

2012 TAX RETURN FILING INSTRUCTIONS

U.S. RETURN OF PARTNERSHIP INCOME

FOR THE YEAR ENDING

DECEMBER 31, 2012

Prepared for	BJAV MARINE, LTD 760 PARK AVENUE, STE # 7 NEW YORK, NY 10021
Prepared by	RAICH ENDE MALTER & CO., LLP 1375 BROADWAY NEW YORK, NY 10018
To be signed and dated by	A PERSON AUTHORIZED TO SIGN THE RETURN
Amount of tax	NOT APPLICABLE
Mail tax return to	THIS RETURN HAS BEEN PREPARED FOR ELECTRONIC FILING. TO HAVE IT TRANSMITTED ELECTRONICALLY TO THE IRS, PLEASE SIGN, DATE, AND RETURN FORM 8879-PE TO OUR OFFICE. WE WILL THEN SUBMIT YOUR ELECTRONIC RETURN.
Forms to be distributed to partners	ENCLOSED ARE COPIES OF SCHEDULE K-1 TO BE DISTRIBUTED TO THE PARTNERS.
Return must be mailed on or before	NOT APPLICABLE
Special Instructions	DO NOT MAIL THE PAPER COPY OF THE RETURN TO THE IRS.

CLIENT'S COPY

Department of the Treasury
Internal Revenue Service

▶ Do not send to the IRS. Keep for your records.
▶ See instructions.

2012

For calendar year 2012, or tax year beginning _____, 2012, ending _____, 20____

Name of partnership **BJAV MARINE, LTD** Employer identification number [REDACTED]

Part I Return Information (Whole dollars only)

1	Gross receipts or sales less returns and allowances (Form 1065, line 1c)	1	3,206,396.
2	Gross profit (Form 1065, line 3)	2	3,206,396.
3	Ordinary business income (loss) (Form 1065, line 22)	3	-2,890,234.
4	Net rental real estate income (loss) (Form 1065, Schedule K, line 2)	4	
5	Other net rental income (loss) (Form 1065, Schedule K, line 3c)	5	

Part II Declaration and Signature Authorization of General Partner or Limited Liability Company Member Manager (Be sure to get a copy of the partnership's return)

Under penalties of perjury, I declare that I am a general partner or limited liability company member manager of the above partnership and that I have examined a copy of the partnership's 2012 electronic return of partnership income and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the partnership's electronic return of partnership income. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the partnership's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission and (b) the reason for any delay in processing the return. I have selected a personal identification number (PIN) as my signature for the partnership's electronic return of partnership income.

General Partner or Limited Liability Company Member Manager's PIN: check one box only

I authorize **RAICH ENDE MALTER & CO., LLP** to enter my PIN [REDACTED] as my signature on the partnership's 2012 electronically filed return of partnership income. ERO firm name do not enter all zeros

As a general partner or limited liability company member manager of the partnership, I will enter my PIN as my signature on the partnership's 2012 electronically filed return of partnership income.

General partner or limited liability company member manager's signature ▶ _____ Date ▶ _____
Title ▶ **MANAGER/DIRECTOR**

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN. [REDACTED] do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2012 electronically filed return of partnership income for the partnership indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 3112, IRS e-file Application and Participation, and Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ _____ Date ▶ _____

**ERO Must Retain This Form - See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So**

For Paperwork Reduction Act Notice, see instructions.

Form **8879-PE** (2012)

LHA

1065

Form Department of the Treasury Internal Revenue Service

U.S. Return of Partnership Income

For calendar year 2012, or tax year beginning EXTENSION GRANTED TO 09/16/13 ending

OMB No. 1545-0099

2012

Form header section including Principal business activity (CHARTERING), Principal product or service (CHARTER OCEAN VESSEL), Name of partnership (BJAV MARINE, LTD), and Total assets (\$22,207,986).

Caution. Include only trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Table with 22 rows for Income and Deductions. Line 1a: 3,206,396. Line 8: 3,206,396. Line 16a: 1,308,859. Line 21: 6,096,630. Line 22: -2,890,234.

Sign Here section with declaration text and signature line for general partner or limited liability company member manager.

Paid Preparer Use Only section including Preparer's name (THOMAS TURRIN), Firm's name (RAICH ENDE MALTER & CO., LLP), and Firm's address (1375 BROADWAY, NEW YORK, NY 10018).

LHA For Paperwork Reduction Act Notice, see separate instructions.

Form 1065 (2012)

Schedule B Other Information

1 What type of entity is filing this return? Check the applicable box:				Yes	No
a <input type="checkbox"/> Domestic general partnership	b <input type="checkbox"/> Domestic limited partnership				
c <input type="checkbox"/> Domestic limited liability company	d <input type="checkbox"/> Domestic limited liability partnership				
e <input checked="" type="checkbox"/> Foreign partnership	f <input type="checkbox"/> Other ▶				
2 At any time during the tax year, was any partner in the partnership a disregarded entity, a partnership (including an entity treated as a partnership), a trust, an S corporation, an estate (other than an estate of a deceased partner), or a nominee or similar person?					X
3 At the end of the tax year:					
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization, or any foreign government own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership					X
b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership				X	
4 At the end of the tax year, did the partnership:					
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below					X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below					X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital	
5 Did the partnership file Form 8893, Election of Partnership Level Tax Treatment, or an election statement under section 6231(a)(1)(B)(ii) for partnership-level tax treatment, that is in effect for this tax year? See Form 8893 for more details					X
6 Does the partnership satisfy all four of the following conditions?					
a The partnership's total receipts for the tax year were less than \$250,000.					
b The partnership's total assets at the end of the tax year were less than \$ 1 million.					
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.					
d The partnership is not filing and is not required to file Schedule M-3					X
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item L on Schedule K-1.					
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)?					X
8 During the tax year, did the partnership have any debt that was cancelled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?					X
9 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?					X
10 At any time during calendar year 2012, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country. ▶					X

Schedule B Other Information (continued)

	Yes	No
11 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions		X
12a Is the partnership making, or had it previously made (and not revoked), a section 754 election? See instructions for details regarding a section 754 election.		X
b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
13 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly-owned by the partnership throughout the tax year) <input type="checkbox"/>		
14 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property?		X
15 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions		
16 Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership.		X
17 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return.		
18a Did you make any payments in 2012 that would require you to file Form(s) 1099? See instructions		X
b If "Yes," did you or will you file required Form(s) 1099?		
19 Enter the number of Form(s) 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations, attached to this return.		
20 Enter the number of partners that are foreign governments under section 892.		

Designation of Tax Matters Partner (see instructions)

Enter below the general partner or member-manager designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶ **EILEEN ALEXANDERSON, DIRECTOR/MANAGER** Identifying number of TMP ▶ [REDACTED]

If the TMP is an entity, name of TMP representative ▶ Phone number of TMP ▶

Address of designated TMP ▶

Schedule K Partners' Distributive Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22)	1	-2,890,234.
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3 a Other gross rental income (loss)	3a	
	b Expenses from other rental activities (attach statement)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Guaranteed payments	4	
	5 Interest income	5	
	6 Dividends: a Ordinary dividends	6a	
	b Qualified dividends	6b	
	7 Royalties	7	
	8 Net short-term capital gain (loss) (attach Schedule D (Form 1065))	8	
9 a Net long-term capital gain (loss) (attach Schedule D (Form 1065))	9a		
	b Collectibles (28%) gain (loss)	9b	
	c Unrecaptured section 1250 gain (attach statement)	9c	
10 Net section 1231 gain (loss) (attach Form 4797)	10		
11 Other income (loss) (see instructions) Type ▶	11		
Deductions	12 Section 179 deduction (attach Form 4562)	12	
	13 a Contributions	13a	
	b Investment interest expense	13b	
	c Section 59(e)(2) expenditures: (1) Type ▶ (2) Amount ▶	13c(2)	
d Other deductions (see instructions) Type ▶	13d		
Self-Employment	14 a Net earnings (loss) from self-employment	14a	0.
	b Gross farming or fishing income	14b	
	c Gross nonfarm income	14c	
Credits	15 a Low-income housing credit (section 42(j)(5))	15a	
	b Low-income housing credit (other)	15b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468)	15c	
	d Other rental real estate credits (see instructions) Type ▶	15d	
	e Other rental credits (see instructions) Type ▶	15e	
	f Other credits (see instructions) Type ▶	15f	
Foreign Transactions	16 a Name of country or U.S. possession ▶		
	b Gross income from all sources	16b	
	c Gross income sourced at partner level	16c	
	Foreign gross income sourced at partnership level		
	d Passive category ▶ e General category ▶ f Other ▶	16f	
	Deductions allocated and apportioned at partner level		
	g Interest expense ▶ h Other ▶	16h	
	Deductions allocated and apportioned at partnership level to foreign source income		
	i Passive category ▶ j General category ▶ k Other ▶	16k	
	l Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	16l	
m Reduction in taxes available for credit (attach statement)	16m		
n Other foreign tax information (attach statement)			
Alternative Minimum Tax (AMT) Items	17 a Post-1986 depreciation adjustment	17a	
	b Adjusted gain or loss	17b	
	c Depletion (other than oil and gas)	17c	
	d Oil, gas, and geothermal properties - gross income	17d	
	e Oil, gas, and geothermal properties - deductions	17e	
	f Other AMT items (attach statement)	17f	
Other Information	18 a Tax-exempt interest income	18a	
	b Other tax-exempt income	18b	
	c Nondeductible expenses SEE STATEMENT 3	18c	21,500.
	19 a Distributions of cash and marketable securities	19a	
	b Distributions of other property	19b	
	20 a Investment income	20a	
b Investment expenses	20b		
c Other items and amounts (attach statement)			

Analysis of Net Income (Loss)

1 Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16l						1	-2,890,234.
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other	
a General partners		-2,861,332.					
b Limited partners			-28,902.				

Schedule L Balance Sheets per Books

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash		11,190.		194,978.
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach statement)				
7a Loans to partners (or persons related to partners)				
b Mortgage and real estate loans				
8 Other investments (attach statement)				
9a Buildings and other depreciable assets	22,503,742.		23,643,790.	
b Less accumulated depreciation	529,569.	21,974,173.	1,838,428.	21,805,362.
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)	231,193.		231,193.	
b Less accumulated amortization	10,703.	220,490.	23,547.	207,646.
13 Other assets (attach statement)				
14 Total assets		22,205,853.		22,207,986.
Liabilities and Capital				
15 Accounts payable		133,273.		165,993.
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach statement)	STATEMENT 4	66,021.		34,493.
18 All nonrecourse loans				
19a Loans from partners (or persons related to partners)				
b Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach statement)				
21 Partners' capital accounts		22,006,559.		22,007,500.
22 Total liabilities and capital		22,205,853.		22,207,986.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note. Schedule M-3 may be required instead of Schedule M-1 (see instructions).

1 Net income (loss) per books		6 Income recorded on books this year not included on Schedule K, lines 1 through 11 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize):		a Tax-exempt interest \$	
3 Guaranteed payments (other than health insurance)		7 Deductions included on Schedule K, lines 1 through 13d, and 16l, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16l (itemize):		a Depreciation \$	
a Depreciation \$		8 Add lines 6 and 7	
b Travel and entertainment \$		9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	
5 Add lines 1 through 4			

Schedule M-2 Analysis of Partners' Capital Accounts

1 Balance at beginning of year	22,006,559.	6 Distributions: a Cash	
2 Capital contributed: a Cash	2,912,675.	b Property	
b Property		7 Other decreases (itemize):	
3 Net income (loss) per books	-2,911,734.	8 Add lines 6 and 7	
4 Other increases (itemize):		9 Balance at end of year. Subtract line 8 from line 5	22,007,500.
5 Add lines 1 through 4	22,007,500.		

**Information on Partners Owning 50% or
 More of the Partnership**

OMB No. 1545-0099

▶ Attach to Form 1065. See instructions.

Name of partnership

Employer identification number

BJAV MARINE, LTD

[REDACTED]

Part I Entities Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 3a)

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, tax-exempt organization, or any foreign government that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

Part II Individuals or Estates Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 3b)

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Maximum Percentage Owned in Profit, Loss, or Capital
LEON D BLACK	[REDACTED]	UNITED STATES	100.00
DEBRA BLACK	[REDACTED]	UNITED STATES	100.00

**SCHEDULE C
(Form 1065)**

(Rev. December 2011)
Department of the Treasury
Internal Revenue Service

Additional Information for Schedule M-3 Filers

▶ Attach to Form 1065. See separate instructions.

OMB No. 1545-0099

Name of partnership

Employer identification number

BJAV MARINE, LTD



	Yes	No
1 At any time during the tax year, were there any transfers between the partnership and its partners subject to the disclosure requirements of Regulations section 1.707-8?		X
2 Do the amounts reported on Schedule M-3, Part II, lines 7 or 8, column (d), reflect allocations to this partnership from another partnership of income, gain, loss, deduction, or credit that are disproportionate to this partnership's share of capital in such partnership or its ratio for sharing other items of such partnership?		X
3 At any time during the tax year, did the partnership sell, exchange, or transfer any interest in an intangible asset to a related person as defined in sections 267(b) and 707(b)(1)?		X
4 At any time during the tax year, did the partnership acquire any interest in an intangible asset from a related person as defined in sections 267(b) and 707(b)(1)?		X
5 At any time during the tax year, did the partnership make any change in accounting principle for financial accounting purposes? See instructions for a definition of change in accounting principle		X
6 At any time during the tax year, did the partnership make any change in a method of accounting for U.S. income tax purposes?		X

JWA For Paperwork Reduction Act Notice, see the instructions for Form 1065.

Schedule C (Form 1065) (Rev. 12-2011)

SCHEDULE M-3
(Form 1065)

**Net Income (Loss) Reconciliation
for Certain Partnerships**

OMB No. 1545-0099

2012

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1065 or Form 1065-B.
▶ Information about Schedule M-3 (Form 1065) and its instructions is at www.irs.gov/form1065.

Name of partnership BJAV MARINE, LTD	Employer identification number
--	------------------------------------

This Schedule M-3 is being filed because (check all that apply):

- A The amount of the partnership's total assets at the end of the tax year is equal to \$10 million or more.
- B The amount of the partnership's adjusted total assets for the year is equal to \$10 million or more. If box B is checked, enter the amount of adjusted total assets for the tax year 25,119,720.
- C The amount of total receipts for the tax year is equal to \$35 million or more. If box C is checked, enter the total receipts for the tax year _____.
- D An entity that is a reportable entity partner with respect to the partnership owns or is deemed to own an interest of 50 percent or more in the partnership's capital, profit, or loss, on any day during the tax year of the partnership.

Name of Reportable Entity Partner	Identifying Number	Maximum Percentage Owned or Deemed Owned

E Voluntary Filer

Part I Financial Information and Net Income (Loss) Reconciliation

- 1a Did the partnership file SEC Form 10-K for its income statement period ending with or within this tax year?
 Yes. Skip lines 1b and 1c and complete lines 2 through 11 with respect to that SEC Form 10-K.
 No. Go to line 1b. See instructions if multiple non-tax-basis income statements are prepared.
- b Did the partnership prepare a certified audited non-tax-basis income statement for that period?
 Yes. Skip line 1c and complete lines 2 through 11 with respect to that income statement.
 No. Go to line 1c.
- c Did the partnership prepare a non-tax-basis income statement for that period?
 Yes. Complete lines 2 through 11 with respect to that income statement.
 No. Skip lines 2 through 3b and enter the partnership's net income (loss) per its books and records on line 4a.
- 2 Enter the income statement period: Beginning _____ Ending _____
- 3a Has the partnership's income statement been restated for the income statement period on line 2?
 Yes. (If "Yes," attach a statement and the amount of each item restated.)
 No.
- b Has the partnership's income statement been restated for any of the five income statement periods preceding the period on line 2?
 Yes. (If "Yes," attach a statement and the amount of each item restated.)
 No.

4a Worldwide consolidated net income (loss) from income statement source identified in Part I, line 1	4a	-2,911,734.
b Indicate accounting standard used for line 4a (see instructions):		
1 <input type="checkbox"/> GAAP 2 <input type="checkbox"/> IFRS 3 <input type="checkbox"/> 704(b)		
4 <input checked="" type="checkbox"/> Tax-basis 5 <input type="checkbox"/> Other: (specify) ▶ _____		
5a Net income from nonincludible foreign entities (attach statement)	5a	()
b Net loss from nonincludible foreign entities (attach statement and enter as a positive amount)	5b	
6a Net income from nonincludible U.S. entities (attach statement)	6a	()
b Net loss from nonincludible U.S. entities (attach statement and enter as a positive amount)	6b	
7a Net income (loss) of other foreign disregarded entities (attach statement)	7a	
b Net income (loss) of other U.S. disregarded entities (attach statement)	7b	
8 Adjustment to eliminations of transactions between includible entities and nonincludible entities (attach stmt.)	8	
9 Adjustment to reconcile income statement period to tax year (attach statement)	9	
10 Other adjustments to reconcile to amount on line 11 (attach statement)	10	
11 Net income (loss) per income statement of the partnership. Combine lines 4a through 10	11	-2,911,734.

Note. Part I, line 11, must equal the amount on Part II, line 26, column (a).

12 Enter the total amount (not just the partnership's share) of the assets and liabilities of all entities included or removed on the following lines:

	Total Assets	Total Liabilities
a Included on Part I, line 4	22,207,986.	200,486.
b Removed on Part I, line 5		
c Removed on Part I, line 6		
d Included on Part I, line 7		

For Paperwork Reduction Act Notice, see the instructions for your return.

Schedule M-3 (Form 1065) 2012

Name of partnership **BJAV MARINE, LTD** Employer identification number [REDACTED]

Part II Reconciliation of Net Income (Loss) per Income Statement of Partnership with Income (Loss) per Return

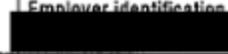
Income (Loss) Items	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
(Attach statements for lines 1 through 9)				
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Gross foreign distributions previously taxed				
5 Income (loss) from equity method U.S. corporations				
6 U.S. dividends				
7 Income (loss) from U.S. partnerships				
8 Income (loss) from foreign partnerships				
9 Income (loss) from other pass-through entities				
10 Items relating to reportable transactions (attach statement)				
11 Interest income (attach Form 8916-A)				
12 Total accrual to cash adjustment				
13 Hedging transactions				
14 Mark-to-market income (loss)				
15 Cost of goods sold (attach Form 8916-A)	()			()
16 Sale versus lease (for sellers and/or lessors)				
17 Section 481(a) adjustments				
18 Unearned/deferred revenue				
19 Income recognition from long-term contracts				
20 Original issue discount and other imputed interest				
21a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement)				
g Other gain/loss on disposition of assets other than inventory				
22 Other income (loss) items with differences (attach statement)				
23 Total income (loss) items. Combine lines 1 through 22				
24 Total expense/deduction items (from Part III, line 31) (see instructions)	-1,364,703.		21,500.	-1,343,203.
25 Other items with no differences STMT 6	-1,547,031.			-1,547,031.
26 Reconciliation totals. Combine lines 23 through 25	-2,911,734.		21,500.	-2,890,234.

Note. Line 26, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1065, Analysis of Net Income (Loss), line 1.

Name of partnership

BJAV MARINE, LTD

Employer identification number



Part III Reconciliation of Net Income (Loss) per Income Statement of Partnership With Income (Loss) per Return - Expense/Deduction Items

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 State and local current income tax expense				
2 State and local deferred income tax expense				
3 Foreign current income tax expense (other than foreign withholding taxes)				
4 Foreign deferred income tax expense				
5 Equity-based compensation				
6 Meals and entertainment STMT 8	43,000.		-21,500.	21,500.
7 Fines and penalties				
8 Judgments, damages, awards, and similar costs				
9 Guaranteed payments				
10 Pension and profit-sharing				
11 Other post-retirement benefits				
12 Deferred compensation				
13 Charitable contribution of cash and tangible property				
14 Charitable contribution of intangible property				
15 Organizational expenses as per Regulations section 1.709-2(a)				
16 Syndication expenses as per Regulations section 1.709-2(b)				
17 Current year acquisition/reorganization investment banking fees				
18 Current year acquisition/reorganization legal and accounting fees				
19 Amortization/impairment of goodwill				
20 Amortization of acquisition, reorganization, and start-up costs				
21 Other amortization or impairment write-offs STMT 9	12,844.			12,844.
22 Section 198 environmental remediation costs				
23a Depletion - Oil & Gas				
b Depletion - Other than Oil & Gas				
24 Intangible drilling & development costs				
25 Depreciation	1,308,859.			1,308,859.
26 Bad debt expense				
27 Interest expense (attach Form 8916-A)				
28 Purchase versus lease (for purchasers and/or lessees)				
29 Research and development costs				
30 Other expense/deduction items with differences (attach statement)				
31 Total expense/deduction items. Combine lines 1 through 30. Enter here and on Part II, line 24, reporting positive amounts as negative and negative amounts as positive	1,364,703.		-21,500.	1,343,203.

JWA

Schedule M-3 (Form 1065) 2012

Depreciation and Amortization
(Including Information on Listed Property) **OTHER**

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return

Business or activity to which this form relates

Identifying number

BJAV MARINE, LTD

**CHARTERING OF OCEAN
VESSEL**

Part I Election To Expense Certain Property Under Section 179 *Note: If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2011 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2013. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2012	17	1,270,949.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		<input type="checkbox"/>

Section B - Assets Placed in Service During 2012 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property					
b	5-year property					
c	7-year property					
d	10-year property					
e	15-year property					
f	20-year property					
g	25-year property		25 yrs.		S/L	
h	Residential rental property	/	27.5 yrs.	MM	S/L	
		/	27.5 yrs.	MM	S/L	
i	Nonresidential real property	/	39 yrs.	MM	S/L	
		/		MM	S/L	

Section C - Assets Placed in Service During 2012 Tax Year Using the Alternative Depreciation System

20a	Class life	1,143,547.	VARIES	HY	S/L	37,910.
b	12-year		12 yrs.		S/L	
c	40-year	/	40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	1,308,859.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V **Listed Property** (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)
Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? <input type="checkbox"/> Yes <input type="checkbox"/> No				24b If "Yes," is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No				
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L		
		%				S/L		
		%				S/L		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30 Total business/investment miles driven during the year (do not include commuting miles)	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?	Yes	No										
35 Was the vehicle used primarily by a more than 5% owner or related person?	Yes	No										
36 Is another vehicle available for personal use?	Yes	No										

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		
Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.		

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year	
42 Amortization of costs that begins during your 2012 tax year:						
43 Amortization of costs that began before your 2012 tax year					43	12,844.
44 Total. Add amounts in column (f). See the instructions for where to report					44	12,844.

FORM 1065

OTHER DEDUCTIONS

STATEMENT 1

DESCRIPTION	AMOUNT
ADVERTISING	7,753.
AGENT FEES	51,866.
AMORTIZATION EXPENSE	12,844.
BANK CHARGES	9,949.
BROKER COMMISSION	198,235.
CHARTS AND PUBLICATIONS	19,752.
COMMUNICATION	112,560.
CREW EDUCATION	4,612.
CUSTOMS AND LANDING FEES	29,756.
DOCKAGE	287,640.
EMPLOYEE HOUSING COSTS (FOR CONVENI	138,002.
FOOD & BEVERAGE	41,214.
FX LOSS	-5,873.
INSURANCE	175,369.
MEALS AND ENTERTAINMENT	21,500.
OFFICE EXPENSE	13,455.
PROFESSIONAL FEES	35,000.
RECRUITING	10,920.
SHIPPING	197,512.
STORAGE	2,664.
SUPPLIES	269,484.
TEMPORARY LABOR	106,221.
TRANSPORTATION	30,173.
UNIFORMS	23,713.
UTILITIES	591,391.
VESSEL CLASSING	67,485.
TOTAL TO FORM 1065, LINE 20	2,453,197.

REPAIR AND MAINTENANCE

STATEMENT 2

DESCRIPTION	AMOUNT
REPAIRS AND MAINT., M-3 D	919,406.
TOTAL	919,406.

SCHEDULE K		NONDEDUCTIBLE EXPENSE	STATEMENT	3
DESCRIPTION			AMOUNT	
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES			21,500.	
TOTAL TO SCHEDULE K, LINE 18C			21,500.	

SCHEDULE L		OTHER CURRENT LIABILITIES	STATEMENT	4
DESCRIPTION		BEGINNING OF TAX YEAR	END OF TAX YEAR	
ACCRUED LIABILITIES		66,021.	34,493.	
TOTAL TO SCHEDULE L, LINE 17		66,021.	34,493.	

FORM 1065		PARTNERS' CAPITAL ACCOUNT SUMMARY			STATEMENT	5
PARTNER NUMBER	BEGINNING CAPITAL	CAPITAL CONTRIBUTED	SCHEDULE M-2 LNS 3, 4 & 7	WITH-DRAWALS	ENDING CAPITAL	
1	21,786,494.	2,883,548.	-2,882,617.		21,787,425.	
2	220,065.	29,127.	-29,117.		220,075.	
TOTAL	22,006,559.	2,912,675.	-2,911,734.		22,007,500.	

SCHEDULE M-3 OTHER INCOME (LOSS) AND EXPENSE / DEDUCTION STATEMENT 6
ITEMS WITH NO DIFFERENCES

DESCRIPTION	PER INCOME STATEMENT	PER TAX RETURN
OTHER INCOME (LOSS) - SEE STATEMENT	3,206,396.	3,206,396.
OTHER EXPENSE / DEDUCTION - SEE STATEMENT	-4,753,427.	-4,753,427.
TOTAL TO SCHEDULE M-3, PART II, LINE 25	-1,547,031.	-1,547,031.

SCHEDULE M-3 OTHER INCOME (LOSS) ITEMS WITH NO DIFFERENCES STATEMENT 7

DESCRIPTION	INCOME (LOSS) PER INCOME STATEMENT	INCOME (LOSS) PER TAX RETURN
SALES	3,206,396.	3,206,396.
TOTAL TO SCHEDULE M-3, PART II, LINE 25	3,206,396.	3,206,396.

SCHEDULE M-3 MEALS AND ENTERTAINMENT STATEMENT 8

DESCRIPTION	EXPENSE PER INCOME STATEMENT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	DEDUCTION PER TAX RETURN
MEALS AND ENTERTAINMENT FROM TRADE OR BUSINESS	43,000.		-21,500.	21,500.
TOTAL	43,000.		-21,500.	21,500.

SCHEDULE M-3	OTHER AMORTIZATION OR IMPAIRMENT WRITE-OFFS	STATEMENT 9
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DESCRIPTION	EXPENSE PER INCOME STATEMENT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	DEDUCTION PER TAX RETURN
DEFERRED ACQUISITION COSTS	12,844.		0.	12,844.
TOTAL	12,844.		0.	12,844.

SCHEDULE M-3	OTHER EXPENSE/DEDUCTION ITEMS WITH NO DIFFERENCES	STATEMENT 10
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DESCRIPTION	EXPENSE/ DEDUCTION PER INCOME STATEMENT	EXPENSE/ DEDUCTION PER TAX RETURN
ADVERTISING	7,753.	7,753.
AGENT FEES	51,866.	51,866.
BANK CHARGES	9,949.	9,949.
BROKER COMMISSION	198,235.	198,235.
CHARTS AND PUBLICATIONS	19,752.	19,752.
COMMUNICATION	112,560.	112,560.
CREW EDUCATION	4,612.	4,612.
CUSTOMS AND LANDING FEES	29,756.	29,756.
DOCKAGE	287,640.	287,640.
EMPLOYEE BENEFIT PROGRAMS	11,108.	11,108.
EMPLOYEE HOUSING COSTS (FOR CONVENI	138,002.	138,002.
FOOD & BEVERAGE	41,214.	41,214.
FX LOSS	-5,873.	-5,873.
INSURANCE	175,369.	175,369.
OFFICE EXPENSE	13,455.	13,455.
PROFESSIONAL FEES	35,000.	35,000.
RECRUITING	10,920.	10,920.
REPAIRS AND MAINT., M-3 D	919,406.	919,406.
SALARIES AND WAGES	1,404,060.	1,404,060.
SHIPPING	197,512.	197,512.
STORAGE	2,664.	2,664.
SUPPLIES	269,484.	269,484.
TEMPORARY LABOR	106,221.	106,221.
TRANSPORTATION	30,173.	30,173.
UNIFORMS	23,713.	23,713.
UTILITIES	591,391.	591,391.
VESSEL CLASSING	67,485.	67,485.
TOTAL TO SCHEDULE M-3, PART II, LINE 25	4,753,427.	4,753,427.

Schedule K-1 (Form 1065)

2012

Final K-1 Amended K-1 OMB No. 1545-0099

Department of the Treasury Internal Revenue Service

For calendar year 2012, or tax year beginning ending

Partner's Share of Income, Deductions, Credits, etc. See separate instructions.

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

Table with 2 columns: Description and Amount. Rows include: 1 Ordinary business income (loss) -2,861,332; 15 Credits; 2 Net rental real estate income (loss); 16 Foreign transactions; 3 Other net rental income (loss); 4 Guaranteed payments; 5 Interest income; 6a Ordinary dividends; 6b Qualified dividends; 7 Royalties; 8 Net short-term capital gain (loss) 21,285; 9a Net long-term capital gain (loss); 9b Collectibles (28%) gain (loss); 19 Distributions; 9c Unrecaptured sec 1250 gain; 20 Other information; 10 Net section 1231 gain (loss); 11 Other income (loss); 12 Section 179 deduction; 13 Other deductions; 14 Self-employment earnings (loss) 0.

*See attached statement for additional information.

For IRS Use Only

Part I Information About the Partnership

A Partnership's employer identification number; B Partnership's name, address, city, state, and ZIP code: BJAV MARINE, LTD, 760 PARK AVENUE, STE # 7, NEW YORK, NY 10021; C IRS Center where partnership filed return: E-FILE; D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number; F Partner's name, address, city, state, and ZIP code: LEON D BLACK; G General partner or LLC member-manager; H Domestic partner; I1 What type of entity is this partner? INDIVIDUAL; I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here; J Partner's share of profit, loss, and capital: Profit 99.0000000%, Loss 99.0000000%, Capital 99.0000000%; K Partner's share of liabilities at year end: Nonrecourse, Qualified nonrecourse financing, Recourse 0; L Partner's capital account analysis: Beginning capital account 21,786,494, Capital contributed during the year 2,883,548, Current year increase (decrease) -2,882,617, Withdrawals & distributions, Ending capital account 21,787,425.

M Did the partner contribute property with a built-in gain or loss? Yes No (checked) If "Yes", attach statement (see instructions)



SCHEDULE K-1 NONDEDUCTIBLE EXPENSES, BOX 18, CODE C

<u>DESCRIPTION</u>	<u>PARTNER FILING INSTRUCTIONS</u>	<u>AMOUNT</u>
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	NONDEDUCTIBLE PORTION	21,285.
TOTAL TO SCHEDULE K-1, BOX 18, CODE C		21,285.

Schedule K-1 (Form 1065)

2012

Final K-1 Amended K-1 OMB No. 1545-0099

Department of the Treasury Internal Revenue Service

For calendar year 2012, or tax year beginning ending

Partner's Share of Income, Deductions, Credits, etc. See separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number
B Partnership's name, address, city, state, and ZIP code
C IRS Center where partnership filed return
D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
F Partner's name, address, city, state, and ZIP code
G General partner or LLC member-manager Limited partner or other LLC member
H Domestic partner Foreign partner
I1 What type of entity is this partner? INDIVIDUAL
I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here
J Partner's share of profit, loss, and capital:
K Partner's share of liabilities at year end:
L Partner's capital account analysis:

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

Table with 2 columns: Description and Amount. Rows include: 1 Ordinary business income (loss) -28,902.; 2 Net rental real estate income (loss); 3 Other net rental income (loss); 4 Guaranteed payments; 5 Interest income; 6a Ordinary dividends; 6b Qualified dividends; 7 Royalties; 8 Net short-term capital gain (loss) 215.; 9a Net long-term capital gain (loss); 9b Collectibles (28%) gain (loss); 9c Unrecaptured sec 1250 gain; 10 Net section 1231 gain (loss); 11 Other income (loss); 12 Section 179 deduction; 13 Other deductions; 14 Self-employment earnings (loss) 0.

*See attached statement for additional information.

For IRS Use Only

M Did the partner contribute property with a built-in gain or loss?
If "Yes", attach statement (see instructions)



SCHEDULE K-1 NONDEDUCTIBLE EXPENSES, BOX 18, CODE C

<u>DESCRIPTION</u>	<u>PARTNER FILING INSTRUCTIONS</u>	<u>AMOUNT</u>
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	NONDEDUCTIBLE PORTION	215.
TOTAL TO SCHEDULE K-1, BOX 18, CODE C		215.

2012 TAX RETURN FILING INSTRUCTIONS

NEW YORK FORM IT-204

FOR THE YEAR ENDING

DECEMBER 31, 2012

Prepared for	BJAV MARINE, LTD 760 PARK AVENUE, STE # 7 NEW YORK, NY 10021															
Prepared by	RAICH ENDE MALTER & CO., LLP 1375 BROADWAY NEW YORK, NY 10018															
To be signed and dated by	A PERSON AUTHORIZED TO SIGN THE RETURN															
Amount of tax	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Total tax</td> <td style="width: 10%; text-align: right;">\$</td> <td style="width: 30%; text-align: right;">0.00</td> </tr> <tr> <td>Less: payments and credits</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0.00</td> </tr> <tr> <td>Plus: other amount</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0.00</td> </tr> <tr> <td>Plus: interest and penalties</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0.00</td> </tr> <tr> <td colspan="3">NO PMT REQUIRED \$</td> </tr> </table>	Total tax	\$	0.00	Less: payments and credits	\$	0.00	Plus: other amount	\$	0.00	Plus: interest and penalties	\$	0.00	NO PMT REQUIRED \$		
Total tax	\$	0.00														
Less: payments and credits	\$	0.00														
Plus: other amount	\$	0.00														
Plus: interest and penalties	\$	0.00														
NO PMT REQUIRED \$																
Overpayment	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Credited to your estimated tax</td> <td style="width: 10%; text-align: right;">\$</td> <td style="width: 30%; text-align: right;">0.00</td> </tr> <tr> <td>Other amount</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0.00</td> </tr> <tr> <td>Refunded to you</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0.00</td> </tr> </table>	Credited to your estimated tax	\$	0.00	Other amount	\$	0.00	Refunded to you	\$	0.00						
Credited to your estimated tax	\$	0.00														
Other amount	\$	0.00														
Refunded to you	\$	0.00														
Mail tax return and check (if applicable) to	THE NEW YORK RETURN HAS BEEN PREPARED FOR ELECTRONIC FILING. IF YOU WISH TO HAVE IT TRANSMITTED TO THE NYSDTF, PLEASE SIGN, DATE AND RETURN FORM TR-579-PT TO OUR OFFICE. WE WILL THEN SUBMIT THE ELECTRONIC RETURN TO THE NYSDTF.															
Forms to be distributed to partners	ENCLOSED ARE COPIES OF SCHEDULE K-1 TO BE DISTRIBUTED TO THE PARTNERS.															
Return must be mailed on or before	NOT APPLICABLE															
Special Instructions	DO NOT MAIL THE PAPER COPY OF THE RETURN TO THE NYSDTF.															

CLIENT'S COPY

New York State E-File Signature Authorization for Tax Year 2012 For Forms IT-204 and IT-204-LL

Electronic return originator (ERO): do not mail this form to the Tax Department. Keep it for your records.

Partnership name: BJAV MARINE, LTD

Return type (mark an X to indicate which form you are e-filing): IT-204 IT-204-LL

Purpose

Form TR-579-PT must be completed to authorize an ERO to e-file Form IT-204, *Partnership Return*, or Form IT-204-LL, *Partnership, Limited Liability Company, and Limited Liability Partnership Filing Fee Payment Form*. For the purposes of this form, all three forms of business entities will be referred to hereinafter as a *partnership*.

General instructions

Part A must be completed by an authorized member or general partner before the ERO transmits the electronically filed Form IT-204 or IT-204-LL.

EROs must complete Part B prior to transmitting an electronically filed Form IT-204 or IT-204-LL.

Both the paid preparer and the ERO are required to sign Part B. However, if an individual performs as both the paid preparer and the ERO, he or she is only required to sign as the paid preparer. It is not necessary to include the ERO signature in this case. Please note that an alternative signature can be used as described in Publication 58, *Information for Income Tax Return Preparers*. Go to our Web site at www.tax.ny.gov to view this document.

Do not mail Form TR-579-PT to the Tax Department.

EROs must keep this form for three years and present it to the Tax Department upon request.

This form is not required for electronically filed Form IT-370-PF, *Application for Automatic Extension of Time to File for Partnerships and Fiduciaries*.

Financial institution information for Form IT-204-LL filers (must be present if electronic payment is authorized)

1 Amount owed on return	1. _____
2 Financial institution routing number	2. _____
3 Financial institution account number	3. _____

Part A - Declaration of authorized member or general partner and authorizations for Forms IT-204 or IT-204-LL

Under penalty of perjury, I declare that I have examined the information on this 2012 New York State electronic partnership return, including any accompanying schedules, attachments, and statements, and certify that this electronic return is true, correct, and complete. The ERO has my consent to send this 2012 New York State electronic partnership return to New York State through the Internal Revenue Service (IRS). I understand that by executing this Form TR-579-PT, I am authorizing the ERO to sign and file this return on behalf of the partnership and agree that the ERO's submission of the partnership's return to the IRS, together with this authorization, will serve as the electronic signature for the return and any authorized payment transaction. If I am paying my New York State partnership fees due by electronic funds withdrawal, I authorize the New York State Tax Department and its designated financial agents to initiate an electronic funds withdrawal from the financial institution account indicated on this 2012 electronic return, and I authorize the financial institution to withdraw the amount from the account. I understand and agree that I may revoke this authorization for payment only by contacting the Tax Department no later than five (5) business days prior to the payment date.

Signature of authorized member or general partner: _____ Date: _____

Print your name and title: EILEEN ALEXANDERSON MANAGER/DIRECTOR

Part B - Declaration of electronic return originator (ERO) and paid preparer

Under penalty of perjury, I declare that the information contained in this 2012 New York State electronic partnership return is the information furnished to me by the partnership. If the partnership furnished me a completed paper 2012 New York State partnership return signed by a paid preparer, I declare that the information contained in the partnership's 2012 New York State electronic partnership tax return is identical to that contained in the paper return. If I am the paid preparer, under penalty of perjury I declare that I have examined this 2012 New York State electronic partnership tax return, and, to the best of my knowledge and belief, the return is true, correct, and complete. I have based this declaration on all information available to me.

ERO's signature: _____ Date: 08-29-13

Print name: _____

Paid preparer's signature: _____ Date: _____

Print name: THOMAS TURRIN

2012

New York State Department of Taxation and Finance Partnership Return

IT-204

See the instructions, Form IT-204-I.

For calendar year 2012 or tax year beginning 01-01-2012 and ending 12-31-2012

Legal name BJAV MARINE, LTD

Employer identification number (EIN)

Trade name of business if different from legal name above

Principal business activity

CHARTERING

Address (number and street or rural route) 760 PARK AVENUE, STE # 7

City, village, or post office NEW YORK

NAICS business code number (see instr.)

State ZIP code Country NY 10021

Principal product or service Date business started CHARTER OCEAN VESSEL 03-10-2011

Section 1 - Partnership information

Special conditions for filing your 2012 tax return (see instr.)

A Mark an X in the box that applies to your entity

- Regular partnership, Limited liability partnership (LLP), Portfolio investment partnership, Other, Limited liability company (LLC)

B 1) Did the partnership have any income, gain, loss, or deduction derived from NY sources during the tax year? B1 Yes No X

2) If No, enter the number of resident partners B2 2

C Mark applicable box(es) Change of address, Initial return, Amended return, Final return

D 1) Is this return the result of federal audit changes? D1 Yes No X

If Yes: 2) Enter date of final federal determination D2

3) Do you concede the federal audit changes? D3 Yes No

E Did you file a NYS partnership return for: 1) 2010? E1 Yes No X 2) 2011? E2 Yes X No

If No, state reason:

F Number of partners 1) Article 22 F1 2 2) Article 9-A F2 3) Other F3 4) Total F4 2

G Does the partnership currently have tax accounts with NYS for the following taxes?

- 1) Sales and use tax Yes No X (if Yes, enter ID number) G1 2) Withholding tax Yes No X (if Yes, enter ID number) G2

H Did the partnership have an interest in real property located in NYS during the last three years? H Yes No X

I Has there been a transfer or acquisition of a controlling interest in this entity during the last three years? I Yes No X

J Are any partners in this partnership also partnerships or LLCs? J Yes No X

K Did the partnership engage in a like-kind transaction under IRC 1031 during the tax year? K Yes No X

L Was there a distribution of property or a transfer of a partnership interest during the tax year? L Yes No X

M Did the partnership make an election under IRC section 754? M Yes No X

N Is this partnership under audit by the IRS or has it been audited in a prior year? N Yes No X

O Is the partnership required to file Form DTF-686 or DTF-686-ATT for this filing period, to report a reportable transaction, New York reportable transaction, listed transaction or registered tax shelter? O Yes No X

If Yes, complete and submit Form(s) DTF-686, DTF-686-ATT, and any applicable federal forms.

P Did the partnership make purchases subject to sales and compensating use tax for which NYS tax was not paid? (see instr.) P Yes No X

Q Did the partnership have a financial account located in a foreign country? (see instructions) Q Yes No X

Third-party designee? (see instr.) Print designee's name Designee's phone number Personal identification number (PIN)

Yes X No E-mail:

Paid preparer must complete (see instr.)

Date Sign here

Preparer's signature

Preparer's NYTPRN

Signature of general partner

Firm's name (or yours, if self-employed)

RAICH ENDE MALTER & CO., LL

Preparer's PTIN or SSN

Address 1375 BROADWAY NEW YORK, NY 10018

Employer identification number

Date

Daytime phone number

Mark an X if self-employed

E-mail:

E-mail:

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Mail your return to: STATE PROCESSING CENTER, PO BOX 61000, ALBANY NY 12261-0001.

268501 12-06-12



Part 1 - Income from federal Form 1065

1a	Merchant card and third party payments (including amounts reported on Form 1099-K)	1a	
1b	Gross receipts or sales not reported on line 1a	1b	3,206,396.
1c	Total (add lines 1a and 1b)	1c	3,206,396.
2	Returns and allowances plus any other adjustments to line 1a	2	
3	Subtract line 2 from line 1c	3	3,206,396.
4	Cost of goods sold	4	
5	Gross profit (subtract line 4 from line 3)	5	3,206,396.
6	Ordinary income (loss) from other partnerships, estates, and trusts (submit statement)	6	
7	Net farm profit (loss) (submit federal Form 1040, Schedule F)	7	
8	Net gain (loss) from federal Form 4797, Part II, line 17 (submit federal Form 4797)	8	
9	Other income (loss) (submit statement)	9	
10	Total income (loss) (combine lines 5 through 9)	10	3,206,396.

Part 2 - Deductions from federal Form 1065

11	Salaries and wages (other than to partners) (less employment credits)	11	1,404,060.
12	Guaranteed payments to partners	12	
13	Repairs and maintenance	13	919,406.
14	Bad debts	14	
15	Rent	15	
16	Taxes and licenses	16	
17	Interest	17	
18	Depreciation (if required, submit federal Form 4562)	18	1,308,859.
19	Depreciation reported on federal Form 1125-A and elsewhere on return	19	
20	Subtract line 19 from line 18	20	1,308,859.
21	Depletion (do not deduct oil and gas depletion)	21	
22	Retirement plans, etc	22	
23	Employee benefit programs	23	11,108.
24	Other deductions (submit statement) SEE STATEMENT 1	24	2,453,197.
25	Total deductions (add lines 11 through 17 and lines 20 through 24)	25	6,096,630.
26	Ordinary business income (loss) (subtract line 25 from line 10)	26	-2,890,234.

Section 3 - Cost of goods sold (from federal Form 1125-A; see instructions)

27	Inventory at beginning of year	27	
28	Purchases	28	
29	Cost of labor	29	
30	Additional IRC section 263A costs (submit statement)	30	
31	Other costs (submit statement)	31	
32	Total (add lines 27 through 31)	32	
33	Inventory at end of year	33	
34	Cost of goods sold (subtract line 33 from line 32)	34	
35	Methods used for valuing closing inventory (mark an X in applicable boxes)		
	<input type="checkbox"/> Cost		
	<input type="checkbox"/> Lower of cost or market		
	<input type="checkbox"/> Other (specify method used and explain)		
36	Was there a writedown of subnormal goods?	Yes	<input type="checkbox"/>
		No	<input type="checkbox"/>
37a	Was LIFO inventory method adopted this tax year for any goods? (If Yes, submit federal Form 970.)	Yes	<input type="checkbox"/>
		No	<input type="checkbox"/>
37b	If the LIFO inventory method was used for this tax year, enter the amount of closing inventory computed under LIFO	37b	
38	Do the rules of IRC section 263A (for property produced or acquired for resale) apply to the partnership?	Yes	<input type="checkbox"/>
		No	<input type="checkbox"/>
39	Was there any change in determining quantities, cost, or valuations between opening and closing inventory?	Yes	<input type="checkbox"/>
		No	<input type="checkbox"/>
	If Yes, explain		

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Section 4 - Balance sheets per books (from federal Form 1065, Schedule L)

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
40 Cash 40.		11,190.		194,978.
41 Trade notes/ acct recvbl 41.				
42 Less allowances for bad debts 42.				
43 Inventories 43.				
44 U.S. govt obligations 44.				
45 Tax-exempt securities 45.				
46 Other crnt asst (sub stmt) 46.				
47a Loans to partners (or persons related to partners) 47a.				
47b Mortg/real estate loans 47b.				
48 Othr invstmt (sub stmt) 48.				
49 Bldgs and othr deprc assets 49.	22,503,742.		23,643,790.	
50 Less accum depreciation 50.	529,569.	21,974,173.	1,838,428.	21,805,362.
51 Deplt assets 51.				
52 Less accum depletion 52.				
53 Land (net any amrtzn) 53.				
54 Intangible assets (amortizable only) 54.	231,193.		231,193.	
55 Less accum'd amortization 55.	10,703.	220,490.	23,547.	207,646.
56 Othr assets (sub stmt) 56.				
57 Totl assets 57.		22,205,853.		22,207,986.

Liabilities and capital

	Beginning of tax year (b)	End of tax year (d)
58 Accounts payable 58.	133,273.	165,993.
59 Mortgages, notes, bonds payable in less than one year 59.		
60 Other current liabilities (submit statement) STATEMENT 2 60.	66,021.	34,493.
61 All nonrecourse loans 61.		
62a Loans from partners (or persons related to partners) 62a.		
62b Mortgages, notes, bonds payable in one year or more 62b.		
63 Other liabilities (submit statement) 63.		
64 Partners' capital accounts 64.	22,006,559.	22,007,500.
65 Total liabilities and capital 65.	22,205,853.	22,207,986.

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Section 5 - Reconciliation of income (loss) per books with income (loss) per return

(From federal Form 1065, Schedule M-1; see instructions. If Schedule M-3 was filed, mark an X in the box ; file Schedule M-3 and any related documents with Form IT-204; skip Section 5 and continue with Section 6.)

66	Net income (loss) per books	66	
67	Income included on return not recorded on books this year, from Schedule M-1, line 2	67	
	Identify:		
68	Guaranteed payments (other than health insurance)	68	
69	Expenses recorded on books this year not included on return, from Schedule M-1, line 4	69	
	Identify:		
70	Add lines 66 through 69	70	
71	Income recorded on books this year not included on return, from Schedule M-1, line 6	71	
	Identify:		
72	Deductions included on return not charged against book income this year, from Schedule M-1, line 7	72	
	Identify:		
73	Add lines 71 and 72	73	
74	Income (loss) (subtract line 73 from line 70)	74	

Section 6 - Analysis of partners' capital accounts (from federal Form 1065, Schedule M-2)

75	Balance at beginning of year	75	22,006,559.
76	Capital contributed - cash	76	2,912,675.
77	Capital contributed - property	77	
78	Net income (loss) per books	78	-2,911,734.
79	Other increases	79	
	Identify:		
80	Add lines 75 through 79	80	22,007,500.
81	Distributions - cash	81	
82	Distributions - property	82	
83	Other decreases	83	
	Identify:		
84	Add lines 81, 82, and 83	84	
85	Balance at end of year (subtract line 84 from line 80)	85	22,007,500.

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Section 7 - Partners' share of income, deductions, etc. (from federal Form 1065, Schedule K)

Partners' distributive share items

86	Ordinary business income (loss)	86	-2,890,234.
87	Net rental real estate income (loss) (submit federal Form 8825)	87	
88a	Other gross rental income (loss)	88a	
88b	Expenses from other rental activities	88b	
89	Other net rental income (loss) (subtract line 88b from line 88a)	89	
90	Guaranteed payments	90	
91	Interest income	91	
92	Ordinary dividends	92	
93	Royalties	93	
94	Net short-term capital gain (loss) (submit federal Schedule D)	94	
95	Net long-term capital gain (loss) (submit federal Schedule D)	95	
96	Net section 1231 gain (loss) (submit federal Form 4797)	96	
97	Other income (loss) (see instructions)	97	
	Identify:		
98	Section 179 deduction (submit federal Form 4562)	98	
99	Other deductions (see instructions)	99	
	Identify:		
100	Tax preference items for minimum tax (see instructions)	100	
	Identify:		
101	Net earnings (loss) from self-employment	101	
102	Tax-exempt income and nondeductible expenses (see instructions)	102	21,500.
103	Distributions - cash and marketable securities	103	
104	Distributions - other property	104	
105	Other items not included above that are required to be reported separately to partners (see inst.)	105	
	Identify:		
Analysis of net income (loss)			
106	Enter amount from federal Form 1065, Analysis of Net Income (Loss), line 1	106	-2,890,234.

Analysis by type of partner

	A	B	C	D	E	F
	Corporate	Individual (active)	Individual (passive)	Partnership	Exempt organization	Nominee/other
General partners		-2,861,332.				
Limited partners			-28,902.			

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Section 8 - New York modifications (see instructions)

107	New York State additions			
	Number	A - Total amount	B - New York State allocated amount	
107a	EA	—		
107b	EA	—		
107c	EA	—		
107d	EA	—		
107e	EA	—		
107f	EA	—		
108	Total addition modifications (total of column A, lines 107a through 107f)			108
109	New York State subtractions			
	Number	A - Total amount	B - New York State allocated amount	
109a	ES	—		
109b	ES	—		
109c	ES	—		
109d	ES	—		
109e	ES	—		
109f	ES	—		
110	Total subtraction modifications (total of column A, lines 109a through 109f)			110
111	Additions to federal itemized deductions			
	Letter	Amount		
111a				
111b				
111c				
111d				
111e				
111f				
112	Total additions to federal itemized deductions (add lines 111a through 111f)			112
113	Subtractions from federal itemized deductions			
	Letter	Amount		
113a				
113b				
113c				
113d				
113e				
113f				
114	Total subtractions from federal itemized deductions (add lines 113a through 113f)			114
115	New York adjustments to tax preference items			115

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116a New York source gross income (see instructions) 116a 0.

116b MCTD allocation percentage (see instructions) 116b .0000 %

117 Is this partnership a partner in another partnership or LLC? (If Yes, list the names and EINs below; submit additional sheets if necessary.) Yes No

Name of entity EIN

Section 10 - New York allocation schedule

Part 1 - List all places, both in and out of NYS, where the partnership carries on business (submit additional sheets if necessary)

Street address	City and state	Description (see instructions)
C/O ARCADIA, CAYMAN BUSINESS PAR 760 PARK AVE KINGSTOWN	GRAND CAYMAN NEW YORK, NY ST VINCENT	REGISTERED OFFICE MAILING ADDRESS IN US PORT OF REGISTRY

118 Do books and records reflect income earned in New York? (If Yes, do not complete Part 2.) Yes No

Part 2 - Formula basis allocation of income if books and records do not reflect income earned in New York

Items used as factors	A - Totals - in and out of NYS Dollars	B - New York State amounts Dollars	C - Percent col. B is of col. A
119 Real property owned 119		119	
120 Real property rented from others 120		120	
121 Tangible personal property owned 121		121	
122 Property percentage (add lines 119, 120, and 121; see instr.) 122		122	122 %
123 Payroll percentage (see instr.) 123		123	123 %
124 Gross income percentage (see instr.) 124		124	124 %
125 Total of percentages (total column C, lines 122, 123, and 124) 125		125	125 %
126 Business allocation percentage (divide line 125 by three or by actual number of percentages if less than three) ... 126		126	.0000 %

Section 11 - Partners' credit information (see instructions)

Part 1 - Flow-through credit bases and factors

Brownfield redevelopment tax credit (Form IT-611 and/or IT-611.1)

127 Site preparation credit component 127

128 Tangible property credit component 128

129 On-site groundwater remediation credit component 129

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EZ capital tax credit (Form IT-602)

130	Contributions of money to EZ community development projects	130
131	Recapture of credit for investments in certified EZ businesses	131
132	Recapture of credit for contributions of money to EZ community development projects	132

QEZE tax reduction credit (Form IT-604)

133	QEZE employment increase factor	133
134	QEZE zone allocation factor	134
135	QEZE benefit period factor	135

Excelsior jobs program tax credit (Form IT-607)

136	Excelsior jobs tax credit component	136
137	Excelsior investment tax credit component	137
138	Excelsior research and development tax credit component	138
139	Excelsior real property tax credit component	139

Farmers' school tax credit (Form IT-217)

140	Acres of qualified agricultural property	140
141	Acres of qualified conservation property	141
142	Eligible school district property taxes paid	142
143	Acres of qualified agricultural property converted to nonqualified use	143

Other flow-through credit bases and factors

Credit bases

Code	Amount	Code	Amount
144a		144d	
144b		144e	
144c		144f	

Credit factors

Code	Factor	Code	Factor	Code	Factor
144g	144i			144k	
144h	144j			144l	

Part 2 - Flow-through credits, addbacks and recaptures

145	Long-term care insurance credit (Form IT-249)	145
146a	Investment credit (including employment incentive credit and historic barn rehabilitation credit; Form IT-212) ...	146a
146b	Research and development - investment credit (Form IT-212)	146b

147 Other flow-through credits

Code	Amount	Code	Amount
147a		147e	
147b		147f	
147c		147g	
147d		147h	

148 Addbacks of credits and recaptures

Code	Amount	Code	Amount
148a		148d	
148b		148e	
148c		148f	

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NY IT-204

OTHER DEDUCTIONS

STATEMENT 1

DESCRIPTION	AMOUNT
ADVERTISING	7,753.
AGENT FEES	51,866.
AMORTIZATION EXPENSE	12,844.
BANK CHARGES	9,949.
BROKER COMISSION	198,235.
CHARTS AND PUBLICATIONS	19,752.
COMMUNICATION	112,560.
CREW EDUCATION	4,612.
CUSTOMS AND LANDING FEES	29,756.
DOCKAGE	287,640.
EMPLOYEE HOUSING COSTS (FOR CONVENI	138,002.
FOOD & BEVERAGE	41,214.
FX LOSS	-5,873.
INSURANCE	175,369.
MEALS AND ENTERTAINMENT	21,500.
OFFICE EXPENSE	13,455.
PROFESSIONAL FEES	35,000.
RECRUITING	10,920.
SHIPPING	197,512.
STORAGE	2,664.
SUPPLIES	269,484.
TEMPORARY LABOR	106,221.
TRANSPORTATION	30,173.
UNIFORMS	23,713.
UTILITIES	591,391.
VESSEL CLASSING	67,485.
TOTAL TO FORM IT-204, PAGE 2, LINE 24	2,453,197.

NY IT-204

OTHER CURRENT LIABILITIES

STATEMENT 2

DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
ACCRUED LIABILITIES	66,021.	34,493.
TOTAL TO FORM IT-204, PAGE 3, LINE 60	66,021.	34,493.

2012

New York State Department of Taxation and Finance
New York Partner's Schedule K-1
Tax Law - Article 22 (Personal Income Tax)

IT-204-IP

1

Final K-1
 Amended K-1

For calendar year 2012 or tax year beginning **01-01-2012** and ending **12-31-2012**

Partners: Before completing your income tax return, see Form IT-204-IP-I, *Partner's Instructions for Form IT-204-IP* (available at www.tax.ny.gov).

Partnership's information (see instructions)
Partnership's name (as shown on Form IT-204)

Partnership's EIN

BJAV MARINE, LTD

A Mark an **X** in the box if either applies to your entity Publicly traded partnership Portfolio investment partnership

B Tax shelter registration number, if any

C Business allocation percentage

Partner's information (see instructions)

Partner's name

Partner's identifying number

LEON D BLACK

Partner's address

City State ZIP code

D The partner is a (mark an **X** in the appropriate box) General partner or LLC member-manager Limited partner or other LLC member

E What is the tax filing status of the partner? (mark an **X** in the appropriate box, if known.) Individual Estate/trust Partnership

F If the partner is a disregarded entity or grantor trust, enter the tax ID of the entity or individual reporting the income, if known

G Did the partner sell its entire interest during the tax year? Yes No

H Partner's share of profit, loss, and capital		Beginning		Ending	
1) Profit	H1	99.0000	%	99.0000	%
2) Loss	H2	99.0000	%	99.0000	%
3) Capital	H3	99.0000	%	99.0000	%

I Partner's share of liabilities at the end of the year	
1) Nonrecourse	I1
2) Qualified nonrecourse financing	I2
3) Recourse	I3

J Partner's capital account analysis		
1) Beginning capital account	J1	21,786,494.
2) Capital contributed during the year - cash	J2	2,883,548.
3) Capital contributed during the year - property	J3	
4) Current year increase (decrease)	J4	-2,882,617.
5) Withdrawals and distributions - cash	J5	
6) Withdrawals and distributions - property	J6	
7) Ending capital account	J7	21,787,425.

8) Method of accounting (mark an **X** in the appropriate box)
 Tax basis GAAP Book Other (submit explanation)

K Resident status (mark an **X** in all boxes that apply)

NYS full-year resident Yonkers full-year resident NYC full-year resident
 NYS part-year resident Yonkers part-year resident NYC part-year resident
 NYS nonresident Yonkers nonresident

L If the partner was included in a group return, enter the special NYS identification number, if known

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28851
11-19-12

M 1) Was Form IT-2658-E filed with the partnership? M1 Yes No
 2) Was Form MTA-405-E filed with the partnership? M2 Yes No

N NYS estimated tax paid on behalf of partner (from Form IT-2658)

	Date	Amount
1) First installment	N1	
2) Second installment	N2	
3) Third installment	N3	
4) Fourth installment	N4	
Total NYS estimated tax paid on behalf of partner (add lines N1 through N4)	N	

O Estimated MCTMT paid on behalf of partner (from Form MTA-405)

	Date	Amount
1) First installment	O1	
2) Second installment	O2	
3) Third installment	O3	
4) Fourth installment	O4	
Total estimated MCTMT paid on behalf of partner (add lines O1 through O4)	O	

Partner's share of income, deductions, etc.

	A - Partner's distributive share items	B - Federal K-1 amount	C - New York State amount
1 Ordinary business income (loss)	1	-2,861,332.	1
2 Net rental real estate income (loss)	2		2
3 Other net rental income (loss)	3		3
4 Guaranteed payments	4		4
5 Interest income	5		5
6 Ordinary dividends	6		6
7 Royalties	7		7
8 Net short-term capital gain (loss)	8		8
9 Net long-term capital gain (loss)	9		9
10 Net section 1231 gain (loss)	10		10
11 Other income (loss) <i>Identify:</i>	11		11
12 Section 179 deduction	12		12
13 Other deductions <i>Identify:</i>	13		13
14 Tax preference items for minimum tax <i>Identify:</i>	14		14
15 Net earnings (loss) from self-employment	15		15
16 Tax-exempt income and nondeductible expenses	16	21,285.	16
17 Distributions - cash and marketable securities	17		17
18 Distributions - other property	18		18
19 Other items not included above that are required to be reported separately to partners <i>Identify:</i>	19		19

Partner's share of New York modifications (see instructions)

	Number	A - Total amount	B - New York State allocated amount
20	New York State additions		
20a	EA-		
20b	EA-		
20c	EA-		
20d	EA-		
20e	EA-		
20f	EA-		
21	Total addition modifications (total of column A, lines 20a through 20f)		21

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Partner's share of New York modifications *(continued)*

22 New York State subtractions			
Number	A - Total amount	B - New York State allocated amount	
22a	ES-		
22b	ES-		
22c	ES-		
22d	ES-		
22e	ES-		
22f	ES-		
23	Total subtraction modifications <i>(total of column A, lines 22a through 22f)</i>		23
24 Additions to federal itemized deductions			
Letter	Amount		
24a			
24b			
24c			
24d			
24e			
24f			
25	Total additions to federal itemized deductions <i>(add lines 24a through 24f)</i>		25
26 Subtractions from federal itemized deductions			
Letter	Amount		
26a			
26b			
26c			
26d			
26e			
26f			
27	Total subtractions from federal itemized deductions <i>(add lines 26a through 26f)</i>		27
28	New York adjustments to tax preference items		28

Partner's other information

29a	Partner's share of New York source gross income	29a	
29b	MCTD allocation percentage <i>(see instructions)</i>	29b	%

Partner's credit information

Part 1 - Flow-through credit bases and factors

Brownfield redevelopment tax credit *(Form IT-611 or IT-611.1)*

	A - Form IT-611	B - Form IT-611.1
30 Site preparation credit component	30	30
31 Tangible property credit component	31	31
32 On-site groundwater remediation credit component	32	32

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11-19-12

Partner's credit information (continued)

EZ capital tax credit (Form IT-602)

33	Contributions of money to EZ community development projects	33
34	Recapture of credit for investments in certified EZ businesses	34
35	Recapture of credit for contributions of money to EZ community development projects	35

QEZE tax reduction credit (Form IT-604)

36	QEZE employment increase factor	36
37	QEZE zone allocation factor	37
38	QEZE benefit period factor	38

Excelsior jobs program tax credit (Form IT-607)

39	Excelsior jobs tax credit component	39
40	Excelsior investment tax credit component	40
41	Excelsior research and development tax credit component	41
42	Excelsior real property tax credit component	42

Farmers' school tax credit (Form IT-217)

43	Acres of qualified agricultural property	43
44	Acres of qualified conservation property	44
45	Eligible school district property taxes paid	45
46	Acres of qualified agricultural property converted to nonqualified use	46

Other flow-through credit bases and factors

Credit bases

Code	Amount	Code	Amount
47a		47d	
47b		47e	
47c		47f	

Credit factors

Code	Factor	Code	Factor	Code	Factor
47g		47i		47k	
47h		47j		47l	

Part 2 - Flow-through credits, addbacks and recaptures

48	Long-term care insurance credit (Form IT-249)	48
49	Investment credit (including employment incentive credit and historic barn rehabilitation credit; Form IT-212)	49
50	Research and development - investment credit (Form IT-212)	50

51 Other flow-through credits

Code	Amount	Code	Amount
51a		51e	
51b		51f	
51c		51g	
51d		51h	

52 Addbacks of credits and recaptures

Code	Amount	Code	Amount
52a		52d	
52b		52e	
52c		52f	

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2012

New York State Department of Taxation and Finance
New York Partner's Schedule K-1
Tax Law - Article 22 (Personal Income Tax)

IT-204-IP

2

Final K-1
 Amended K-1

For calendar year 2012 or tax year beginning 01-01-2012 and ending 12-31-2012

Partners: Before completing your income tax return, see Form IT-204-IP-I, Partner's Instructions for Form IT-204-IP (available at www.tax.ny.gov).

Partnership's information (see instructions)

Partnership's name (as shown on Form IT-204)

Partnership's EIN

BJAV MARINE, LTD

A Mark an X in the box if either applies to your entity Publicly traded partnership Portfolio investment partnership

B Tax shelter registration number, if any B

C Business allocation percentage C %

Partner's information (see instructions)

Partner's name

Partner's identifying number

Partner's address

City State ZIP code

D The partner is a (mark an X in the appropriate box) General partner or LLC member-manager Limited partner or other LLC member

E What is the tax filing status of the partner? (mark an X in the appropriate box, if known.) Individual Estate/trust Partnership

F If the partner is a disregarded entity or grantor trust,

enter the tax ID of the entity or individual reporting the income, if known F

G Did the partner sell its entire interest during the tax year? G Yes No

H Partner's share of profit, loss, and capital

		Beginning		Ending	
1) Profit	H1	1.0000	%	1.0000	%
2) Loss	H2	1.0000	%	1.0000	%
3) Capital	H3	1.0000	%	1.0000	%

I Partner's share of liabilities at the end of the year

1) Nonrecourse	I1
2) Qualified nonrecourse financing	I2
3) Recourse	I3

J Partner's capital account analysis

1) Beginning capital account	J1	220,065.
2) Capital contributed during the year - cash	J2	29,127.
3) Capital contributed during the year - property	J3	
4) Current year increase (decrease)	J4	-29,117.
5) Withdrawals and distributions - cash	J5	
6) Withdrawals and distributions - property	J6	
7) Ending capital account	J7	220,075.

8) Method of accounting (mark an X in the appropriate box)

Tax basis GAAP Book Other (submit explanation)

K Resident status (mark an X in all boxes that apply)

NYS full-year resident Yonkers full-year resident NYC full-year resident
 NYS part-year resident Yonkers part-year resident NYC part-year resident
 NYS nonresident Yonkers nonresident

L If the partner was included in a group return, enter the special NYS identification number, if known L

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288851
11-19-12

M 1) Was Form IT-2658-E filed with the partnership? M1 Yes No
 2) Was Form MTA-405-E filed with the partnership? M2 Yes No

N NYS estimated tax paid on behalf of partner (from Form IT-2658) Date Amount

1) First installment N1
 2) Second installment N2
 3) Third installment N3
 4) Fourth installment N4

Total NYS estimated tax paid on behalf of partner (add lines N1 through N4) N

O Estimated MCTMT paid on behalf of partner (from Form MTA-405) Date Amount

1) First installment O1
 2) Second installment O2
 3) Third installment O3
 4) Fourth installment O4

Total estimated MCTMT paid on behalf of partner (add lines O1 through O4) O

Partner's share of income, deductions, etc.

A - Partner's distributive share items	B - Federal K-1 amount	C - New York State amount
1 Ordinary business income (loss)	-28,902.	-28,902.
2 Net rental real estate income (loss)		
3 Other net rental income (loss)		
4 Guaranteed payments		
5 Interest income		
6 Ordinary dividends		
7 Royalties		
8 Net short-term capital gain (loss)		
9 Net long-term capital gain (loss)		
10 Net section 1231 gain (loss)		
11 Other income (loss) <i>Identify:</i>		
12 Section 179 deduction		
13 Other deductions <i>Identify:</i>		
14 Tax preference items for minimum tax		
<i>Identify:</i>		
15 Net earnings (loss) from self-employment		
16 Tax-exempt income and nondeductible expenses	215.	215.
17 Distributions - cash and marketable securities		
18 Distributions - other property		
19 Other items not included above that are required to be reported separately to partners		
<i>Identify:</i>		

Partner's share of New York modifications (see instructions)

20 New York State additions	A - Total amount	B - New York State allocated amount
Number		
20a EA-		
20b EA-		
20c EA-		
20d EA-		
20e EA-		
20f EA-		
21 Total addition modifications (total of column A, lines 20a through 20f)		21

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Partner's share of New York modifications *(continued)*

22	New York State subtractions		
	Number	A - Total amount	B - New York State allocated amount
22a	ES-		
22b	ES-		
22c	ES-		
22d	ES-		
22e	ES-		
22f	ES-		
23	Total subtraction modifications <i>(total of column A, lines 22a through 22f)</i>		23
24	Additions to federal itemized deductions		
	Letter	Amount	
24a			
24b			
24c			
24d			
24e			
24f			
25	Total additions to federal itemized deductions <i>(add lines 24a through 24f)</i>		25
26	Subtractions from federal itemized deductions		
	Letter	Amount	
26a			
26b			
26c			
26d			
26e			
26f			
27	Total subtractions from federal itemized deductions <i>(add lines 26a through 26f)</i>		27
28	New York adjustments to tax preference items		28

Partner's other information

29a	Partner's share of New York source gross income	29a	
29b	MCTD allocation percentage <i>(see instructions)</i>	29b	%

Partner's credit information

Part 1 - Flow-through credit bases and factors

Brownfield redevelopment tax credit *(Form IT-611 or IT-611.1)*

		A - Form IT-611	B - Form IT-611.1
30	Site preparation credit component	30	30
31	Tangible property credit component	31	31
32	On-site groundwater remediation credit component	32	32

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Partner's credit information (continued)

EZ capital tax credit (Form IT-602)

33	Contributions of money to EZ community development projects	33
34	Recapture of credit for investments in certified EZ businesses	34
35	Recapture of credit for contributions of money to EZ community development projects	35

QEZE tax reduction credit (Form IT-604)

36	QEZE employment increase factor	36
37	QEZE zone allocation factor	37
38	QEZE benefit period factor	38

Excelsior jobs program tax credit (Form IT-607)

39	Excelsior jobs tax credit component	39
40	Excelsior investment tax credit component	40
41	Excelsior research and development tax credit component	41
42	Excelsior real property tax credit component	42

Farmers' school tax credit (Form IT-217)

43	Acres of qualified agricultural property	43
44	Acres of qualified conservation property	44
45	Eligible school district property taxes paid	45
46	Acres of qualified agricultural property converted to nonqualified use	46

Other flow-through credit bases and factors

Credit bases

Code	Amount	Code	Amount
47a		47d	
47b		47e	
47c		47f	

Credit factors

Code	Factor	Code	Factor	Code	Factor
47g		47i		47k	
47h		47j		47l	

Part 2 - Flow-through credits, addbacks and recaptures

48	Long-term care insurance credit (Form IT-249)	48
49	Investment credit (including employment incentive credit and historic barn rehabilitation credit; Form IT-212)	49
50	Research and development - investment credit (Form IT-212)	50

51 Other flow-through credits

Code	Amount	Code	Amount
51a		51e	
51b		51f	
51c		51g	
51d		51h	

52 Addbacks of credits and recaptures

Code	Amount	Code	Amount
52a		52d	
52b		52e	
52c		52f	

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Depreciation and Amortization
(Including Information on Listed Property) **OTHER**

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return

Business or activity to which this form relates

Identifying number

BJAV MARINE, LTD

**CHARTERING OF OCEAN
VESSEL**

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2011 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2013. Add lines 9 and 10, less line 12	▶ 13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2012	17	1,270,949.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	▶ <input type="checkbox"/>	

Section B - Assets Placed in Service During 2012 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2012 Tax Year Using the Alternative Depreciation System

20a Class life		1,143,547.	VARIES	HY	S/L	37,910.
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	1,308,859.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)
 Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed?		Yes		No		24b If "Yes," is the evidence written?		Yes		No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use.....								25			
26 Property used more than 50% in a qualified business use:											
		%									
		%									
		%									
27 Property used 50% or less in a qualified business use:											
		%				S/L					
		%				S/L					
		%				S/L					
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1								28			
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1								29			

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30 Total business/investment miles driven during the year (do not include commuting miles)	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
	Yes	No										
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year	
42 Amortization of costs that begins during your 2012 tax year:						
43 Amortization of costs that began before your 2012 tax year					43	12,844.
44 Total. Add amounts in column (f). See the instructions for where to report					44	12,844.

SCHEDULE M-3
(Form 1065)

Department of the Treasury
Internal Revenue Service

**Net Income (Loss) Reconciliation
for Certain Partnerships**

▶ Attach to Form 1065 or Form 1065-B.

▶ Information about Schedule M-3 (Form 1065) and its instructions is at www.irs.gov/form1065.

OMB No. 1545-0099

2012

Name of partnership

Employer identification number

BJAV MARINE, LTD

This Schedule M-3 is being filed because (check all that apply):

- A The amount of the partnership's total assets at the end of the tax year is equal to \$10 million or more.
- B The amount of the partnership's adjusted total assets for the year is equal to \$10 million or more. If box B is checked, enter the amount of adjusted total assets for the tax year 25,119,720.
- C The amount of total receipts for the tax year is equal to \$35 million or more. If box C is checked, enter the total receipts for the tax year _____.
- D An entity that is a reportable entity partner with respect to the partnership owns or is deemed to own an interest of 50 percent or more in the partnership's capital, profit, or loss, on any day during the tax year of the partnership.

Name of Reportable Entity Partner	Identifying Number	Maximum Percentage Owned or Deemed Owned

E Voluntary Filer

Part I Financial Information and Net Income (Loss) Reconciliation

- 1a Did the partnership file SEC Form 10-K for its income statement period ending with or within this tax year?
 - Yes. Skip lines 1b and 1c and complete lines 2 through 11 with respect to that SEC Form 10-K.
 - No. Go to line 1b. See instructions if multiple non-tax-basis income statements are prepared.
- b Did the partnership prepare a certified audited non-tax-basis income statement for that period?
 - Yes. Skip line 1c and complete lines 2 through 11 with respect to that income statement.
 - No. Go to line 1c.
- c Did the partnership prepare a non-tax-basis income statement for that period?
 - Yes. Complete lines 2 through 11 with respect to that income statement.
 - No. Skip lines 2 through 3b and enter the partnership's net income (loss) per its books and records on line 4a.
- 2 Enter the income statement period: Beginning _____ Ending _____
- 3a Has the partnership's income statement been restated for the income statement period on line 2?
 - Yes. (If "Yes," attach a statement and the amount of each item restated.)
 - No.
- b Has the partnership's income statement been restated for any of the five income statement periods preceding the period on line 2?
 - Yes. (If "Yes," attach a statement and the amount of each item restated.)
 - No.

4a Worldwide consolidated net income (loss) from income statement source identified in Part I, line 1	4a	-2,911,734.
b Indicate accounting standard used for line 4a (see instructions):		
1 <input type="checkbox"/> GAAP 2 <input type="checkbox"/> IFRS 3 <input type="checkbox"/> 704(b)		
4 <input checked="" type="checkbox"/> Tax-basis 5 <input type="checkbox"/> Other: (specify) ▶ _____		
5a Net income from nonincludible foreign entities (attach statement)	5a	()
b Net loss from nonincludible foreign entities (attach statement and enter as a positive amount)	5b	
6a Net income from nonincludible U.S. entities (attach statement)	6a	()
b Net loss from nonincludible U.S. entities (attach statement and enter as a positive amount)	6b	
7a Net income (loss) of other foreign disregarded entities (attach statement)	7a	
b Net income (loss) of other U.S. disregarded entities (attach statement)	7b	
8 Adjustment to eliminations of transactions between includible entities and nonincludible entities (attach stmt.)	8	
9 Adjustment to reconcile income statement period to tax year (attach statement)	9	
10 Other adjustments to reconcile to amount on line 11 (attach statement)	10	
11 Net income (loss) per income statement of the partnership. Combine lines 4a through 10	11	-2,911,734.

Note. Part I, line 11, must equal the amount on Part II, line 26, column (a).

12 Enter the total amount (not just the partnership's share) of the assets and liabilities of all entities included or removed on the following lines:

	Total Assets	Total Liabilities
a Included on Part I, line 4	22,207,986.	200,486.
b Removed on Part I, line 5		
c Removed on Part I, line 6		
d Included on Part I, line 7		

For Paperwork Reduction Act Notice, see the instructions for your return.

Schedule M-3 (Form 1065) 2012

Name of partnership **BJAV MARINE, LTD** Employer identification number [REDACTED]

Part II Reconciliation of Net Income (Loss) per Income Statement of Partnership with Income (Loss) per Return

Income (Loss) Items	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
(Attach statements for lines 1 through 9)				
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Gross foreign distributions previously taxed				
5 Income (loss) from equity method U.S. corporations				
6 U.S. dividends				
7 Income (loss) from U.S. partnerships				
8 Income (loss) from foreign partnerships				
9 Income (loss) from other pass-through entities				
10 Items relating to reportable transactions (attach statement)				
11 Interest income (attach Form 8916-A)				
12 Total accrual to cash adjustment				
13 Hedging transactions				
14 Mark-to-market income (loss)				
15 Cost of goods sold (attach Form 8916-A)	()			()
16 Sale versus lease (for sellers and/or lessors)				
17 Section 481(a) adjustments				
18 Unearned/deferred revenue				
19 Income recognition from long-term contracts				
20 Original issue discount and other imputed interest				
21a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than inventory and pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement)				
g Other gain/loss on disposition of assets other than inventory				
22 Other income (loss) items with differences (attach statement)				
23 Total income (loss) items. Combine lines 1 through 22				
24 Total expense/deduction items (from Part III, line 31) (see instructions)	-1,364,703.		21,500.	-1,343,203.
25 Other items with no differences STMT 3	-1,547,031.			-1,547,031.
26 Reconciliation totals. Combine lines 23 through 25	-2,911,734.		21,500.	-2,890,234.

Note. Line 26, column (a), must equal the amount on Part I, line 11, and column (d) must equal Form 1065, Analysis of Net Income (Loss), line 1.

Name of partnership

BJAV MARINE, LTD

Employer identification number

Part III Reconciliation of Net Income (Loss) per Income Statement of Partnership With Income (Loss) per Return - Expense/Deduction Items

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 State and local current income tax expense				
2 State and local deferred income tax expense				
3 Foreign current income tax expense (other than foreign withholding taxes)				
4 Foreign deferred income tax expense				
5 Equity-based compensation				
6 Meals and entertainment STMT 5	43,000.		-21,500.	21,500.
7 Fines and penalties				
8 Judgments, damages, awards, and similar costs				
9 Guaranteed payments				
10 Pension and profit-sharing				
11 Other post-retirement benefits				
12 Deferred compensation				
13 Charitable contribution of cash and tangible property				
14 Charitable contribution of intangible property				
15 Organizational expenses as per Regulations section 1.709-2(a)				
16 Syndication expenses as per Regulations section 1.709-2(b) ..				
17 Current year acquisition/reorganization investment banking fees				
18 Current year acquisition/reorganization legal and accounting fees				
19 Amortization/impairment of goodwill				
20 Amortization of acquisition, reorganization, and start-up costs				
21 Other amortization or impairment write-offs STMT 6	12,844.			12,844.
22 Section 198 environmental remediation costs				
23a Depletion - Oil & Gas				
b Depletion - Other than Oil & Gas				
24 Intangible drilling & development costs				
25 Depreciation	1,308,859.			1,308,859.
26 Bad debt expense				
27 Interest expense (attach Form 9916-A)				
28 Purchase versus lease (for purchasers and/or lessees)				
29 Research and development costs				
30 Other expense/deduction items with differences (attach statement)				
31 Total expense/deduction items. Combine lines 1 through 30. Enter here and on Part II, line 24, reporting positive amounts as negative and negative amounts as positive	1,364,703.		-21,500.	1,343,203.

JWA

Schedule M-3 (Form 1065) 2012

SCHEDULE M-3	MEALS AND ENTERTAINMENT			STATEMENT 5
DESCRIPTION	EXPENSE PER INCOME STATEMENT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	DEDUCTION PER TAX RETURN
MEALS AND ENTERTAINMENT FROM TRADE OR BUSINESS	43,000.		-21,500.	21,500.
TOTAL	43,000.		-21,500.	21,500.

SCHEDULE M-3	OTHER AMORTIZATION OR IMPAIRMENT WRITE-OFFS			STATEMENT 6
DESCRIPTION	EXPENSE PER INCOME STATEMENT	TEMPORARY DIFFERENCE	PERMANENT DIFFERENCE	DEDUCTION PER TAX RETURN
DEFERRED ACQUISITION COSTS	12,844.		0.	12,844.
TOTAL	12,844.		0.	12,844.

SCHEDULE M-3	OTHER EXPENSE/DEDUCTION ITEMS WITH NO DIFFERENCES		STATEMENT 7
DESCRIPTION	EXPENSE/ DEDUCTION PER INCOME STATEMENT	EXPENSE/ DEDUCTION PER TAX RETURN	
ADVERTISING	7,753.	7,753.	
AGENT FEES	51,866.	51,866.	
BANK CHARGES	9,949.	9,949.	
BROKER COMISSION	198,235.	198,235.	
CHARTS AND PUBLICATIONS	19,752.	19,752.	
COMMUNICATION	112,560.	112,560.	
CREW EDUCATION	4,612.	4,612.	
CUSTOMS AND LANDING FEES	29,756.	29,756.	
DOCKAGE	287,640.	287,640.	
EMPLOYEE BENEFIT PROGRAMS	11,108.	11,108.	
EMPLOYEE HOUSING COSTS (FOR CONVENI	138,002.	138,002.	
FOOD & BEVERAGE	41,214.	41,214.	
FX LOSS	-5,873.	-5,873.	
INSURANCE	175,369.	175,369.	
OFFICE EXPENSE	13,455.	13,455.	
PROFESSIONAL FEES	35,000.	35,000.	

BJAV MARINE, LTD

RECRUITING	10,920.	10,920.
REPAIRS AND MAINT., M-3 D	919,406.	919,406.
SALARIES AND WAGES	1,404,060.	1,404,060.
SHIPPING	197,512.	197,512.
STORAGE	2,664.	2,664.
SUPPLIES	269,484.	269,484.
TEMPORARY LABOR	106,221.	106,221.
TRANSPORTATION	30,173.	30,173.
UNIFORMS	23,713.	23,713.
UTILITIES	591,391.	591,391.
VESSEL CLASSING	67,485.	67,485.
TOTAL TO SCHEDULE M-3, PART II, LINE 25	<u>4,753,427.</u>	<u>4,753,427.</u>

**SCHEDULE C
(Form 1065)**

(Rev. December 2011)
Department of the Treasury
Internal Revenue Service

Additional Information for Schedule M-3 Filers

▶ Attach to Form 1065. See separate instructions.

OMB No. 1545-0099

Name of partnership

Employer identification number

BJAV MARINE, LTD



	Yes	No
1 At any time during the tax year, were there any transfers between the partnership and its partners subject to the disclosure requirements of Regulations section 1.707-8?		X
2 Do the amounts reported on Schedule M-3, Part II, lines 7 or 8, column (d), reflect allocations to this partnership from another partnership of income, gain, loss, deduction, or credit that are disproportionate to this partnership's share of capital in such partnership or its ratio for sharing other items of such partnership?		X
3 At any time during the tax year, did the partnership sell, exchange, or transfer any interest in an intangible asset to a related person as defined in sections 267(b) and 707(b)(1)?		X
4 At any time during the tax year, did the partnership acquire any interest in an intangible asset from a related person as defined in sections 267(b) and 707(b)(1)?		X
5 At any time during the tax year, did the partnership make any change in accounting principle for financial accounting purposes? See instructions for a definition of change in accounting principle		X
6 At any time during the tax year, did the partnership make any change in a method of accounting for U.S. income tax purposes?		X

JWA For Paperwork Reduction Act Notice, see the instructions for Form 1065.

Schedule C (Form 1065) (Rev. 12-2011)