

**UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF PENNSYLVANIA**

_____)	
PNC BANK, NATIONAL ASSOCIATION)	
)	
Plaintiff,)	
)	
v.)	Civil No. 23-_____
)	
KURT J. CROSBY)	
)	
Defendant.)	
_____)	

COMPLAINT

Plaintiff PNC Bank, National Association, successor in interest to PNC Equipment Finance, LLC files this Complaint for Breach of Personal Guaranty against Defendant Kurt J. Crosby, and alleges as follows.

PARTIES

1. Plaintiff PNC Bank, National Association is a successor in interest to its affiliate, PNC Equipment Finance, LLC.
2. Plaintiff PNC Bank, National Association (“PNC”) is a national banking association and a citizen of the State of Delaware pursuant to 28 U.S.C. § 1348.
3. Upon information and belief, Defendant Kurt J. Crosby is an individual who is a citizen of the State of Louisiana currently residing at 415 West 159th Street, Galliano, Louisiana, 70354.

JURISDICTION AND VENUE

4. This Court has original jurisdiction over this action pursuant to 28 U.S.C. §1332(a)(1) because it is a civil action between citizens of various States within the United States, and the amount in controversy exceeds \$75,000, exclusive of interest and costs.

5. Defendant consented to personal jurisdiction in this Court pursuant to Section 26 of the Guaranty (as defined below) executed by Defendant.

6. Venue is proper in this District under 28 U.S.C. §§ 1391(b). Pursuant to Section 26 of the Guaranty, Defendant consented to the jurisdiction of this Court and to venue in any federal district where PNC maintains an office. Venue is further proper in this District as PNC maintains an office in Horsham, Pennsylvania, which is the office through which the underlying transactions were negotiated and documented. This office is located within the geographical boundaries of the Eastern District of Pennsylvania.

FACTS

7. On or about October 20, 2022, Defendant Crosby executed a Guaranty and Suretyship Agreement (the “Guaranty”) in favor of PNC in consideration of PNC making certain financial accommodations pursuant to amendments to (a) the Credit Agreement dated as of November 21, 2018 (the “Credit Agreement”) between PNC, lenders party thereto, and Crosby Enterprises, L.L.C. (“Enterprises”), Crosby Marine Repair, L.L.C. (“Marine Repair”), Crosby Dredging, LLC (“Dredging”), Crosby Marine Transportation, LLC (“Marine Transportation”), Webb Crosby, L.L.C. (“Webb”), Vinton Crosby, L.L.C. (“Vinton”), Crosby Inshore Marine Service, L.L.C. (“Inshore”), Crosby Marine Towing, L.L.C. (“Towing”), Crosby Offshore Marine Service, L.L.C. (“Offshore”), Crosby Inland Marine LLC (“Inland Marine”), and Crosby

Towboats, L.L.C. (“Towboats”) (collectively the “EF Borrowers”), and (b) the Loan and Security Agreement dated June 28, 2018 (the “Loan Agreement”, together with the Credit Agreement, the “Credit Agreements”), between PNC, and Enterprises, Dredging, Marine Transportation and Crosby Tugs, L.L.C. (“Tugs”) (together with the EF Borrowers, “Borrowers”). A true and correct copy of the Guaranty is attached hereto as Exhibit A and incorporated by reference.

8. Defendant executed the Guaranty in his individual capacity.

9. Defendant was represented by counsel and/or had the opportunity to be represented by counsel in connection with the negotiation and execution of the Guaranty.

10. Borrowers are Louisiana limited liability companies.

11. Borrowers are in the business of owning and/or operating vessels in tug operations, towing, firefighting, oil spill response, dredging, and construction.

12. Defendant is, and was at all relevant times, the ultimate owner of each of Borrowers. Defendant executed the Credit Agreements on behalf of each Borrower in his capacity as Authorized Agent of each.

13. Pursuant to the Credit Agreements, PNC and the lenders extended credit to Borrowers in the aggregate original principal amount of \$47,400,000.

14. On July 1, 2023, the loans outstanding under the Credit Agreements matured and all obligations owed by Borrowers to PNC thereunder became due and owing.

15. Borrowers failed to repay the obligations owed under the Credit Agreements.

16. As of the date of this Complaint, Borrowers owe in excess of \$27,712,667.30 in principal to PNC, plus accrued and accruing interest, costs, fees, costs and expenses.

17. After Borrowers' default, PNC demanded payment in full from Defendant under each Guaranty by letter dated July 13, 2023, a copy of which is attached hereto as Exhibit B and incorporated by reference.

18. To date, Defendant has failed to pay any amounts to PNC.

19. Pursuant to the Guaranty, Defendant "guarantees, and becomes surety for the prompt payment" to PNC of the full amount of Borrowers' payment obligations to PNC under the Credit Agreements.

20. The Guaranty is a guaranty of payment and performance and not of collection.

21. The Guarantor is jointly and severally liable to PNC and other lenders for the full amount due to PNC and other lenders from Borrowers.

22. PNC may recover its legal fees and expenses incurred in bringing this action pursuant to Paragraph 10 of the Guaranty.

COUNT ONE – BREACH OF CONTRACT

23. PNC realleges and incorporates by reference the preceding paragraphs as if set forth fully herein.

24. Defendant executed the Guaranty in favor of PNC.

25. Pursuant to the Credit Agreements, Borrowers owe PNC and other lenders a principal amount in excess of \$27,712,667.30, plus accrued and accruing interest, fees and expenses recoverable under the Credit Agreements.

26. Pursuant to the Guaranty, PNC demanded payment from the Defendant.

27. Defendant has refused PNC's demands and has failed to pay to PNC any of the amounts demanded.

28. PNC and lenders have performed all of their obligations to Defendant under the Guaranty.

29. As a proximate result of Defendant's breach of their payment obligations under the Guaranty, PNC and lenders have been damaged in an amount not less than \$27,712,667.30, plus all accrued and accruing interest, legal fees and expenses.

WHEREFORE, PNC requests entry of judgment in its favor and against Defendant, in an amount not less than \$27,712,667.30, plus accrued and accruing interest, legal fees and expenses, and all other amounts recoverable under the Guaranty, and such other relief as is just and equitable.

[SIGNATURE PAGE FOLLOWS]

Dated: July 25, 2023

BLANK ROME LLP

By: /s/ John E. Lucian

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