks for itself. Claimant denies any allegation that goes beyond the fact that Exhibit 14 is a transcript of the hearing described in Paragraph 45. Claimant further denies that the holding described in Paragraph 45 may be extended to any entity other than Eletson Holdings.

46. Paragraph 46 references the sanctions motion filed by reorganized Eletson Holdings and heard on January 29, 2024 and refers to Exhibit 14 which is a transcript of the hearing. This document speaks for itself. Claimant denies any allegation that goes beyond the fact that Exhibit 14 is a transcript of the hearing described in Paragraph 46. Claimant further denies that the holding described in Paragraph 46 may be extended to any entity other than Eletson Holdings.

47. Paragraph 47 references a document that is attached as Exhibit 14 to the Complaint. This document speaks for itself. Claimant denies any allegation that goes beyond the fact that Exhibit 14 is the order described in Paragraph 47.

48. The allegations in paragraph 48 are denied. In any event Claimant denies that the 29 January order extended to Eletson Gas and Kithira Gas Shipping Company.

49. Paragraph 49 references a document that is attached as Exhibit 15 to the Complaint. This document speaks for itself. Claimant denies any allegation that goes beyond this document. Claimant further denies the relevance of this motion to Eletson Gas, and Kithira Gas Shipping Company.

**D. Old Eletson Management's Evasive Action**

50. The allegations in Paragraph 50 are denied for want of knowledge or information sufficient to form a belief as to their truth.

51. The allegations in Paragraph 51 are denied for want of knowledge or information sufficient to form a belief as to their truth.

52. The allegations in Paragraph 52 are denied for want of knowledge or information sufficient to form a belief as to their truth.

53. The allegations in Paragraph 53 are denied for want of knowledge or information sufficient to form a belief as to their truth.

**E. Old Eletson Management's Evasion of Texas Arrest of M/V KINAROS**

54. The allegations in Paragraph 54 are denied for want of knowledge or information sufficient to form a belief as to their truth.

55. The allegations in Paragraph 55 are denied for want of knowledge or information sufficient to form a belief as to their truth.

56. The allegations in Paragraph 56 are denied for want of knowledge or information sufficient to form a belief as to their truth.

57. The allegations in Paragraph 57 are denied for want of knowledge or information sufficient to form a belief as to their truth. The exhibits referred to therein speak for themselves.

58. The allegations in Paragraph 58 are denied for want of knowledge or information sufficient to form a belief as to their truth.

59. The allegations in Paragraph 59 are denied for want of knowledge or information sufficient to form a belief as to their truth.

60. The allegations in Paragraph 60 are denied for want of knowledge or information sufficient to form a belief as to their truth.

61. The allegations in Paragraph 61 are denied for want of knowledge or information sufficient to form a belief as to their truth.

62. The allegations in Paragraph 62 are denied.

63. With respect to Paragraph 63, Claimant admits that the Chapter 11 Decision (as defined in the Complaint) states “the Court notes that all of the SME revenues will also be given to creditors under both the PC Plan and the PC Alternative Plan, because Pach Shemen is itself a creditor, and Pach Shemen will obtain the equity of the Debtors under either Petitioning Creditor plan,” but denies that this statement is anything more than an observation of the terms of papers filed with the Bankruptcy Court, or dicta.

64. The allegations in Paragraph 64 are denied for want of knowledge or information sufficient to form a belief as to their truth.

65. The allegations in Paragraph 65 are denied for want of knowledge or information sufficient to form a belief as to their truth.

**F. Old Eletson Management’s Attempted Evasion of Arrest of the M/V KIMOLOS**

66. The allegations in Paragraph 66 are denied for want of knowledge or information sufficient to form a belief as to their truth.

67. The allegations in Paragraph 67 are so vague that Claimant cannot reasonably admit or deny their truth; therefore, for pleading purposes, they are denied.

68. The allegations in Paragraph 68 are denied.

69. The allegations in Paragraph 69 are denied.

70. The allegations in Paragraph 70 are denied.

71. The allegations in Paragraph 71 are denied.

72. The allegations in Paragraph 72 are denied for want of knowledge or information sufficient to form a belief as to their truth.

73. The allegations in Paragraph 73 are denied.

**G. The Stay Regarding the Preferred Shares in Plaintiff Eletson Gas and the Defendants' Blatant Violation of That Stay**

74. The allegations in Paragraph 74 are so vague that Claimant cannot reasonably admit or deny their truth; therefore, for pleading purposes they are denied.

75. With respect to Paragraph 75, Claimant admits that Exhibit 23 is the April 17, 2023 order of the Bankruptcy Court. This order *lifts* the automatic stay under section 362 of the Bankruptcy Code to allow the arbitration to proceed, and otherwise speaks for itself. Claimant admits that the parties to that arbitration were the parties described in Paragraph 75. Claimant denies the characterization of Defendants as “former” shareholders, directors, and officers.

76. Paragraph 76 refers to a document attached to the Complaint as Exhibit 23 (the “Stay Relief Order”). The Stay Relief Order speaks for itself. Claimant denies any further allegations of Paragraph 76 and denies that the Stay Relief Order entitles the Murchinson Plaintiffs to ignore the findings of the arbitration Award and the SDNY.

77. The allegations in Paragraph 77 are denied. The Stay Relief Order lifted the automatic stay to allow the arbitration to proceed.



78. The allegations in Paragraphs 78(a)-(c) are denied as follows:
- a. Paragraph 78(a) is denied.
  - b. Paragraph 78(b) is denied. The Award found that Levona's preferred shares in Eletson Gas were transferred to the Cypriot Nominees on March 11, 2022. That finding has been confirmed by the SDNY and has not been stayed, vacated, or modified.
  - c. With respect to Paragraph 78(c), Claimant admits that Court proceedings were filed on December 16, 2024 in England regarding the Preferred Shares of Eletson Gas. Any further allegations in Paragraph 78(c) are denied.
79. The allegations in Paragraph 79 are denied.
80. The allegations in Paragraph 80 are denied.
81. The allegations in Paragraph 81 are denied.
82. Claimant admits the Vessel is currently under arrest near the Port of Houston. The remaining allegations in Paragraph 82 are denied.

**COUNT 1**  
**Rule D Possessory and Petitory Claim for the Vessel**

83. Claimant repeats and reasserts its answers to Paragraphs 1-82 above.
84. Claimant denies the allegations in Paragraph 84.
85. Claimant denies the allegations in Paragraph 85.
86. With respect to Paragraph 86, Claimant admits and avers that it (Kithira Gas Shipping Company), and its lawful board of directors are the persons with lawful control over and are entitled to possession of the Vessel. The remainder of Paragraph 86 is so vague that Claimant is unable to admit or deny the truth of the allegations; therefore, for pleading purposes, they are denied.

87. The allegations in Paragraph 87 are denied.

88. Claimant denies the allegations in Paragraph 88 and denies that the Murchinson Plaintiffs have any of the rights alleged as “theirs” in Paragraph 88.

89. With respect to Paragraph 89, Claimant admits the Vessel is currently under arrest near the Port of Houston.

90. With respect to Paragraph 90, Claimant denies Plaintiffs are entitled to bring an action under Rule D.

91. Claimant denies the allegations in Paragraph 91.

92. The allegations in Paragraph 92 are denied.

93. Claimant denies the Murchinson Plaintiffs are entitled to the relief sought in Paragraph 93.

## **COUNT II**

### **Conversion of Maritime Property**

94. Claimant repeats and reasserts its answers to Paragraphs 1-82 above.

95. Claimant denies the allegations in Paragraph 95.

96. Claimant denies the allegations in Paragraph 96.

97. The allegations in Paragraph 97 are denied.

98. With respect to Paragraph 98, Claimant denies that the Murchinson Plaintiffs have suffered damages.

99. Claimant denies that the Murchinson Plaintiffs are entitled to the relief set forth in the Prayer.

100. Any allegation in the Complaint not specifically admitted herein is denied.<sup>3</sup>

---

<sup>3</sup> Nothing in this Answer shall waive or shall be deemed to waive any rights of Kithira Gas Shipping Company, the Cypriot Nominees, the Eletson Gas Board, the Preferred Eletson Gas Directors, or any of their affiliates, directors, officers, agents, successors, or assigns with respect to the multiple disputes over the ownership and governance of

## COUNTERCLAIM

By way of further answer, and for counterclaim against Plaintiffs, with reservation of all rights reserved pursuant to Supplemental Admiralty and Maritime Rule E(8), Claimant alleges as follows:

### WRONGFUL ARREST

1. Claimant repeats, re-alleges, and incorporates by reference herein its answers to the Complaint and the preceding paragraphs.
2. The Court has subject matter jurisdiction over this counterclaim for wrongful arrest under 28 U.S.C. §1333(1); the claims asserted against the Murchinson Plaintiffs are admiralty and maritime claims within the meaning of FED. R. CIV. P. 9(h); and venue is proper in this Court as some of the acts, events, and/or conduct at issue occurred in this judicial district.
3. At all relevant times, Claimant was and is the charterer of the LPG/C KITHIRA.
4. On February 5, 2025, the Murchinson Plaintiffs filed the Complaint and an *ex parte* request for the Court to issue a warrant for the arrest of the LPG/C KITHIRA to commence this action. The Murchinson Plaintiffs alleged a Supplemental Rule D petitory/possessory claim against the Vessel based on their purported control of Kithira Gas Shipping Company. The Murchinson Plaintiffs' allegations were based on unfounded, conclusory statements that Plaintiffs knew to be untrue. On February 5, 2025, the Vessel was arrested based on the Murchinson Plaintiffs' *ex parte* request.
5. The Murchinson Plaintiffs did not and do not have a valid Supplemental Rule D claim against the Vessel and had full knowledge of this fact when they initiated this action and obtained an order for the arrest of the Vessel from this Court. The Murchinson Plaintiffs knew

---

Eletson Gas in any forum, whether in the United States or in any foreign country, and all the foregoing entities' and individuals' rights are reserved with respect to same.

that bringing this suit and arresting the Vessel was without the lawful authority of Kithira Gas Shipping Company. The Murchinson Plaintiffs also knew that Eletson Holdings, Inc., Eletson Corporation, and Eletson Gas LLC have no colorable basis, in law or fact whatsoever, to invoke Supplemental Rule D in these proceedings.

6. For the foregoing reasons, the Murchinson Plaintiffs' arrest of the Vessel was done in bad faith, with malice, or gross negligence.

7. At the time of the arrest, the Vessel was under charter and scheduled to transport cargo for a third party.

8. As a result of the Murchinson Plaintiffs' wrongful arrest, Claimant suffered damages, including but not limited to lost charter hire, extra fuel charges, and other costs all estimated to currently be no less than \$1,000,000, plus attorney's fees, and additional delays, damages, losses, and costs that continue to be incurred.

Claimant reserves the right to add additional counterclaims as discovery may reveal.

#### **PRAYER FOR RELIEF**

WHEREFORE, PREMISES CONSIDERED, Claimant Kithira Gas Shipping Company, subject to its Supplemental Rule E(8) restricted appearance, prays that:

1. The Murchinson Plaintiffs' Amended Verified Complaint be dismissed or, alternatively, that upon trial of this civil action, the Murchinson Plaintiffs take nothing against the Vessel and/or Claimant;

2. Claimant be awarded its damages on its counterclaim for wrongful arrest in an amount as proven at trial;

3. Claimant's costs and reasonable attorney's fees be awarded and/or taxed against the Murchinson Plaintiffs; and

4. For such other and further relief to which Claimant may show itself justly entitled.

Respectfully submitted,

By: /s/ Dimitri P. Georgantas

Dimitri P. Georgantas

State Bar No. 07805100

Federal I.D. No. 2805

[dimitri.georgantas@roystonlaw.com](mailto:dimitri.georgantas@roystonlaw.com)

Kevin P. Walters

State Bar No. 20818000

Federal I.D. No. 5649

[kevin.walters@roystonlaw.com](mailto:kevin.walters@roystonlaw.com)

Eugene W. Barr

State Bar No. 24059425

Federal I.D. No. 1144784

[eugene.barr@roystonlaw.com](mailto:eugene.barr@roystonlaw.com)

Blake E. Bachtel

State Bar No. 24116055

Federal I.D. No. 3479533

[blake.bachtel@roystonlaw.com](mailto:blake.bachtel@roystonlaw.com)

ROYSTON, RAYZOR, VICKERY & WILLIAMS, L.L.P.

1415 Louisiana Street, Suite 4200

Houston, Texas 77002

Telephone: (713) 224-8380

Facsimile: (713) 225-9945

**ATTORNEYS FOR CLAIMANT**

**KITHIRA GAS SHIPPING COMPANY**

OF COUNSEL:

ROYSTON, RAYZOR, VICKERY & WILLIAMS, L.L.P.

### **CERTIFICATE OF SERVICE**

I hereby certify that on the 13th day of March 2025, I served a true and correct copy of the foregoing pursuant to Rule 5 of the Federal Rules of Civil Procedure and/or via the CM/ECF Filing System and/or by depositing the same in the United States Mail, postage prepaid and properly addressed to all known counsel of record.

/s/ Dimitri P. Georgantas

Dimitri P. Georgantas