
NEWL parts with dry quartet

Cash-strapped operator turns in keys to three capes and a panamax six years early after striking preliminary redelivery pact.

NewLead Holdings has redelivered four bulkers to Lemissoler Maritime Co of Bahrain in a move that appears to mark the ailing Greek operator's exit from the capesize arena.



Nasdaq-listed says it has struck a preliminary agreement to hand the 173,000-dwt **Australia** (built 1993), 151,700-dwt **Brazil** (built 1995), 135,400-dwt **China** (built 1992) and 68,800-dwt **Grand Rodosi** (built 1990) back six years ahead of schedule.

In a statement, NewLead offered no assurances that a successful resolution will be reached with Lemissoler since the deal is subject to the completion of legal documentation and did not elaborate on whether it will be forced to pay a penalty for early termination.

The Athens-based tanker and bulker owner offloaded the quartet in 2010 for \$86.8m in a sale-and-leaseback transaction and chartered the vessels back for eight years under a contract that included what the counterparty described as a step-down payment structure.

At the time Lemissoler said the deal, which boasted a Shariah-complaint lease structure, would protect it from residual value risk as it included a put option that required NewLead to repurchase the ships at the end of the charter for "an amount equal to the scrap value" on a "net present basis".

The pact was awarded Marine Money Magazine's "Lease Transaction of the year" in 2010, an accolade the company, which also controls a fleet of containerships and ro-ros, continues to flaunt on its website to this day.

As TradeWinds has reported, NewLead has been selling off ships in an attempt to raise cash for debt reduction under an ongoing strategic and financial restructuring drive.

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AARON KELLEY IN STAMFORD 05 April 2012, 15:49 GMT