

Summary of Events

***“OH WHAT A TANGLED WEB WE WEAVE, WHEN FIRST WE PRACTICE
TO DECEIVE “***

You may be asking yourself, WHY it has taken so long for us to respond to the events of the last year and WHY now? The answer is simple. Time. We needed time to recover from the catastrophic financial losses and stunning betrayals during the closing of Latitudes and Attitudes. Over the last year, many things have been said without a response from us. We chose not respond because at the time we were struggling just to digest everything that was happening, and it seemed that so many new and outrageous things were developing and being revealed with every passing minute. However, as the weeks turned into months, things began to become clearer and clearer regarding the depth and breadth of subterfuge and betrayals by key trusted members of our Latitudes and Attitudes, including Bob himself. It also became excruciatingly clear that the facade that Bob put up as a helpful and willing party to try to save the company and the magazine he founded was just a mask for what he was really doing behind the scenes and apparently for some time in order to take the company back from us. This website will only touch on a few points that have been put out there as facts when in reality they are not such as the following:

- The Van was repossessed for non payment
- We did not own our boat Wyvern
- We stole deposits from Share the Sail customers
- We maxed out the company credit cards
- We conned Bob out of his company
- Bob did not know anything about our past business experience
- We closed the doors abruptly without warning
- We laid off employees without notice or conversation
- and a lot more...

By reading the emails, studying the financials, reviewing the contracts and documents you will get a broader picture of what led to the purchase, the transition and the behaviors and actions of the principles after the takeover and it is a lot different than

what you have been led to believe. I want to be clear here before we get too far into this summary. The demise of Latitudes and Attitudes was written a LONG, LONG time before we came into the picture. The fact that it continued operations for over 9 months since we stepped including the 6 months after we signed the final documents and before we shut down, is a testament to our abilities to make and implement tough critical decisions quickly such as combining L&A and Living aboard to cut printing costs, stopping the practice of offering advertising in exchange for a positive review of products, tightening operations, expanding into digital media, focusing on the Brand of L&A, consolidating financial data and implementing financial controls etc... These were all tough, but necessary things that had to be done and done quickly. We never stole ANYTHING, we never LIED about ANYTHING, and we worked our Asses off for what? NOTHING that's what and we did a lot more to save the magazine than I can write in this summary. What we did not do and could not do, was raise the capital from investors for a company that had been rotting from the inside out because of years of BLOAT, FINANCIAL MISMANAGEMENT, and a series of BAD INVESTMENTS and poor fiscal planning. Even long time subscribers and fans that we approached to invest in Latitudes and Attitudes and who loved Bob and the Brand, fled like cockroaches in the light once they were given the financials of the company. In hindsight we should have followed their lead and probably walked away then, but we truly believed in the potential of the Brand and thought we could save the company. PERIOD. Our confidence in ourselves, our abilities and what we were willing to do led to our downfall. We failed to take into account the avarice of the legions of people involved in the operations or the years of pent up expectations and resentment that the staff had when Bob announced the sale of the company without any forewarning. We did not take into account any of the unfulfilled promises made Bob over the years to the employees that now became our burdens. It has been portrayed that Bob knew NOTHING of any of this, That he did not know that we could not raise the capital needed to save the company in its current condition or that he did not know of any past business liabilities (most resolved and or over 25 years old) that I had been involved in. He wanted you to accept and believe that a small group of people, especially me had somehow bamboozled poor old and defenseless Bob out of his profitable company and then proceeded directly to destroy it, close it down, steal all of the company and subscribers money (whatever

pittance there might have been) and then skipped town to live high on the hog on the spoils of our scam. No facts, just gossip and false accusations. First of all, do any of you REALLY believe that 2 Gay Guys could bamboozle THE Bob Bitchin that easily? Seriously? Secondly, don't you think Bob had checked me (Lexus Nexus) out before he signed any document handing over control of L&A? Oh wait! You weren't told that? You didn't know that Bob did a background check on me (without my knowledge or permission by the way) before we bought the company and that we had multiple discussions about the things contained in that background check until he was completely satisfied... Of course you were not told. That part of the narrative about being taken advantage of by unscrupulous con men over the last year must have been conveniently left out or forgotten and was never put out there. Our silence over the last 12 months has been misconstrued by many as implied guilt. Understandable. We have never printed, emailed, posted on the social media sites or forums a single negative comment about Robert or Jody Lipkin since the magazine closed and that was our decision. Even now, I choose to offer you only a small sampling of a mountain of facts that can be supported by hard documents, contracts, emails or agreements. No personal opinions, gossip or any other innuendo.

Unfortunately the same cannot be said for Bob and the Lats and Atts "Family". You will learn as you peruse the contents of this website that what you have been led to believe is the truth is in fact, only part of a much, much larger truth. Whereas others, Including Bob have made scurrilous accusations based on gossip and 1/2 truths, absent of any or all the facts to back them up, we will, through this website, we will only offer rebuttal information for a few of the talking points that have been put out there as the truth or fact but which in reality are neither. Every summary, comment or assertion that we make on this website can and will be backed up by contracts, signed agreements, supporting documents, emails and accounting files directly attributed to the parties involved. Although there is deep well of information that we could share regarding the whole Lats and Atts debacle, we have decided to only touch upon the specific accusations and assertions by Bob Bitchin and his "Family" that we can refute with their own words in email, signed agreements, documents and actions. This is the very small tip of a very

large iceberg of misinformation.

Reluctantly, I cannot reveal EVERYTHING for legal reasons, but we are prepared and ready to do just that in court, if and when the time comes. If Bob thinks he has a case to sue us, then we are ready to present our case before an impartial Judge and Jury who will not be swayed by his standing in the sailing/cruising community or by bullying or BS but rather will judge the case before them on the LEGAL merits alone and we are extremely confident that we will win in that arena. Having said that, we will equally not attempt to portray us as completely innocent either, not by any means. There is plenty of blame to go around and we made mistakes, lots of mistakes and I will present some of those here too. I realize that by releasing this information we will possibly yet again be the target for disgusting vitriol and harassment from some and quite frankly I had to think long and hard about whether or not I wanted to subject myself to that again. In the end, this is a matter of principle for me, not money. I have no immediate plans to re-launch Latitudes and Attitudes nor do I intend to be part of the sailing/cruising community in the foreseeable future. This is solely about putting our side of the story out there and then firmly closing the door and moving forward. I accept that some of you will NOT believe anything that you read on this website, regardless of the supporting proof you find contained herein and that is certainly your prerogative and right.

For the rest of you, this is the proverbial “Other Side of the Story”.

I will start by offering this summary of events for your consideration....

It all began at the 2011 Oakland Boat show. Joe and I attended the show as we had done each year since purchasing our first boat Wyvern and moving to SFO in 2009. At this particular show we met Kim Paternoster and Lisa Chapin at the Sail Time Booth... We had an instant connection as both Kim and I are extremely outgoing. We also met Chris Larsen; Kim's live in boyfriend of 6 years who was an instructor for Sail Time. Kim is the owner of Wicked Code, <http://www.wickedcode.com> and is a talented web designer and programmer. Over the next few days and weeks we struck up a friendship. During

a subsequent dinner party and while we were discussing our cruising plans and various ways to fund it, Kim and Chris revealed that they had considered buying Latitudes and Attitudes a couple of months earlier with Lisa Chapin and her boyfriend Chuck. However, when Lisa examined the financials she strongly recommended that they pass on the opportunity. (I should have listened to you Lisa!!) I asked Kim and Chris if they would introduce me to Bob through email because the magazine piqued my interest. I had read it a few times and found it entertaining albeit in need of serious professional editing. A couple of weeks later an email introduction was made and I began to seriously kick the idea around. Joe and I had a lot of experience turning failing companies around. Some were successful and others were not. It's funny too... If you are successful turning a failing company around, it was a team effort and everyone basks in the glory of that success, together... But if it is a failure, you are alone at the top and by the way, it is all YOUR fault. It sucks, but that is just the way it is. Joe was far and away not as excited about the deal as I was from the get go, but I recognized the potential of the brand and really believed we could take it to the next level in the sailing/cruising industry. After weeks of convincing, I was finally was able to convince Joe to support my decision to try to buy it.

I began negotiating with Robert Lipkin and FTW Publishing, Inc. for the acquisition of the intellectual property known as Latitudes & Attitudes sometime at the beginning of August 2011. Our initial plan for acquiring the IP and ancillary assets consisted of using our some of own funds for the due diligence and then seeking investment capital by way of a Private Placement Offering. I worked closely with Mr. Lipkin's Attorney, Kent Burton to craft a mutually agreeable Letter of Intent (LOI) which was signed by both parties on August 18th 2011. (Click on tab contacts & Documents). Throughout the month of August and most of September we collected and analyzed the assets, businesses and financial performance of the company. There were many questions regarding the method of accounting and sourcing of revenue as the P&L's did not differentiate between all of the ancillary businesses encompassed under the dba Latitudes & Attitudes. I had met with several potential investors to pitch the opportunity of being a part of a seasoned and iconic brand but was met with resistance in large part due to the downturn in the economy in general but moreover because of the

extremely weak financials of the company. I continued to believe in the value of the “Brand” and in my ability to raise the capital needed and decided to make an offer for the purchase of the assets based on the revenue reported on the last 3 years, Federal Tax Returns and EBITA. Our CPA reviewed and prepared the necessary projections (see under tab Financials & Accounting) which demonstrated that with the add backs of the owner distributions and cash collected at the boat shows (Roughly 100 thousand dollars which was not reported to the IRS by the way and had not been for 15 years) there was adequate cash flow to support the assumption of the existing company debt, operations and the management of the high interest Credit Card debt that Mr. Lipkin had accumulated. Looking back, I made a wise choice to take a phone photo of the spreadsheet Mr. Lipkin showed me of the cash he collected at the boat shows during the Cruisers Parties for previous years.

Over the next few weeks Kim, Chris, Joe and I attended and worked the boat show circuit across the country with Mr. Lipkin and his staff, at our own expense. During that time it became apparent to us that the company would not be able to continue to operate much longer unless the sale took place. I believed that with our combined skill sets and our strong management background we could quickly stabilize the operations to allow the transaction to complete. Further and upon taking over operations we discovered that there was a long laundry list of critical vendors that were on the precipice of denying crucial products and services to the company and Mr. Lipkin and FTW Publishing, Inc. did not have the liquid financial resources to meet these obligations. I met with Mr. Lipkin and explained very clearly WHY we had not been able to raise the funds needed to close during such a short period of time. (We have many email threads supporting this) and I further explained that raising capital in the current market environment took a tremendous amount of time and effort and in this case the financials in their current state would make things even more difficult, but not impossible as long as we had the time. I recommended that we postpone the sale until so that we could focus on the capital raise. Mr. Lipkin insisted that we could work things out after the close and that he would give us all the time we needed to raise the capital after the purchase was completed as long as he was getting his consulting fee. (This particular email exchange is not included here because it is a critical piece of our legal case). I also explained to Mr.

Lipkin that if we continued with the purchase that we would only do so under the condition that he allowed us to manage day to day operations, at no cost to him. I further explained that if he did not agree to the terms I presented that we were prepared to back out of the deal because in all likelihood there would be NO company to raise capital for. I reiterated to Mr. Lipkin that once we stabilized the company, cleaned up the accounting and financials we would try to once again to attract investors. He happily agreed and we continued to move forward with the purchase process. A few weeks later during the Long Beach Boat Show and before we assumed full control of operations I had to invest a significant amount of my own personal funds in order to meet payroll and keep the company from ceasing operations. As the due diligence process continued we assumed management of the day-to-day operations in mid November with all 4 partners assuming critical roles and working with the existing staff. It became apparent very quickly that there were some previously un-disclosed accounting issues and cash flow problems. Over the next few weeks we continually had to provide additional cash supplements for basic operations and liabilities. After the show and sometime in late November it became impossible to continue the capital raise due to the approaching holidays and I once again wanted to put the acquisition off, but Mr. Lipkin insisted that we set a date to sign the purchase agreement. He chose January 13th 2012 as that date. As the holidays approached it became increasingly clear that FTW would not have enough liquidity to print the December issue. FTW Publishing, Inc. owed roughly \$73,000.00 to the printer (Brown Printing) with a credit limit of \$75,000.00. (See Promissory Note to Brown Printing under Contracts and Documents Tab) The printer was not willing to print the December issue without being paid over \$25,000.00 in back owed invoices and the company did not have the cash. In addition FTW Publishing, Inc. had a past due balance of over \$13,000.00 with the subscription fulfillment house Palm Coast data. I had to move quickly to assume the FTW Liability and so that the paid subscriptions could be mailed on time. This would have been catastrophic on several financial fronts due to the potential loss of subscription revenue, advertising confidence and subsequent advertising revenue. Reluctantly, I paid the \$25,000.00 to Brown Printing and convinced them to transfer the full amount of FTW's outstanding printing liability to Sextant Publishing, Inc. in the form of a promissory note

(Contracts and Documents) and to release FTW Publishing of any further liability. I established our own account with our own credit line thus enabling us to continue printing and I also signed the assumption agreement with Palm Coast Data so that the subscribers would receive their December issues on time. FTW Publishing, Inc. and Sextant Publishing, Inc. mutually agreed to create and sign a simple purchase agreement on January 13th 2012. (See attached) The terms stipulated that the purchase price would be 1.25MM. We would assume all of the FTW company debt and would manage the Company Credit Card debt **until** we had raised the capital needed to pay off the high interest CC debt that Mr. Lipkin had accumulated (see CC Analysis Spreadsheet) He agreed that he would carry back the balance of the purchase price as a convertible note at 10% per annum. The monthly payments consisted of interest only payments on the note and consulting fees paid to FTW Publishing, Inc. (See Purchase Agreement) The terms of the agreement also allowed us to use the company Credit Cards for (6) six months to allow us to establish new accounts. We agreed to hire FTW Publishing, Inc. as a consultant to ease the transition of ownership, attend boat shows and events and represent the company and train and offer insights to us as the new owners for an annual fee of \$100,000.00 plus travel and expenses. At first things were fine and everyone got along well but that was short lived. A few weeks after the agreement was signed Mr. Lipkin began to become impatient with the capital raise process. I had many discussions about the challenges we were facing because the financials were so bad. I repeatedly explained to him that we needed time to clean up the financial picture of the company and with a different financial "CRISIS" occurring every day our focus had to be on keeping the company operating or there would not be anything to raise capital for! Mr. Lipkin repeatedly told me that he understood and agreed... However, a few days later we would have the SAME conversation. Bob's own personal financial state and the perceived loss of total control of the company began to manifest itself in the form of Sellers remorse. Mr. Lipkin started to exert influence over new and former employees, vendors and industry professionals without my consent or knowledge. He made commitments and had confidential communications on behalf of the company without any direction or approval from me and he began to resent the hard decisions and tough changes that we were making in the company to quickly cut bloat and operating costs in order to stabilize operations. Years and years of financial mismanagement, bloat,

extravagant and expensive dinners at boat shows for friends and “Fans”, poor investments (The Shannon) and as he was fond of saying a “Decadent” lifestyle had taken its toll... The economic downturn also caught him completely fiscally unprepared and the company was no longer able to support the lifestyle he had grown accustomed to. The company was teetering on the precipice of financial ruin. This was not a news flash... everyone in the industry knew this and they were just waiting for the inevitable collapse.

As the days wore on and we worked 14-hour days trying to get the company back on a stable fiscal footing but things continued to worsen. Mr. Lipkin sent secret emails to the staff from his multiple personal and alternate business email accounts and began to meddle in day-to-day operations. After an employee sent me a copy of one of his emails I confronted Mr. Lipkin and on several occasions I was assured that he would cease and “Play Nice”. I found myself having to repeat and re-address the same issues over and over and began to notice that he would make unsubstantiated wild accusations and insinuations about our management or the financials without merit or basis and would then react to his own assertions regardless of being confronted by facts supplied by his own accounting person Cheryl McCrosky, which discredited his accusations. He began to broadcast these “Concerns” to the staff and created an atmosphere of mistrust and divisiveness within the company. He referred to me as “GOD” whenever I disagreed with him and began to act in a petulant manner whenever we would make a change in the way things had “Always” been done. He exerted considerable pressure on us to maintain and hire people whom he considered “Family” at great expense and who he recommended as critical the success of the company although they did not possess the skill set or value to contribute what was needed to turn the company around.

During the subsequent weeks I realized that the company needed to focus on growing the brand of Latitudes and Attitudes, which is well known in the industry, and that we needed to explore other opportunities for growth and revenue because the magazine, events and Seafaring Store were losing money hand over fist. All of the ancillary businesses were underfunded, mismanaged and negative cash flowing. This means that although they were taking in money their operating costs and overhead was far more

than whatever revenue they were generating. The chicken would have to come home to roost sooner or later and it was very close to arriving.

I had an opportunity to establish negotiations with a business associate in Mexico for the management of a marina/restaurant/bar and hotel located in a popular resort destination. This opportunity represented a pathway toward our overall business goals of expanding brand recognition and product merchandising. Over the course of the next few weeks I was able to secure a tentative agreement subject to final legal approval. Our target date for assumption of day today operations of the marina complex was July 1, 2012. With the negotiations going well and other opportunities on the horizon I continued to move forward. Mr. Lipkin shared in the company vision and eagerly wanted to part of the company. We discussed converting his note to a stake in the company and he wanted to be a part of the parent company, Sextant Publishing Inc. However, each day he amended the terms of what we had just discussed and agreed to hours, days or weeks before. He would constantly agree to things then forget what he agreed to. He would authorize us to act and then become agitated when we followed his instructions. I soon realized that this was a disruptive and potentially damaging pattern of behavior and began to become very concerned. The company was still very tentative and I questioned his motives and actions on our behalf and discussed his "Forgetfulness" with key staff members who asserted that they had noticed this behavior too over the last few years. I finally decided that I must act to protect our investment from Mr. Lipkin's continued impulsive, emotional and potentially destructive business decisions and started to increase my own involvement in all aspects of the company. This did not sit well with Mr. Lipkin. He accused me of denigrating what he had built as a result of making even the smallest of changes in the operations, especially the cruisers parties and he and I began to be at loggerheads more and more often.

I had discussed pathways in which the company could grow with Mr. Lipkin and he agreed and supported our actions during those discussions but then subsequently undermined our initiatives with employees and others in the industry. Mr. Lipkin continued to make agreements with me on a plethora of issues and then failed to live up to his agreements or obligations. This pattern of impulsive behavior coupled with his

inability to fulfill commitments left the company with multiple financial burdens directly as a result of his lack of follow through. His ongoing willingness to act without clear forethought or understanding of the short and long term financial impact to the company created significant financial losses. A clear example of this type of behavior was the purchase his former sailboat, the Lost Soul, a 60' Ketch that he and Jody cruised aboard.

Prior to the purchase and during the early stages of the negotiations with Paul Detoni we discussed at length the pros and cons of the purchase. Many people were against it including Capt. Woody. However, I agreed to move forward based on Bob's agreement to sail her and charter her, his knowledge of the boat, his connections within the maritime industry, input and ultimately his recommendation. I negotiated and completed the purchase of the boat for 280K to begin executing the business plan that Bob had presented and I agreed to. I paid Ten Thousand Dollars to Mr. Detoni as a down payment (see attached) and we took possession of the boat. But Bob's commitment was short lived. Mr. Lipkin had promised to sail her to boat shows on both coasts as a promotional goodwill ambassador for the magazine and assured me that there would be no cash flow pressure on the company because he had "everything arranged" such as charters etc. After the boat was acquired and turned over to him Mr. Lipkin applied for and received a waiver of the Jones Act without our permission or knowledge and Mr. Detoni and I were notified of this after the fact when we received the approved waiver in the mail which caused a confrontation with Mr. Detoni and I because he had yet to agree to allow us to charter the boat to begin with. In the interim Mr. Lipkin sailed the Lost Soul from San Diego to Oakland for the final boat show of the season. It was during and subsequently after that sail up the coast that I believe that Mr. Lipkin realized that sailing the Lost Soul was too much work for him at his age and he lost interest in the plans he had made and abandoned the boat to us. This insight was confirmed by several other staff members and associates. We were forced to cover expensive maintenance and repairs as well as monthly berthing and insurance costs and ultimately decided to retool our original plans for the boat and try to salvage the deal.

After this debacle I realized that we could no longer rely on Mr. Lipkin to live up to his assertions and commitments for the company. I also recognized that the consulting fee

of \$100K a year did not yield the benefits or results that we had hoped and decided that things needed to be restructured.

I met with Bob and Jody to discuss restructuring the original agreement because of the crushing debt and previously undisclosed financial obligations that we were dealing with as well as the exorbitant consulting fee to FTW Publishing. Bob offered to have a discussion the following week at his home and Joe Morales and I drove to their house and met and discussed various options. Toward the end of the evening we had all agreed to a revised structure of the original deal that we could all live with. The next morning we awoke and began having a conversation about our new structure and the plans moving forward. It became apparent rather quickly that something had changed. Bob kept hinting that we should just give him the company back and finally asked us outright to do so. I felt trapped, threatened and manipulated as he continued to insist that I make a decision immediately. I told him NO. I told him that I needed time to think things through and he agreed. I requested and he agreed that there would be no communication to any staff members until if and when we reached a final structure that we could all accept. We left their home for the 3-hour drive back to SFO. On the drive home I realized that all of the building blocks that had been laid over the previous months for new business opportunities and potential growth was conceived and connected to my business relationships as the Publisher of Latitudes & Attitudes and having the magazine as a platform for promotion for these ventures. During our meeting I had repeatedly asked Bob what he would do differently if we gave him the company back considering his management was the primary reason for the company's current financial condition and he could not answer me. He offered to relinquish the Lost Soul which was ridiculous because we were the ones that owned her in the first place and pay us a monthly payment to recover the 130K investment we had put into the magazine, but without him able to explain "HOW" he could do that I felt the risk of total loss to us was too great and I declined his offer.

We returned to SFO and received multiple messages that the staff was contacted by Mr. Lipkin through one of his alternate email addresses and were told to look out for them and protect their interests. Joe and I drove straight to the offices in LA where we

confronted the staff and Bob about their intentions. We changed the locks on the offices and I spoke with Bob about his interference. After a very heated phone conversation I told him I would no longer consider his proposal and that we would adhere to the original terms and conditions of the purchase agreement that we both signed. He was infuriated and made veiled threats (Example: "I know who you are but I don't think that you know who I am".)

I explained to him that I was not relinquishing the company under any circumstances and that he and we needed each other to succeed. After a while and during multiple communications we both agreed to try to work through our disagreements. I took Mr. Lipkin at his word and began to once again focus forward. We still had a lot of major financial issues to resolve but were making progress and things seemed to be finally stabilizing. One of the major issues discovered in November that slipped through the cracks but reared its ugly head at the end of the April boat show in Oakland CA was that an upcoming event called "Share the Sail" in the Grenadines was underfunded. This was due to L&A collecting deposits through the Seafaring Store and the money being commingled and used for other purposes in the amount of roughly 35K months before we took ownership on January 13th, 2012. During our due diligence analysis it was shown on the P&L's as collected and as an asset and we regrettably assumed that because it was listed as a balance in the books that the funds were sitting in a proprietary account designated for the Share the Sail event. We were horribly mistaken. After confronting Cheryl McCrosky the accounting person for 10 years she informed me that the funds in fact were used for other purposes for which they were not intended. I immediately confronted Mr. and Mrs. Lipkin and explained that those funds should have been transferred to Sextant Publishing at closing but Bob's response was "Just add it to the spreadsheet and deduct it". That would have been fine if the company was not already on perilous financial ground. I told him that having to cover these up front expenses for the event would drain the capital reserves that we had scrimped and saved over the previous months to critical levels. When I told him I would have to cancel the Share the Sail event he offered and authorized us to use whatever company Credit Card credit was available to insure that the event took place. We charged a total of 16K across

several credit card accounts in late April but were still short by over 23K.

I used every penny that we had in reserves to try to complete the funding of the Share the Sail event including money earmarked for our own mortgage payments for our boat Wyvern. Mr. Lipkin and his wife flew to the Grenadines and for 10 days, enjoyed an all expense paid working vacation as I scrambled to find the money to pay Scott at Dream Yacht Charters. (See summary under Share the Sail Tab). During their absence we endured major turmoil within the company from key staff members and had to terminate some. The Editor, Sue Morgan with whom I had had a good working relationship heretofore became increasingly belligerent and informed me that she was retiring on July 13th. What a crock of shit that was. Bob had promised all of his former employees bonuses that we were not able to pay and she demanded hers or she would walk out. Forget the fact that we gave her the first raise in her salary in over 10 years or that she had an uncashed \$1,000 Christmas bonus check from Bob that was years old. Perhaps instead of buying 10' brass bears as lawn ornaments for \$10,000 or having a custom boat built that is still sitting in the Shannon Shipyard unfinished and rotting, Mr. Lipkin should have taken care of the people that put out his magazine day in and day out. Thank you Sue. (Sarcasm) I didn't know it then, but Mr. Lipkin had been secretly gathering his family for his real agenda. Mr. Lipkin began demanding payments be made to accounts that we were managing outside of the normal billing cycles and when we refused he accused us of ruining his credit. When I demonstrated that all credit card payments had been made in a timely fashion except for a few rare exceptions (and these were only made 2-5 days past the due date) he did not accept this. He began making random payments on his own then demanding that we reimburse him immediately. He made double and triple payments because he was unable or unwilling to remember that payments were made. The bookkeeper constantly emailed and called him to confirm payments and describe what payments were made and when but to no avail. He demanded reports and access to our accounting files, which were provided to him and to his CPA and prepared and provided him with detailed spreadsheets with explanations supported by the data in QuickBooks.

Mr. Lipkin began to make crazy accusations and continually had his facts wrong or

incomplete. He communicated these incorrect assertions to the staff, vendors and industry officials and I had to address multiple inquiries about his assertions on an almost daily basis. He became increasingly mistrustful and belligerent until I had finally had enough. I contacted Pete Muzinich, Our Attorney at the time and began working on a revised APA (Amended Purchase Agreement) to specifically spell out the terms and conditions of the sale as well as what his obligations were according to the consulting agreement that we had originally discussed. The original Purchase Agreement was crafted by Mr. Lipkin himself and was inadequate. I decided to incur the cost of an Attorney to craft a proper agreement so that the transaction would be secure and the responsibilities of each party clear. During the negotiations between Bob and I and our respective legal counsels it became clear that I needed to sever the consulting agreement between FTW Publishing and Latitudes & Attitudes for the long term health of the company and to stop all of the negative distractions perpetrated by Mr. Lipkin's actions.

I proposed the canceling of the consulting agreement to Mr. Lipkin and he initially reacted extremely negatively. However, over the next few days we agreed in principle to relinquish the assets, IP and Blue Sky associated with Seafaring.com only which included the e-commerce store, website and domain name. As an additional sweetener, I also agreed to include the 5 seasons of the TV show and the 24-hour streaming radio. Little did I know that he had never released the domain names as per the original purchase agreement and was secretly setting up his new business whether I agreed to his terms or not. Over the next few days we negotiated back and forth over the general terms but we were in overall agreement. A few days later he indicated that he had his Attorney craft a simple agreement based on our negotiations and that he would send it upon completion. I told him we had just spent several thousand dollars in Attorney fees having our Attorney craft the agreement but regardless, later that week and during a lunch meeting I received an agreement from Mr. Lipkin through email that clearly was not created by any his Attorney or in fact ANY Attorney. The content of the agreement outlined the purchase of the Seafaring assets as we had discussed but also included new and revised terms for the APA. I explained to Mr. Lipkin that we had spent weeks preparing a new APA and at great expense and that the agreement for the Seafaring assets must be separate and exclusive to which he replied demanding to know what my

intention was and whether or not I intended to sign the agreement that he had supplied moments earlier and then proceeded to demand that I sign it within 30 minutes or else he would assume that the deal was off. I refused to sign anything under those circumstances and he became angry.

I returned to the office 45 minutes later and discovered that Mr. Lipkin had contacted one of his former employees, Janeen Agriggio and Capt. Woody who were now our employees to confiscate the company Van and store it at an undisclosed location. I received a subsequent email from Mr. Lipkin hours later indicating that he would call the police if we tried to use the company trailer. (See forwarded email) Mr. Lipkin claimed the payments were not current which was false (see Tab Company Van and Trailer) He claimed that the van was repossessed but we have security video that clearly shows our employees taking the van and driving off at the exact time that Mr. Lipkin sent his email asserting that the van was repossessed. Can't wait to show that in court. I texted Capt. Woody and he lied and said he didn't know anything regarding the whereabouts of the Van.

During the next few hours we learned that Mr. Lipkin had redirected our company emails to his personal email and had another one of his former employees and now our employee Steve Hall who was our Web/IT person to lock us out of the web hosting site and shut down our website. (See attached Non-Disclosure agreement for Mr. Hall)

It was at this time that we recognized that Mr. Lipkin still had control over the domain names seafaring.com and latsandatts.com and we were powerless to stop him from shutting down the websites and by that action the company's ability to continue operating. Once Mr. Lipkin with the help of Steve Hall took down the website and redirected our company emails we grasped the dire nature of what Mr. Lipkin was attempting to do. We immediately sent the remaining employees home and disconnected the servers to block any further remote access. Mr. Lipkin of course made a copy of all of the content on the servers under the guise of needing them because he was working from home. I foolishly trusted and believed that BS and it bit me in the ass. Nevertheless, we proceeded to change the locks on the offices and sent an email to the

landlord directing him not to let anyone in without our direct authorization.

During the next couple of days we were made aware of the statements being made by Mr. Lipkin through Constant Contact. (See attached) We also became aware of his new Facebook Page and Forum using Seafaring and Seafaring.com, which by the way is also the rightful property of Latitudes & Attitudes Inc. and not Cruising Outpost or Mr. Lipkin. Mr. Lipkin encouraged former employees and loyal followers to use public forums and social media sites to spread false rumors and accusations, which served to create a firestorm of vitriol and criticism from subscribers, vendors and advertisers. Over the last few months I have been patiently and methodically preparing to litigate against Mr. Lipkin and FTW Publishing, Inc.

This is not the ending we had hoped for. We had hoped to raise the capital needed to save the company and L&A would live on better than ever. We all worked extremely hard to reach those goals and make that dream a reality, but in the end, Egos, Larger than Life Personalities, Insecurities and Crushing Financial Pressures turned friends into enemies and a lot of people were damaged as a result. But we all have choices don't we. Joe and I chose to hold our heads high and ride the wave down with as much dignity as we could muster; others chose a less noble path. This website is the first step in our process to vigorously defend ourselves and hold Mr. Lipkin, FTW Publishing, Inc., Former trusted Employees and others accountable for their own culpability regarding their behavior before, during and after the inglorious end to Latitudes and Attitudes.