

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. A-41, SUB 22

In the Matter of)	
Joint Application of Bald Head Island)	
Transportation, Inc., and Bald Head)	
Island Ferry Transportation, LLC, for)	FIFTH MOTION TO
Approval of Transfer of Common Carrier)	COMPEL RESPONSES OF
Certificate to Bald Head Island Ferry)	SHARPVUE CAPITAL, LLC
Transportation, LLC, and Permission to)	
Pledge Assets)	

The Village of Bald Head Island (the “Village”), by and through counsel and pursuant to the Order Scheduling Hearing, Establishing Procedural Deadlines, and Requiring Public Notice, moves the Commission to compel SharpVue Capital, LLC (“SharpVue”)¹ to provide its full and complete Responses to the Village’s Fifth Set of Data Requests. Attached as Exhibit A is a copy of SharpVue’s Responses to the Village’s Fifth Set of Data Requests.

BACKGROUND

The background to this dispute is set forth in the Village’s Second Motion to Compel filed on November 22, 2022, and is incorporated herein by reference.

After the Commission issued its order asserting authority over the parking facilities and barge, SharpVue filed an amended transfer application and amended direct testimony. The Village then issued its Fifth Set of Data Requests, seeking additional information based on SharpVue’s amended materials.

¹ For purposes of this motion, “SharpVue” includes reference to SharpVue Capital, LLC and its affiliated entities.

On February 7, 2023, SharpVue served its responses. SharpVue’s answers to many of the Village’s data requests are thin and non-responsive. For example, in response to Request 5-2, asking SharpVue to “describe the scope and extent of [SharpVue’s] management authority” over BHI Ferry Transportation, LLC (“BHIFT”), SharpVue responded that “[t]he scope and extent of management authority will be similar to other privately held businesses, and largely consistent with current ownership.” This response is so vague that it is meaningless.

Other of SharpVue’s responses are purposefully obstructive, refusing to answer direct and clear requests. And SharpVue continues to abuse the “trade secret” label and improperly withhold documents on that basis.

Based on the foregoing, this motion seeks an order compelling the production of SharpVue’s full responses to the Village’s Fifth Set of Data Requests, including any documents referenced therein and/or provided in response to that request.

ARGUMENT

I. SharpVue cannot avoid responding to questions about acquisition premiums through gamesmanship and evasive maneuvers.

In its initial application, SharpVue represented that it would not “seek[] to recover any transaction costs *or acquisition premiums* related to this transaction from passengers.” Application ¶ 37 (emphasis added). In its Amended Application—filed after the Commission issued its order asserting jurisdiction over the parking facilities and barge—SharpVue only commits not to “seek[] to recover any transaction costs related to this transaction from passengers.” Amended Application ¶ 38. Likewise, although Lee Roberts initially testified that SharpVue was not seeking to recover “transaction costs or acquisition premiums related to this transaction,” in his Amended Direct Testimony, he will only

promise not to seek to recover “transaction costs.” *Compare* Direct Testimony of Lee Roberts at 7:1-3, *with* Amended Direct Testimony of Lee Roberts at 7:21-8:1.

SharpVue’s amended testimony—or lack thereof—shows that SharpVue is no longer committing not to recover acquisition premiums from consumers. The Village thus asked SharpVue to explain why it had changed its position, and to specify the amount of acquisition premium that SharpVue will now seek to recover from transportation system users. Ex. A at 5-12. To ensure that its Request was clear, the Village explained: “For purposes of this response, ‘acquisition premium’ refers to the difference between purchase price and historic or net book value of the acquired assets.” *Id.*

SharpVue did not object to this Request, but nonetheless refused to respond. Rather than answer the Village’s Request, SharpVue provided a *different* definition of an acquisition premium, defining it as “the difference between the price paid for a target company in a merger or acquisition and the target’s assessed market value.” Based on SharpVue’s unsolicited definition, SharpVue decided that the term “does not apply to this transaction.” Ex. A at 5-12.

SharpVue’s failure to object to the Village’s request waives any objection, and SharpVue should be ordered to respond in full to the Village’s request on this basis alone. *See Hairston v. Hairston*, 209 N.C. App. 750, 709 S.E.2d 601 (Table), 2011 WL 532774, at *2 (2011) (failure to state objections to discovery requests waives objection); N.C. R. Civ. P. 37(a)(3) (“[A]n evasive or incomplete answer is to be treated as a failure to answer.”).

But even if SharpVue had objected to the Village’s request, its response still falls far short of meeting its discovery obligations. A party cannot redefine a term to avoid

responding to discovery. *See Stillwagon v. Innsbrook Golf & Marina, LLC*, No. 2:13-CV-00018-D, 2014 WL 1652562, at *3 (E.D.N.C. Apr. 23, 2014) (“Gamesmanship to evade answering [discovery requests] as required is not allowed.”).

SharpVue’s definition of “acquisition premium” fundamentally changed the meaning of the Village’s data request. The Village did not ask SharpVue about “the difference between the price paid for a target company in a merger or acquisition and the target’s assessed market value.” Rather, the Village asked SharpVue—as defined in the request itself—about “the difference between purchase price and historic or net book value of the acquired assets.” SharpVue’s position that the former definition “does not apply to this transaction” is thus irrelevant because the Village did not ask SharpVue about that definition.

SharpVue’s refusal to respond to the Village’s Request No. 5-12 violates its duty to respond to discovery “truthfully, fully, and completely.” *Id.* The Commission should therefore compel SharpVue’s full response to Request No. 5-12.

II. SharpVue cannot avoid responding to direct requests relating to claims it made in its Amended Application.

SharpVue likewise fails to fully respond to other of the Village’s requests. For example, in its Amended Application, SharpVue stated that BHIFT was managed by SharpVue. Amended Application at 1. The Village thus asked SharpVue to “describe the scope and extent of [SharpVue’s] management authority.” SharpVue responded, without further explanation, that “[t]he scope and extent of management authority will be similar to other privately held businesses, and largely consistent with current ownership.” *See* Ex. A at 5-2.

SharpVue has not “fully” or “completely” responded to the Village’s request. Its vague reference to “other privately held businesses” is meaningless. It does not explain how, for example, “other privately held businesses” exercise management authority. Nor did SharpVue explain how the “current ownership” exercises management authority.

Similarly, in SharpVue’s Amended Application, it claimed that that SharpVue had “reached agreement” with the management of current BHIT and BHIL operations. Amended Application at 17. The Village requested a “fully and complete summary of the terms and conditions of this agreement and provide a copy of the document(s) evidencing this agreement.” Ex. A at 5-6. SharpVue responded that there was no such document, but failed to address the first part of the Village’s request, that it summarize the terms and conditions of the agreement. If SharpVue has entered into an agreement with BHIT and BHIL, as it represented in its Amended Application, the Village is entitled to know the terms as they are relevant to this proceeding. If not, SharpVue should amend its application to clarify that it has not, in fact, reached any agreement.

SharpVue did not object to these responses, and thus has waived any objection. *Hairston*, 2011 WL 532774, at *2. Further, these requests, which ask SharpVue to explain claims it made in support of its Amended Application, are plainly relevant to this proceeding. There is no basis for SharpVue to withhold its responses to the Village’s Requests 5-2 and 5-6.

SharpVue’s half-hearted responses to the Village’s Requests 5-2 and 5-6 fall short of its discovery obligations, and SharpVue should be ordered to respond in full.

III. SharpVue continues to incorrectly label information “trade secret” to avoid having to fulfill its discovery obligations.

As discussed in the Village’s First, Second, Third, and Fourth Motions to Compel, SharpVue continues to broadly label information as “trade secret,” without any attempt to show that the information is actually a trade secret under G.S. § 66-152(3) or that it is not subject to protection under the terms of the parties’ confidentiality agreement.

Based on SharpVue’s self-serving, conclusory trade secret declaration, SharpVue has refused to provide the following information in response to the Village’s Fifth Set of Data Requests:

- **Request 5-1:** documents identified, referred to, or relied upon in preparing its responses to the Village’s Fifth Set of Data Requests.
- **Request 5-2:** the terms under which BHIFT will be compensated for managerial services, and all documents specifying or otherwise relating to BHIFT’s management authority.
- **Request 5-4:** Documents establishing the authority of [BEGIN AEO CONFIDENTIAL] [REDACTED] [END AEO CONFIDENTIAL] as having ultimate decision making authority for BHIFT and Pelican Legacy Holdings, LLC.
- **Request 5-8:** The terms of Pelican Legacy Holdings, LLC’s pledge of assets, including the amount of the loan, the payback schedule for the loan, the term of the loan, and the interest rate of the loan.
- **Request 5-9:** The expected financial terms for the third-party debt SharpVue will use to finance the transaction, and related documents.
- **Request 5-15:** Financial models to support SharpVue’s current valuation of the Transportation Assets.

As the Village has explained in its prior filings, SharpVue’s argument that it is entitled to withhold documents it has designated as “trade secrets” fails for three reasons. First, SharpVue has not made any effort to show that the information it is withholding qualifies for protection as “trade secrets.” Second, even if SharpVue could show that this

information was subject to trade-secret protection, the bare assertion that information is “trade secret” does not immunize the information in issue from production in discovery—rather it is merely a basis for asserting confidentiality. *See* G.S. § 62-132.1.2(1) (listing assertion of “trade secret” status as a threshold requirement for designation under the “confidential information” exception to public records requests); *see also Addison Whitney, LLC v. Cashion*, No. 17 CVS 1956, 2020 WL 3096793, at *12 (N.C. Super. June 10, 2020) (“The disclosure of confidential information on an attorneys’ eyes only basis is a routine feature of civil litigation involving trade secrets.” (quoting *Paycom Payroll, LLC v. Richison*, 758 F.3d 1198, 1202 (10th Cir. 2014))). Third, the parties have entered into a confidentiality agreement, which directly addresses SharpVue’s concerns. *See* Exhibit 1 to Village’s Second Motion to Compel (defining “Protected Information” as information that qualifies as “confidential information” under the Public Records Act).

SharpVue’s full response should also be compelled because the information the Village seeks is highly relevant to this matter. SharpVue has never disputed that this information is relevant to this proceeding. Nor can it. As the Village has explained in prior filings, information about SharpVue’s corporate structure, ownership, management, and its plans to finance the transaction is central to all issues in the proceeding, and the Village is entitled to discovery regarding these topics.

WHEREFORE, the Village respectfully requests that the Commission grant its Fifth Motion to Compel and (1) order SharpVue to respond to the Village’s Fifth Set of Data Requests, in full, including producing any documents referenced therein or providing any responsive documents and (2) provide such other and further relief as may be appropriate.

This 9th day of February, 2023.

By: /s/ Marcus W. Trathen
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing FIFTH MOTION TO COMPEL has been served this day upon all parties of record in this proceeding, or their legal counsel, by electronic mail or by delivery to the United States Post Office, first-class postage pre-paid.

This the 9th day of February, 2023.

By: /s/ Marcus W. Trathen
Marcus W. Trathen

EXHIBIT A

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

Docket No. A-41, Sub 22

In the Matter of		
Joint Application of Bald Head Island)	
Transportation, Inc., and Bald Head)	SHARPVUE CAPITAL, LLC'S
Island Ferry Transportation, LLC, for)	RESPONSES TO VILLAGE
Approval of Transfer of Common Carrier)	OF BALD HEAD ISLAND'S
Certificate to Bald Head Island Ferry)	FIFTH DATA REQUESTS
Transportation, LLC, and Permission to)	
Pledge Assets)	

SharpVue Capital, LLC ("SharpVue"), by and through its undersigned counsel, hereby responds to the Village of Bald Head Island's Fifth Data Request to SharpVue Capital, LLC in the above-captioned docket.

GENERAL OBJECTIONS

SharpVue objects to the Data Requests to the extent they seek information, documents, materials, support, and/or things protected from disclosure by the attorney-client privilege, confidential business trade secret information, the work-product doctrine, consulting expert privilege, and/or the common-interest privilege, and/or seek information beyond the regulated assets at issue herein. Inadvertent disclosure of any such information, documents materials, support, and/or things shall not operate as a waiver of any applicable privilege or immunity. SharpVue's production of documents or information does not waive any SharpVue's right to object to this request as not reasonably calculated to lead to the discovery of admissible evidence in this docket.

SharpVue provides these answers consistent with the Commission's December 30, 2022 Order in A-41, Sub 21 ("Sub 21 Order"). It is noted that the Sub 21 Order is on appeal to the Court of Appeals, and the result of the appeal could impact or change which SharpVue affiliate company owns the various assets that are subject to the APA (see original application and prior responses to data requests for this alternative ownership structure).

Certain SharpVue information provided herein are produced on the condition that they are held as confidential pursuant to the parties' confidentiality agreement. SharpVue reserves the right to object to the admissibility of any of these responses, in whole or in part, at any further proceeding of this matter, on any grounds, including but not limited to timeliness, materiality, relevance, and privilege.

RESPONSE TO DATA REQUESTS

1. Please produce any and all documents identified, referred to, or relied upon in preparing your response to the Village's Fifth Set of Data Requests.

RESPONSE: Any documents have been previously produced, except for those objected to due to the information requested being a confidential business trade secret.

2. Refer to page 1 of the Amended Application for Transfer of Common Carrier Certificate ("Amended Application"). The Amended Application states that BHI Ferry Transportation, LLC ("BHIFT") is managed by SharpVue Capital, LLC ("SharpVue Capital"). Please (a) describe the scope and extent of this management authority, (b) the duties that SharpVue Capital will perform in the exercise of its managerial authority, (c) the scope of SharpVue Capital's authority under the managerial arrangement, (d) the terms under which it will be compensated for managerial services, and (e) identify and produce all documents specifying or otherwise relating to this management authority. If you contend that this information has been previously produced, please specify by data response number and bates number prior production.

RESPONSE:

a) The scope and extent of management authority will be similar to other privately held businesses, and largely consistent with current ownership.

b) The duties that SharpVue Capital will perform will be substantially similar to those of current ownership.

c) Please refer to response 2(a).

d) Objection as the information requested is a confidential business trade secret.

e) Objection as the information requested is a confidential business trade secret.

3. Refer to Exhibit B to the Amended Application, which depicts regulated ferry/tram, tug/barge, and parking businesses under the BHIFT entity.
 - a. Please confirm that post-consummation, BHIFT will operate the ferry/tram, tug/barge, and parking businesses.
 - b. Specify BHIFT's ownership, if any, of the assets comprising the regulated ferry/tram, tug/barge, and parking businesses post-consummation.
 - c. Specify the SharpVue entity (or entities) that will have decision making authority with respect to rates and service conditions for each of the regulated ferry/tram, tug/barge, and parking businesses.
 - d. In response to question 2 of the Village's Third Data Requests to SharpVue, SharpVue specified the ownership of the specified transportation assets post-consummation. Please confirm whether this response remains accurate. If it does not, please specify the current ownership plans for each of the assets specified in Village DR 3-2.

RESPONSE:

a) Confirmed.

b) BHIFT will own 100% of these assets.

c) Rates for these operations are presently regulated by the NCUC. As with current ownership, service conditions will continue to be overseen by the in-place management team. BHIFT will be managed by Pelican Legacy Holdings, LLC.

d) The current ownership plans for each of the assets specified in Village DR 3-2 would be:

- a. the Deep Point parking facilities (tangible assets, if any) – Bald Head Island Ferry Transportation, LLC, which is 100% owned and controlled by Pelican Legacy Holdings, LLC. The Deep Point parking facilities (real estate) – Pelican Real Property, LLC, which is 100% owned and controlled by Pelican Legacy Holdings, LLC.
 - b. the Deep Point ferry terminal - Pelican Real Property, LLC, which is 100% owned and controlled by Pelican Legacy Holdings, LLC.
 - c. the island ferry terminal - Pelican Real Property, LLC, which is 100% owned and controlled by Pelican Legacy Holdings, LLC.
 - d. any Deep Point real estate other than the Deep Point parking facilities – Pelican Real Property, LLC, which is 100% owned and controlled by Pelican Legacy Holdings, LLC.
 - e. the tram assets - Bald Head Island Ferry Transportation, LLC, which is 100% owned and controlled by Pelican Legacy Holdings, LLC.
 - f. the ferry boats - Bald Head Island Ferry Transportation, LLC, which is 100% owned and controlled by Pelican Legacy Holdings, LLC.
4. Please specify the person or persons who will have the ultimate decision making for each of BHIFT and Pelican Legacy Holdings, LLC and identify all documents establishing such authority.

RESPONSE: [REDACTED]. Certain corporate documents have been previously provided, and some were objected to and withheld due to the information requested being a confidential business trade secret. This response to Data Request 5-4 is provided Confidential – Attorney’s Eyes Only.

5. Please identify the “Terminal Lease” referred to in paragraph 16 of the Amended Application, the entity that will be acquiring this lease, and state whether any amendments are contemplated to this lease.

RESPONSE: BHIFT will be the lessee for the Terminal Lease, which is currently part of the utility rate base. Pelican Real Property will be the lessor of the Terminal Lease. This application does not contemplate any amendments to the lease. To the extent paragraph 16 of the Amended Application is not clear on this point, this response hereby supplements paragraph 16 of the Amended Application.

6. Refer to paragraph 17 of the Amended Application, which has been revised to state that SharpVue has “reached agreement” with the management of current BHIT and BHIL operations. Provide a full and complete summary of the terms and conditions of this agreement and provide a copy of the document(s) evidencing this agreement.

RESPONSE: This agreement is neither final nor documented; but SharpVue has asked the current management of BHIT and BHIL to stay in their current roles and they have agreed.

7. Please specify the SharpVue entity referred to in each of paragraphs 28, 29, 32, 33, and 37 of the Amended Application.

RESPONSE:

28) Pelican Legacy Holdings, LLC

29) Bald Head Island Ferry Transportation, LLC, which is 100% owned and controlled by Pelican Legacy Holdings, LLC

32) Pelican Legacy Holdings, LLC

33) Bald Head Island Ferry Transportation, LLC, which is 100% owned and controlled by Pelican Legacy Holdings, LLC

37) Pelican Legacy Holdings, LLC

8. Refer to paragraph 19 of the Amended Application. Identify the SharpVue entity (entities) that is (are) seeking authority to pledge assets and for each such entity, specify the assets to be pledged and the terms (including, minimally, the amount of the loan, the payback schedule for the loan, the term of the loan, and the interest rate of the loan) of the proposed transition to be secured by the pledge. Identify all documents relating to the proposed pledge of assets.

RESPONSE: Pelican Legacy Holdings, LLC is seeking authority to pledge assets related to both regulated and unregulated operations, including those regulated assets held by its 100% owned subsidiaries. Objection regarding the terms of such pledge as the information requested is a confidential business trade secret.

9. What are the expected financial terms for the third-party debt SharpVue will use to finance transaction (e.g., term of loan, interest rate, payment schedule, etc.)? Identify all documents setting forth or summarizing this expected terms.

RESPONSE: Objection regarding the financial terms and related documents as the information requested is a confidential business trade secret.

10. Has the Asset Purchase Agreement between the parties been amended since the Commission's December 30, 2022 ruling in Docket No. A-41, Sub 21? If so, please identify the amendments and provide the amended terms. Please supplement this response should the agreement be amended after your initial response to this request.

RESPONSE: No, the APA has not been amended since the Commission's December 30, 2022 ruling in Docket No. A-41, Sub 21.

11. Refer to paragraph 37 of the Amended Application:
 - a. Please provide operating and capital budgets for the next five years that reflect how SharpVue plans to repair, retrofit, upgrade, and/or replace the transportation assets (including ferry/tram, barge/tug, and parking) ("Transportation Assets").
 - b. Please identify known capital needs relating to the Transportation Assets, including projected costs associated with such needs.
 - c. With regards to SharpVue's commitment to evaluate and implement improved baggage handling operations, please specify the actions which SharpVue is committing to.
 - d. With regards to SharpVue's commitment to evaluate ferry replacement, please specify the actions SharpVue is committing to.

RESPONSE:

- a) **Operating and capital budgets will be assessed post-transaction in a manner substantially similar to past projections by current ownership.**
 - b) **Capital needs will be assessed post-transaction in a manner substantially similar to past projections by current ownership.**
 - c) **SharpVue will act to support current baggage handling operations and evaluate opportunities for improvement over the first year of ownership.**
 - d) **The needs of the ferry fleet will be assessed post-transaction in a manner substantially similar to past projections by current ownership.**
12. Please refer to paragraph 38 of the Amended Application and page 7, lines 21-22 through page 8, line 1 of the Amended Direct Testimony of Lee H. Roberts. Please: (a) explain why SharpVue is no longer committing that it will not seek to recover acquisition premiums related to this transaction from users of the regulated transportation services, and (b) specify the amount of acquisition premium that SharpVue will now seek to recover from transportation system users. For purposes of this response, "acquisition premium" refers to the difference between purchase price and historic or net book value of the acquired assets.

RESPONSE:

- a) For the purposes of the reference in the Amended Application and this response, SharpVue refers to the “acquisition premium” as the difference between the price paid for a target company in a merger or acquisition and the target’s assessed market value.¹ The term “acquisition premium” does not apply to this transaction.
 - b) As described in the response to 12(a), an “acquisition premium” does not apply to this transaction.
13. With regards to “acquisition premium” as defined in the prior request:
- a. Explain how SharpVue plans to treat goodwill associated with the transfer for financial accounting purposes. Please provide journal entries that illustrate how the transfer will be recorded by SharpVue.
 - b. Provide a calculation of the how the estimated acquisition premium will be allocated among the regulated and unregulated assets comprising the purchased assets, specifically including the ferry/tram, parking, and barge/tug assets.
 - c. Provide a detailed calculation of the estimated acquisition premium for the Transportation Assets (separate for each business) as of December 31, 2021. Identify all documents relating to this calculation and provide copies of same (including any spreadsheets in excel format with operating functions intact).

RESPONSE:

- a) **There is no goodwill contemplated with this transaction.**
 - b) **See 12(a), 12(b), and 13(a).**
 - c) **See 12(a), 12(b), and 13(a).**
14. Please refer to the Rebuttal Testimony of Kevin O’Donnell in Docket No. A-41, Sub 21, at Rebuttal Exhibit KWO-1. Please admit that the following from Rebuttal Exhibit KWO-1 is an accurate summary of rate base for the respective operations as of December 31, 2021. To the extent that you are unwilling or unable to make this admission, please explain in detail any disagreement with this analysis and provide SharpVue’s calculation or analyses (in excel format with operating functions intact) of the rate base for the transportation assets. Identify all documents relating to this calculation or analysis.

	<u>Parking Facilities</u>	<u>Barge Facilities</u>	<u>BHI Ferry Transportation</u>
Plant in Service	\$10,225,330	\$2,765,525	\$6,737,006

¹ <https://corporatefinanceinstitute.com/resources/equities/acquisition-premium/>

Less: Accumulated Depreciation	<u>(\$6,447,301)</u>	<u>(\$1,406,191)</u>	<u>(\$3,597,515)</u>
Net Plant in Service	\$3,778,029	\$1,359,334	\$3,139,491
Cash Working Capital (formula approach)	\$184,012	\$87,967	\$794,304
Tax Accruals (formula approach)	<u>(\$3,066)</u>	<u>(\$1,866)</u>	<u>(\$70,188)</u>
Accumulated Deferred Taxes	<u>\$0</u>	<u>\$0</u>	<u>(\$14,350)</u>
Total Rate Base	<u>\$3,958,975</u>	<u>\$1,445,434</u>	<u>\$3,849,258</u>

RESPONSE: Objection, the request refers to speculative information not in the record in the Sub 22 proceeding and not from any witness proffered by the Village in the Sub 22 proceeding. Notwithstanding the objection, SharpVue does not admit, and reserves the right to respond to any testimony submitted in the Sub 22 proceeding regarding this topic.

15. What is SharpVue's current valuation of the Transportation Assets? Has your valuation of the transportation assets changed since the Commission's ruling on the regulatory status of the parking and barge operations in Docket No. A-41, Sub 21? Please explain why your valuation has or has not changed. Please provide any analyses or models (in excel format with operating functions) supporting your current valuation of the transportation assets and identify all documents supporting this valuation.

RESPONSE: SharpVue Capital and its affiliates plan to acquire all of the assets of BHIT and a significant portion of the remaining assets of BHIL for a total purchase price of \$67.2 million, as detailed in the APA. As detailed in earlier responses in this data request, the APA has not been amended since the entry of the Order in Sub 21. The current ruling under Docket No. A-41, Sub 21 does not provide sufficient detail to determine potential implications to future cash flows. As a result, we are unable to speculate about any potential valuation adjustment. Regarding a request for financial models, objection as the information is a confidential business trade secret.

The Parking Facilities

16. Please describe your plans for operating the parking facilities.

RESPONSE: The parking facilities will be operated in a manner substantially similar to that of current ownership.

17. Please describe any plans or discussions about future changes to the existing parking assets, including improvements (e.g., expanded parking, building a parking deck, using shuttles, etc.) as well as the disposition of parking assets. Please provide any analyses of how these changes will affect parking customers.

RESPONSE: The parking facilities will be operated in a manner substantially similar to that of current ownership. As no material changes to parking operations are anticipated, we do not anticipate material changes for parking customers.

18. To the extent SharpVue plans to increase ferry ridership, please provide any analyses or studies on the expected impact that increased ferry ridership will have on the availability of parking spaces. Please describe any investments or improvements that SharpVue intends to make to provide additional parking spaces for the additional ferry passengers.

RESPONSE: SharpVue believes ferry ridership will increase in-line with historical averages. It is possible that this will increase parking utilization. We anticipate that, consistent with current operations, the parking area will only approach maximum capacity during holiday weekends and other periods of historically high parking usage. We anticipate continuing maintenance of existing facilities, consistent with BHIL's current management practices.

19. Please describe SharpVue's experience owning or operating parking facilities.

RESPONSE: The majority of SharpVue's real estate investments have parking lots which SharpVue owns and maintains. SharpVue will partner with existing management and employees to oversee day to day parking operations. The current management team has many years of direct experience operating parking facilities.

20. Please describe your plans to finance and fund the parking operations, to the extent those plans differ from general plan to fund ferry and tram operations.

RESPONSE: The acquisition of the parking and the ferry and tram operations are contemplated in the same transaction. The investment is being made at the transaction level.

21. Does you have any plans to introduce electronic ticketing or reservations for the parking facilities? If so, please describe your plans.

RESPONSE: We will coordinate with current management and employees to study electronic ticketing and reservation systems for parking operations.

22. Are the investors in the parking facilities the same as the investors in the ferry? If they differ, please explain how.

RESPONSE: Yes.

The Barge

23. Please describe your plans for operating the barge.

RESPONSE: The barge facilities will be operated in a manner substantially similar to that of current ownership.

24. Please describe SharpVue's experience owning or operating barges, if any.

RESPONSE: SharpVue will partner with existing management and employees to oversee day to day barge operations. The current management team has many years of direct experience operating barges.

25. Please describe your plans to finance and fund the barge, to the extent those plans differ from general plan to fund ferry and tram operations.

RESPONSE: The acquisition of the barge and the ferry and tram operations are contemplated in the same transaction. The investment is being made at the transaction level.

26. Are the investors in the barge the same as the investors in the ferry? If they differ, please explain how.

RESPONSE: Yes.

27. Does you have any plans to introduce electronic ticketing or reservations for the barge? If so, please describe your plans.

RESPONSE: We will coordinate with current management and employees to study electronic ticketing and reservation systems for barge operations.

This the 7th day of February, 2023.

NEXSEN PRUET PLLC

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing SHARPVUE CAPITAL, LLC'S RESPONSES TO THE VILLAGE OF BALD HEAD ISLAND'S FIFTH DATA REQUESTS has been served this day upon all parties of record in this proceeding, or their legal counsel, by electronic mail.

This the 7th day of February 7, 2023.

By: /s/ David P. Ferrell