

## Kim Ullman steps down at Concordia Maritime

Kim Ullman is leaving his role at the helm of Concordia Maritime and will be replaced by Erik Lewenhaupt. The Stockholm-traded product tanker owner announced on Monday that Ullman would be departing the company at the end of the year, after informing it of his intention to retire. Carl-Johan Hagman, Concordia's board chairman, said: "Kim is recognised in the market as a skilled and driven 'shipping man' and, as such, has made important contributions in a cyclical and at times challenging market. We will miss Kim's drive, market insight and friendship."

## John Fredriksen joins shipping's Spac club

Billionaire John Fredriksen has become the latest major shipping figure to vie for a blank-cheque initial public offering in the US by filing a prospectus on Monday for a \$250m green-energy deal. Fredriksen's ST Energy Transition I is offering 25m shares at the standard \$10 per unit price for special purpose acquisition companies (Spac), with this one directed at energy transition or clean energy technology. ST is led by chairman Fredriksen, the Norwegian-born Cypriot citizen who made his fortune in shipping, particularly in crude tankers. The venture's chief executive is Gunnar Eliassen, who works for Fredriksen's private Seatankers Group.

## Japan P&I to seek 10% premium hike in 2022

Members of the Japan P&I Club face a 10% increase in premium at the February 2022 policy renewal, and a change to the way loss records are calculated. Following its annual board of directors meeting, Japan P&I said it had faced an increase in its own retained claims — covering both its coastal and oceangoing fleet — and also claims linked to the International Group of P&I Clubs. It said that in response to the worsening claims situation, a 10% general increase would be applied to its owners and charterers policies at the upcoming renewal. Further increases could also be applied to those members with poor loss records.

## LNG trio in tie-up on S&P GHG monitoring

Singapore's Pavilion Energy Trading & Supply has linked up with QatarEnergy and Chevron to publish a new reporting methodology for providing a statement of greenhouse gas emissions for delivered LNG cargoes. The three companies said this is the first such published methodology that will be applied to LNG sales-and-purchase agreements. It will specifically be applied to S&P deals executed by the trio.

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# MLEP targets \$200m raise for chemical carrier buys

Fund manager turned shipowner Darrell Crate has zeroed in on seven ships for his initial \$100m spend and is now raising up to \$200m more



**DARRELL CRATE:** The MLEP chief executive won't rule out an asset play, but intends to trade the ships, not flip them  
Photo: Easterly Asset Management

**Bob Rust**  
New York

Maritime Logistics Equity Partners (MLEP) has rapidly followed its debut in the chemical segment by snapping up a second pair of stainless-steel chemical tankers — and is starting a second, larger fund to buy more.

It paid an undisclosed price for the 20,000-dwt AS Olivia and AS Omaria (both built 2007), renamed Easterly AS Olivia and Easterly AS Omaria. The seller was Philippines-based Safemarine Corp, a subsidiary of Japanese shipowner Nisshin Kaiun.

VesselsValue prices the Usuki Zosensho-built ships at \$11.93m and \$12.28m, respectively.

This is not the first time those two ships have been reported sold. TradeWinds reported in April that brokers were linking London-based Tufton Oceanic to a package of four Nisshin-owned sisterships. In the end, however, only two of them appeared in the Tufton Oceanic fleet.

TradeWinds reported in September on MLEP's first purchases — two Cido Shipping-owned, Usuki Zosensho-built chemical tankers, the 20,000-dwt Easterly Beech Galaxy (built 2007) and Easterly Lime Galaxy (built 2008). Crate declined to disclose prices on any of the deals.

That makes four sisterships in the MLEP fleet. A fifth, sixth and seventh have been identified, all of similar vintage and provenance, to be funded by MLEP's initial equity raise of just under \$100m using very



**HANS VAN DER ZIJDE:** CEO of Womar Logistics, which commercially manages MLEP's chemical tankers in its pools  
Photo: Dale Wainwright

little leverage, chief executive Darrell Crate told TradeWinds.

"We believe we will have the capital in the first tranche deployed by early in the first quarter," he said.

As TradeWinds reported, the MLEP I fund closed in September. The company has also unveiled a second, larger equity raise that is meant to fund a series of purchases by the end of this year.

The MLEP investment thesis is based on global short supply of tonnage in the under-built chemical carrier segment, plus the ready availability of secondhand ships built before the newbuilding boom peaked and dived in 2008.

Crate — who is also managing principal of Massachusetts-based sponsor Easterly Asset Management — said he would not rule out an asset play once he has a fleet in hand. But the intention is to trade the ships, not to flip them. His fund investors are not tied to a quick exit.

"I think we'll be opportunistic as the market develops, but we are excited to run these ships," he told TradeWinds.

"Our fund has no lifetime. We can run these ships for longer than these ships can run."

Crate acknowledged that he could face competition for his target vessels, given his assumptions, but he believes his access to equity will make him an advantaged buyer.

"With the type of capital we target, we are able to move swiftly. People have confidence in our ability to execute deals. That's an advantage in this market. We can purchase assets at a fair price and

also satisfy the expectations of our investors."

The investors targeted for the second tranche are, as before, a combination of "a couple of large institutions, some family offices and some high net-worth individuals", who would not necessarily be familiar names to TradeWinds readers, although some have made shipping investments before.

MLEP's model is lightly leveraged, but Crate declined to comment on just how light, beyond saying debt finance is "within reasonable limits".

"We are building a syndicate of senior banks who we think will be useful to us over time," he said, but declined to identify any for now.

All ships are meant to trade in the US-based pools of Singapore chemical tanker manager Womar Logistics, which has also been providing the sale-and-purchase connections for Crate's direct, unbrokered buys.

The MLEP II raise is targeted at between \$150m and \$200m to fund a more diverse 15 to 20 units in size brackets up to MR, including ships with both stainless-steel and coated tanks. Not all of those ships are identified, but Crate said his company has a list of candidate companies.

"We are working to get to know the principals and they are getting to know us," he said. "And we are fond of Japanese tonnage, but our target list is broader than that."

MLEP and Womar expect busy times ahead. "We'd like to get our money put to work within the year," Crate said.

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Darrell Crate