

## WFW ADVISES CITIBANK AND HSBC ON FIRST OF THEIR KIND ECA-BACKED JOLCOS FOR SEASPAN

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**Watson Farley & Williams (“WFW”) has advised Citibank N.A., London Branch (“Citibank”) and HSBC Bank (“HSBC”) respectively on two separate ECA-backed JOLCOs (Japanese Operating Lease with Call Options) arranged for Seaspan Corporation (“Seaspan”). These pioneering transactions were developed simultaneously and are firsts of their kind, combining two tried and tested ship financing structures, ECA-backed loans and sale-leaseback arrangements under JOLCOs, and represent the first time the ECAs involved have supported JOLCO structures in shipping. A subsidiary of NYSE-listed Atlas Corp., Seaspan is a leading container leasing company.**

On the Sinosure transaction, HSBC acted as Global Coordinator and Lead Bookrunner, ECA Agent, Facility Agent and Security Agent; Citibank, Deutsche Bank AG, HSBC, Société Générale, Bank of China Limited, BNP Paribas, and ING Bank, N.V., as Mandated Lead Arrangers and Bookrunners; Bank of Communications a Lead Arranger, and Standard Chartered Bank acted as Arranger for the financing. China Export & Credit Insurance Corporation (Sinosure) provided export buyer credit insurance policies for the transaction.

Seaspan will use the circa US\$838m proceeds from this financing to finance eight newbuild vessels, comprising four 12,000 TEU and four 15,000 TEU vessels.

For the Korean vessels, Citibank acted as Global Coordinator, ECA Admin Agent, Mandated Lead Arranger and Bookrunner; Citicorp International Limited acted as Facility Agent and Security Agent; Bank of America National Association, Bank of China Limited, Deutsche Bank AG, HSBC and Société Générale as Mandated Lead Arrangers and Bookrunners; E.Sun Commercial Bank and Standard Chartered Bank as Arrangers; and the Export-Import Bank of Korea (“KEXIM”) as lender for the financing. KEXIM provided a buyer credit guarantee as well as direct funding for the ECA JOLCO transaction. K-Sure has provided their LOI in strong support of the ECA JOLCO transaction.

FPG-AIM acted as JOLCO Arranger and FPG as JOLCO Equity Underwriter on both the Chinese and Korean supported transactions.

Seaspan will use the proceeds from this circa US\$1.4bn financing to finance ten LNG 15,000 TEU newbuild vessels.

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With these transactions, Seaspan secures financing for its full 70 vessel newbuild fleet, solidifying its long-term liquidity. In line with Seaspan's ESG policies, all the financing documentation were in line with the Poseidon Principles, supporting the IMO's goal to reduce shipping's total annual greenhouse gas emissions by at least 50% by 2050.

The deal has won a number of awards including Marine Money Deal of the Year 2022, The Asset Triple A Sustainable Infrastructure Deal of the Year and Hong Kong Deal of the Year and TXF Deal of the Year.

The cross-border WFW Assets and Structured Finance team that advised both HSBC and Citibank was led by WFW Global Maritime Sector Co-Head Lindsey Keeble on each ECA Financing and Singapore Partner, Mehraab Nazir on each JOLCO transaction. Mehraab and Lindsey were supported by Partner David Osborne, Senior Associate John Man, Associates Elizabeth Ilett and Stella Stathis and Trainee Toby Hunt in London and Counsel Lizzie Roe and Legal Manager Arrow Zhang in Singapore. London Partner Gary Walsh, Senior Associate Sarah Lunn and Associate Julia Sim advised HSBC and Citibank for the respective facilities on agency and trustee matters.

JunHe LLP acted as Chinese law counsel, supporting the WFW team for the Sinosure transaction, with Kim & Chang providing Korean legal advice to WFW for the Korean ECA transaction.

Lindsey commented: "We are delighted to have advised Citibank and HBSC on these two highly innovative ECA-backed JOLCOs. Having been instructed to advise on these ground-breaking transactions highlights both WFW's unrivalled ability to advise on the most complex and unique ship financings and the strength of our international network in the maritime space".

Mehraab added: "These structures necessitated finding legal solutions to a number of complex regulatory hurdles. It has been a fantastic team effort working with the lenders, FPG and the team of advisors to achieve these landmark transactions".

Chris Conway, Citi Global Head of Shipping and Logistics, Export and Agency Finance, said: "In order to achieve this innovative structure it was important to us to have advisers familiar with the JOLCO structure who, from the outset, would act as a true partner to develop the combination of this product with Export Agency Financing. It has been a pleasure to have had Lindsey, Mehraab and their teams supporting Citi leading this combination of ECA and JOLCO for the first time in Korea".

White & Case advised FPG and Squire Patton Boggs acted for Seaspan.

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