Navios Maritime Holdings Inc.
Form F-4/A
August 29, 2012
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As filed with the Securities and Exchange Commission on August 29, 2012

Registration No. 333-182784

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

Amendment No. 1

to

Form F-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

NAVIOS MARITIME HOLDINGS INC.

NAVIOS MARITIME FINANCE (US) INC.

(Exact name of registrant as specified in its charter)

Republic of Marshall Islands	**4412**	**98-0384348**
Delaware		**98-0639078**
(State or other jurisdiction of	**(Primary Standard Industrial**	**(I.R.S. Employer**
incorporation or organization)	**Classification Code Number)**	**Identification Number)**

SEE TABLE OF ADDITIONAL REGISTRANT GUARANTORS

Navios Maritime Holdings Inc.

85 Akti Miaouli Street\Piraeus, Greece 185 38

(011) +30-210-4595000

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Trust Company of the Marshall Islands, Inc.

Trust Company Complex, Ajeltake Island

P.O. Box 1405

Majuro, Marshall Islands MH96960

(011) +30 210 429 3223

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Stuart Gelfond, Esq.

Vasiliki Tsaganos, Esq.

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One New York Plaza

New York, New York 10004-1980

(212) 859-8000

Vasiliki (Villy) Papaefthymiou

Executive Vice President Legal

Navios Maritime Holdings Inc.

85 Akti Miaouli Street

Piraeus 185 38, Greece

Approximate date of commencement of proposed exchange offer: As soon as practicable after the effective date of this Registration Statement.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i)(Cross-Border Issuer Tender Offer)

Exchange Act rule 14d-1(d)(Cross-Border Third-Party Tender Offer) ¨

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Amount to be Registered**	**Proposed Maximum Offering Price per Note[(1)]**	**Proposed Maximum Aggregate Offering Price**	**Amount of Registration Fee**
8 7/8% First Priority Ship Mortgage Notes due 2017	$88,000,000	100%	$88,000,000	$10,084.80
Guarantees of 8 7/8% First Priority Ship Mortgage Notes due 2017	$88,000,000	(2)	(2)	(2)
Total Registration Fee				$10,084.80(3)

(1) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(f) under the Securities Act.
(2) No separate filing fee is required pursuant to Rule 457(n) under the Securities Act.
(3) Previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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TABLE OF ADDITIONAL REGISTRANT GUARANTORS

Exact Name of Registrant as Specified in its Charter[(1)]	State or Other Jurisdiction of Incorporation or Organization	I.R.S. Employer Identification Number
Faith Marine Ltd	Liberia	98-1006677
Vector Shipping Corporation	Marshall Islands	66-0742469
Aramis Navigation Inc	Marshall Islands	98-0645621
Ducale Marine Inc.	Marshall Islands	98-0633431
Highbird Management Inc.	Marshall Islands	98-0633432
Red Rose Shipping Corp.	Marshall Islands	98-0628836
Ginger Services Co.	Marshall Islands	98-0609514
Quena Shipmanagement Inc.	Marshall Islands	98-0599808
Astra Maritime Corporation	Marshall Islands	98-0599803
Primavera Shipping Corporation	Marshall Islands	98-0599806
Pueblo Holdings Ltd.	Marshall Islands	98-0594673
Beaufiks Shipping Corporation	Marshall Islands	75-3269445
Rowboat Marine Inc.	Marshall Islands	75-3269444
Corsair Shipping Ltd	Marshall Islands	75-3269443
Pharos Navigation S.A	Marshall Islands	98-0563832
Sizzling Ventures Inc	Liberia	98-0563838
Shikhar Ventures S.A.	Liberia	98-0563837
Taharqa Spirit Corp	Marshall Islands	98-0563839
Rheia Associates Co.	Marshall Islands	98-0563834
Rumer Holding Ltd.	Marshall Islands	98-0563835
Kleimar N.V	Belgium	98-0386679
NAV Holdings Limited	Malta	98-0386684
Navios Corporation	Marshall Islands	13-3023670
Anemos Maritime Holdings Inc.	Marshall Islands	98-0418747
Navios Shipmanagement Inc.	Marshall Islands	98-0418748
Aegean Shipping Corporation	Marshall Islands	47-0938383
Arc Shipping Corporation	Marshall Islands	98-0386672
Magellan Shipping Corporation	Marshall Islands	98-0386681
Mandora Shipping Ltd	Marshall Islands	66-0777366
Ionian Shipping Corporation	Marshall Islands	98-0418750
Apollon Shipping Corporation	Marshall Islands	98-0418751
Herakles Shipping Corporation	Marshall Islands	98-0418752
Achilles Shipping Corporation	Marshall Islands	51-0495540
Kypros Shipping Corporation	Marshall Islands	51-0795616
Hios Shipping Corporation	Marshall Islands	51-0495614
Meridian Shipping Enterprises Inc.	Marshall Islands	98-0386683
Mercator Shipping Corporation	Marshall Islands	98-0386682
Horizon Shipping Enterprises Corporation	Marshall Islands	98-0386677
Star Maritime Enterprises Corporation	Marshall Islands	98-0386685
Navios Handybulk Inc	Marshall Islands	98-0156162
Navios International Inc	Marshall Islands	98-0163555
Nostos Shipmanagement Corp.	Marshall Islands	66-0715101
Navios Maritime Finance II (US) Inc.	Delaware	33-1219789
Portorosa Marine Corp.	Marshall Islands	66-0715102
White Narcissus Marine S.A	Panama	75-3252951
Hestia Shipping Ltd.	Malta	98-0386676
Kleimar Ltd.	Marshall Islands	75-3268633
Navimax Corporation	Marshall Islands	06-1624242
Aquis Marine Corp.	Marshall Islands	66-0751682
Navios Tankers Management Inc.	Marshall Islands	42-1771241

Rawlin Services Company	Marshall Islands	66-0767717
Solange Shipping Ltd.	Marshall Islands	99-0367028
Serenity Shipping Enterprises Inc.	Marshall Islands	66-0782262
Tulsi Shipmanagement Co.	Marshall Islands	99-0367020
Mauve International S.A.	Marshall Islands	66-0767721
Cinthara Shipping Ltd.	Marshall Islands	33-1221366

(1) The address for each of the additional registrant guarantors is 85 Akti Miaouli Street, Piraeus, Greece 185 38.

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The information in this prospectus is not complete and may be changed. We may not sell these securities or consummate the exchange offer until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell or exchange these securities and it is not soliciting an offer to acquire or exchange these securities in any jurisdiction where the offer, sale or exchange is not permitted.

SUBJECT TO COMPLETION, DATED AUGUST 29, 2012

PROSPECTUS

Navios Maritime Holdings Inc.

Navios Maritime Finance (US) Inc.

Exchange Offer for

$88,000,000

8 7/8% First Priority Ship Mortgage Notes due 2017

We are offering to exchange up to $88,000,000 of our 8 7/8% First Priority Ship Mortgage Notes due 2017, which will be registered under the Securities Act of 1933, as amended, for up to $88,000,000 of the outstanding 8 7/8% First Priority Ship Mortgage Notes due 2017 which we issued on July 10, 2012 (the July Offering). We are offering to exchange the exchange notes for the outstanding notes to satisfy our obligations contained in the registration rights agreement that we entered into when the outstanding notes were sold pursuant to Rule 144A and Regulation S under the Securities Act. The terms of the exchange notes are identical to the terms of the outstanding notes, except that the transfer restrictions, registration rights and additional interest provisions relating to the outstanding notes do not apply to the exchange notes.

We issued $400,000, 000 of 8 7/8% First Priority Ship Mortgage Notes due 2017 on November 2, 2009 (the Existing Notes). The exchange notes offered hereby and the Existing Notes will be treated as a single class for all purposes under the indenture. The exchange notes will have the same CUSIP number as the Existing Notes. Unless otherwise indicated, we refer to the outstanding First Priority Ship Mortgage Notes issued in the July Offering as the outstanding notes, the First Priority Ship Mortgage Notes which will be registered under the Securities Act as the exchange notes, and the outstanding notes, the Existing Notes and the exchange notes collectively as the notes.

The exchange offer will expire at 5:00 p.m., New York City time on , 2012, unless we extend it.

Broker-dealers receiving exchange notes in exchange for outstanding notes acquired for their own account through market-making or other trading activities must acknowledge that they will deliver this prospectus in any resale of the exchange notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of the exchange notes received in exchange for outstanding notes where such outstanding notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the expiration date of the exchange offer, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

You should consider carefully the Risk Factors beginning on page 20 of this prospectus.

Neither the Securities and Exchange Commission, or the SEC, nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2012.

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You should rely only on the information contained in this prospectus. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus does not constitute an offer to sell, or solicitation of an offer to buy, to any person in any jurisdiction in which such an offer to sell or solicitation would be unlawful. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus.

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ABOUT THIS PROSPECTUS

As used in this prospectus, unless the context indicates otherwise:

References to the company, Navios Holdings, we, our and us, refer to Navios Maritime Holdings Inc. and its subsidiaries.

References to the Co-Issuer are to Navios Maritime Finance (US) Inc., our wholly owned subsidiary incorporated in Delaware that was formed solely for the purpose of serving as a co-issuer of our debt securities and that does not have any material assets or operations. References to the Co-Issuers are to the Company and the Co-Issuer and not any of their subsidiaries.

References to Navios Logistics are to Navios South American Logistics Inc., our unrestricted South American subsidiary that did not guarantee the notes described in this prospectus.

References to Navios Partners are to Navios Maritime Partners L.P, a separate New York Stock Exchange-listed limited partnership formed by us in August 2007. We own a 25.2% interest in Navios Partners as of the date of this prospectus, which includes a 2% general partner interest. Navios Partners did not guarantee the notes described in this prospectus.

References to Navios Acquisition are to Navios Maritime Acquisition Corporation, a separate New York Stock Exchange-listed company formed by us in March 2008. We own 45.24% of the outstanding voting stock as of the date of this prospectus. Navios Acquisition did not guarantee the notes described in this prospectus.

Unless otherwise indicated, all dollar references in this prospectus are to U.S. dollars and financial information presented in this prospectus that is derived from financial statements incorporated by reference is prepared in accordance with accounting principles generally accepted in the United States. The data related to our fleet reflected in this prospectus, including without limitation, the number of our owned vessels, the number of our chartered-in vessels and deadweight tons, is as of August 22, 2012, unless otherwise indicated.

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or the SEC.

This summary highlights the material information contained elsewhere in this prospectus or in other documents incorporated by reference in this prospectus. As an investor or prospective investor you should carefully read the risk factors and the more detailed information that is included elsewhere in this prospectus or is contained in the documents incorporated by reference into this prospectus.

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INCORPORATION BY REFERENCE

The Securities and Exchange Commission, or the SEC, allows us to incorporate by reference information contained in documents we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and later information that we file with the SEC, to the extent that we identify such information as being incorporated by reference into this prospectus, will automatically update and supersede this information. Information set forth in this prospectus supersedes any previously filed information that is incorporated by reference into this prospectus. We incorporate by reference into this prospectus the following information and documents:

- our annual report on Form 20-F for the fiscal year ended December 31, 2011, dated March 28, 2012 (SEC File No. 001-33311) (2011 Form 20-F);
- our current reports on Form 6-K filed on April 6, 2012, May 18, 2012, May 21, 2012, July 5, 2012, July 18, 2012, July 20, 2012, July 20, 2012 (which includes revised audited financial statements for the year ended December 31, 2011) and August 29, 2012 (which includes unaudited financial statements for the quarter and six months ended June 30, 2012) (the Q2 2012 6-K);
- all future filings on Form 20-F and Form 6-K we make under the Securities Exchange Act of 1934, as amended, after the date of this prospectus and prior to the effectiveness of this prospectus that are identified as being incorporated into this prospectus; and
- any future filings on Form 20-F and Form 6-K we make under the Securities Exchange Act of 1934, as amended, after the effectiveness of this prospectus and prior to the termination of the exchange offer that are identified as being incorporated into this prospectus.

You may request a copy of these filings, at no cost, by writing or calling us at the following address and phone number:

VASILIKI (VILLY) PAPAEFTHYMIOU

EXECUTIVE VICE PRESIDENT LEGAL

NAVIOS MARITIME HOLDINGS INC.

85 AKTI MIAOULI STREET

PIRAEUS 185 38, GREECE

TELEPHONE: +30-210-4595000

To ensure timely delivery, please make your request as soon as practicable and, in any event, no later than , 2012, which is five business days prior to the expiration of the exchange offer.

You should rely only on the information contained in this prospectus or to which we have referred you. We have not authorized any person to provide you with different information. We are offering to exchange the outstanding notes for exchange notes only in jurisdictions where offers and sales are permitted. The information in this document may only be accurate on the date of this document.

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DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements under the captions Summary, and Risk Factors, and elsewhere in this prospectus constitute forward-looking statements. These forward-looking statements are not historical facts, but rather are based on our current expectations, estimates and projections about our industry, and our beliefs and assumptions. Our forward-looking statements include information regarding future supply, demand and pricing dynamics, descriptions of global demand for commodities, drybulk capacity and newbuildings, freight rates, our business and acquisition strategy, our ability to continue to charter-in vessels at favorable rates and obtain favorable purchase options, and our ability to operate at low costs in the future. Words including may, could, would, will, anticipates, expects, intends, plans, projects, believes, seeks, estimates are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. We caution you not to place undue reliance on these forward-looking statements, which reflect our management s view only as of the date of this prospectus. We are not obligated to update these statements or publicly release the result of any revisions to them to reflect events or circumstances after the date of this prospectus or to reflect the occurrence of unanticipated events. For purposes of the information contained in this prospectus, when we state that a risk, uncertainty or problem may, could or would have a material adverse effect on our business or words to that effect, we mean that the risk, uncertainty or problem may, could or would have a material adverse effect on the business, results of operations, financial condition, cash flow or prospects of our company.

In addition to the factors and matters described in this prospectus, including under Risk Factors, important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include:

- the effects of our substantial indebtedness and the covenants and limitations contained in the agreements governing such indebtedness;
- our ability to service debt obligations and our ability to incur additional indebtedness to fund the acquisitions of additional vessels;
- the strength of world economies, particularly in the Asia Pacific region;
- the cyclical nature of the international drybulk shipping industry;
- changes in the market values of our vessels and the vessels for which we have purchase options;
- future purchase prices of newbuildings and secondhand vessels;
- the effect of short-term decreases in shipping rates and the difference between our charter-in rates and the rates we obtain when we charter-out the vessels;
- general market conditions, including fluctuations in charterhire rates and vessel values;
- significant changes in vessel performance, including increased vessel breakdowns;
- changes in demand for drybulk commodities and in the drybulk shipping industry;

an inability to expand relationships with existing customers and obtain new customers;

changes in production or demand for the types of drybulk products that are transported by our vessels;

compliance risks associated with trade sanctions;

dependence upon significant customers;

changes in our operating expenses, including but not limited to changes in crew salaries, insurance, provisions, repairs, maintenance and overhead expenses, bunker prices and drydocking costs;

planned capital expenditures;

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fluctuations in performance of outstanding operations;

the effect of trading and hedging activities in freight, tonnage and Forward Freight Agreements;

changes to governmental rules and regulations or actions taken by regulatory authorities and the expected costs thereof;

potential liability from pending or future litigation;

general domestic and international political conditions, including wars, acts of piracy and terrorism;

fluctuations in currencies and interest rates;

potential disruption of shipping routes due to accidents, political or terrorist events;

the ability of our contract counterparties to fulfill their obligations to us;

uncertainty about continued access to favorable time charters as a result of longstanding relationships with Japanese shipowners;

the ability of shipyards to deliver vessels on a timely basis;

the ability of our vessels to pass classification inspection;

customers increasing emphasis on environmental and safety concerns;

the aging of our vessels and resultant increases in operation costs;

the loss of any customer or charter or vessel;

damage to our vessels;

our capacity to manage our expanding business;

insurance coverage of our shipping-specific risks;

our participation in protection and indemnity associations subjecting us to calls or premiums based on the records of other members;

retention of key members of our senior management team;

certain risks through our direct and indirect investments in Navios Acquisition and Navios Partners (including risks related to our ability to receive cash distributions) and being deemed an investment company under the Investment Company Act of 1940; and

our possible liability for United States income tax.

You should read this prospectus completely and with the understanding that actual future results may be materially different from expectations. All forward-looking statements made in this prospectus are qualified by these cautionary statements. These forward-looking statements are made only as of the date of this prospectus, and we do not undertake any obligation, other than as may be required by law, to update or revise any forward-looking statements to reflect changes in assumptions, the occurrence of unanticipated events, changes in future operating results over time or otherwise.

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ENFORCEABILITY OF CIVIL LIABILITIES AND

INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

Navios Maritime Holdings Inc. is incorporated under the laws of the Republic of the Marshall Islands, and our subsidiaries are incorporated under the laws of the Republic of the Marshall Islands, Malta, Belgium, Luxembourg, Liberia, Panama, Uruguay, Argentina, Brazil and certain other countries other than the United States, and we conduct operations in countries around the world. Several of our directors, officers and the experts named in this prospectus reside outside the United States. In addition, a substantial portion of our assets and the assets of the directors, officers and experts are located outside the United States. As a result, it may not be possible for you to serve legal process within the United States upon us or any of these persons. It may also not be possible for you to enforce, both in and outside the United States, judgments you may obtain in United States courts against us or these persons in any action, including actions based upon the civil liability provisions of U.S. federal or state securities laws. Furthermore, there is substantial doubt that the courts of such jurisdictions would enter judgments in original actions brought in those courts predicated on U.S. federal or state securities laws. See Risk Factors Risks Associated with the Shipping Industry and Our Drybulk Operations We are incorporated in the Republic of the Marshall Islands, which does not have a well-developed body of corporate law and We, and certain of our officers and directors, may be difficult to serve with process, as we are incorporated in the Republic of the Marshall Islands and such persons may reside outside of the United States in our 2011 Form 20-F incorporated herein by reference.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable.

We have obtained directors and officers liability insurance against any liability asserted against such person incurred in the capacity of director or officer or arising out of such status, whether or not we would have the power to indemnify such person.

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PROSPECTUS SUMMARY

The following is only a summary. We urge you to read the entire prospectus, including the more detailed financial statements, notes to the financial statements and other information incorporated by reference from our other filings with the SEC. An investment in our securities involves risks. Therefore, carefully consider the information provided under the heading Risk Factors beginning on page 20.

Business Overview

We are a large global, vertically integrated seaborne shipping and logistics company focused on the transport and transshipment of drybulk commodities, including iron ore, coal and grain. We manage the technical and commercial operations of our owned fleet, Navios Acquisition and Navios Partners fleet, and commercially manage our chartered-in fleet. Our in-house ship management expertise allows us to oversee every step of technical management of our owned fleet, and Navios Partners and Navios Acquisition s fleet, including the shipping operations throughout the life of the vessels and the superintendence of maintenance, repairs and drydocking. We charter our vessels to a diversified group of high-quality companies or their affiliate entities, such as COSCO Bulk Carriers Ltd., Mitsui O.S.K. Lines Ltd., Oldendorff Carriers GmbH & Co., AS Klaveness Chartering and Louis Dreyfus. The Navios business was established by the United States Steel Corporation in 1954, and we believe that we have built strong brand equity through 57 years of experience working with raw materials producers, agricultural traders and exporters, industrial end-users, ship owners, and charterers. We control, through a combination of vessel ownership and long-term time chartered-in vessels, approximately 5.5 million dwt in drybulk tonnage, making us one of the largest independent drybulk operators in the world.

Our current core fleet refers to drybulk vessel operations (excluding Navios Logistics) including the newbuildings to be delivered. The current core fleet consists of 54 vessels totaling 5.5 million dwt. The employment profile of the fleet as of August 22, 2012 is reflected in the tables under Our Fleet below. The 50 vessels in current operation aggregate to approximately 5.1 million dwt and have an average age of 5.3 years. Of the 50 vessels currently in operation, we own a total of 30 vessels, comprised of 10 Capesize vessels (169,000-181,000 dwt), 14 modern Ultra Handymax vessels (50,000-59,000 dwt), five Panamax vessels (75,000-83,000 dwt) and one Handysize vessel.

The vessels in our core fleet are significantly younger than the world drybulk fleet and have an average age of approximately 5.3 years. We believe our large, modern fleet, coupled with our long operating history, allows us to charter-out our vessels for longer periods of time and to high quality counterparties. In addition to the 30 owned vessels, we control a fleet of eight Capesize, nine Panamax, six Ultra Handymax, and one Handysize vessels under long-term time charters, which have an average age of approximately 4.4 years. Of the 24 chartered-in vessels, 20 are currently in operation and four are scheduled for delivery at various times through December 2013. Navios Holdings has options to acquire 12 of the 24 time chartered-in vessels (including one of which Navios Holdings holds an initial 50% purchase option). Navios Holdings has currently fixed 93.4%, 41.3% and 24.4% of the 2012, 2013 and 2014 available days of its fleet (excluding vessels that are utilized to fulfill contracts of affreightment (CoAs)), respectively, representing contracted fees (net of commissions) based on contracted charter rates from Navios Holdings current charter agreements of $279.8 million, $169.6 million and $110.9 million, respectively. Although these fees are based on contractual charter rates, any contract is subject to performance by the counterparties and us. Additionally, the level of these fees would decrease depending on the vessels off-hire days to perform periodic maintenance. The average contractual daily charter-out rate for the core fleet (excluding vessels that are utilized to fulfill CoAs) is $20,870, $28,363 and $31,590 for 2012, 2013 and 2014, respectively. The average daily charter-in rate for the active long-term charter-in vessels (excluding vessels that are utilized to fulfill CoAs) for 2012 is $12,656.

We have grown our owned fleet from six vessels as of August 25, 2005 to 30 vessels as of August 22, 2012, an increase of 400%. As of August 22, 2012, we had purchase options on 12 of our 24 chartered-in vessels. We regularly evaluate the acquisition of additional vessels and shipping businesses and are currently in discussions regarding several of such acquisitions, any of which could be material.

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We are able to operate our owned fleet at costs below the industry average for vessels of a similar type through our in-house technical management and the efficiencies derived from our modern fleet. Further, through the strategic commercial management of our fleet, we fix the employment for our vessels in the following ways: long-term charters, short-term charters, spot charters, and the use of CoAs. This integrated management approach maximizes the utilization of our vessels and provides for contracted revenues and operating visibility. Through our contracted revenues and operating expenses that are approximately 33% below the industry average for vessels of similar type, we believe we are able to improve the stability and predictability of our cash flows. For the year ended December 31, 2011, our consolidated revenue was $689.4 million. For the six months ended June 30, 2012, our consolidated revenue was $324.1 million. Our guarantor subsidiaries accounted for approximately $408.8 million of our consolidated total revenue for the year ended December 31, 2011 and $195.6 million for the six months ended June 30, 2012.

Our Fleet

Fleet Growth

Since August 2005, we have grown our owned fleet from six vessels to 30 vessels as of August 22, 2012, an increase of 400%.

The following tables present certain information related to our fleet as of August 22, 2012.

Owned Vessels

Vessels	Type	Built	DWT	Charter-out Rate[1]	Profit Share[5]	Expiration Date[2]
Navios Serenity	Handysize	2011	34,690	7,695	No	09/15/2012
Navios Ionian	Ultra Handymax	2000	52,067	8,075	No	12/22/2012
Navios Celestial	Ultra Handymax	2009	58,063	9,500	No	11/07/2012
Navios Vector	Ultra Handymax	2002	50,296	16,863	No	08/27/2012
Navios Horizon	Ultra Handymax	2001	50,346	9,975	No	10/13/2012
Navios Herakles	Ultra Handymax	2001	52,061	11,400	No	04/03/2013
Navios Achilles	Ultra Handymax	2001	52,063	25,521[7]	65%/$20,000	11/17/2013
Navios Meridian	Ultra Handymax	2002	50,316	11,400	No	09/25/2012
Navios Mercator	Ultra Handymax	2002	53,553	29,783[7]	65%/$20,000	01/12/2015
Navios Arc	Ultra Handymax	2003	53,514	9,500	No	11/14/2012
Navios Hios	Ultra Handymax	2003	55,180	10,925	No	03/15/2013
Navios Kypros	Ultra Handymax	2003	55,222	19,739[9]	No	01/28/2014
Navios Ulysses	Ultra Handymax	2007	55,728	29,717[9]	No	10/12/2013
Navios Vega	Ultra Handymax	2009	58,792	15,751	No	05/23/2013
Navios Astra	Ultra Handymax	2006	53,468	12,825	No	11/18/2012
Navios Magellan	Panamax	2000	74,333	10,925	No	04/12/2013
Navios Star	Panamax	2002	76,662	16,958	No	12/04/2012
Navios Asteriks	Panamax	2005	76,801			
Navios Centaurus	Panamax	2012	81,472	12,825	No	04/15/2014
Navios Avior	Panamax	2012	81,355	12,716	No	05/14/2014
Navios Bonavis	Capesize	2009	180,022	47,400	No	06/29/2014
Navios Happiness	Capesize	2009	180,022	52,345[7]	50%/$32,000	05/24/2014
Navios Lumen	Capesize	2009	180,661	39,830[6]	Yes	12/10/2012
				43,193[6]	Yes	12/10/2013

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Vessels	Type	Built	DWT	Charter-out Rate[1]	Profit Share[5]	Expiration Date[2]
				42,690[6]	Yes	12/10/2016
				39,305[6]	Yes	12/10/2017
Navios Stellar	Capesize	2009	169,001	35,874[9]	No	12/22/2016
Navios Phoenix	Capesize	2009	180,242	17,005	No	11/25/2012[8]
Navios Antares	Capesize	2010	169,059	36,100[9]	No	01/19/2015
				45,125[9]	No	01/19/2018
Navios Etoile	Capesize	2010	179,234	29,356	50% in excess of $38,500	12/02/2020
Navios Bonheur	Capesize	2010	179,259	27,888[7]	50%/$32,000	12/16/2013
				25,025[7]		07/17/2022
Navios Altamira	Capesize	2011	179,165	24,674	No	01/18/2021
Navios Azimuth	Capesize	2011	179,169	26,469[7]	50%/$34,500	09/14/2022

Long-term Chartered-in Fleet to be Operation

Vessels	Type	Built	DWT	Purchase Option[3]	Charter-out Rate[1]	Expiration Date[2]
Navios Lyra	Handysize	2012	34,718	Yes[4]	8,313	12/01/2012
Navios Primavera	Ultra Handymax	2007	53,464	Yes	13,300	10/07/2012
Navios Armonia	Ultra Handymax	2008	55,100	No	11,875	10/21/2012
Navios Apollon	Ultra Handymax	2000	52,073	No	10,688	11/02/2012
Navios Oriana	Ultra Handymax	2012	61,442	Yes	11,400	04/25/2013
Navios Orion	Panamax	2005	76,602	No	49,400	12/14/2012
Navios Titan	Panamax	2005	82,936	No	19,000	09/15/2012
Navios Altair	Panamax	2006	83,001	No	6,888	02/11/2013
Navios Esperanza	Panamax	2007	75,356	No	14,513	02/19/2013
Navios Marco Polo	Panamax	2011	80,647	Yes	11,875	01/09/2013
Navios Prosperity	Panamax	2007	82,535	No	7,838	11/21/2012
Navios Koyo	Capesize	2011	181,415	Yes	17,005	12/14/2012
Torm Antwerp	Panamax	2008	75,250	Yes		
Golden Heiwa	Panamax	2007	76,662	No		
Beaufiks	Capesize	2004	180,310	Yes		
Rubena N	Capesize	2006	203,233	No		
SC Lotta	Capesize	2009	169,056	No		
Phoenix Beauty	Capesize	2010	169,150	No		
King Ore	Capesize	2010	176,800	No		
Navios Obeliks	Capesize	2012	181,415	Yes		

Long-term Chartered-in Fleet to be Delivered

Vessels	Type	Delivery Date	Purchase Option	DWT
Navios TBN	Capesize	12/2013	Yes	180,000
Navios TBN	Ultra Handymax	05/2013	Yes	61,000
Navios TBN	Ultra Handymax	10/2013	Yes	61,000
Navios TBN	Panamax	01/2013	Yes	82,100

(1) Daily rate net of commissions.

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(2) Expected redelivery basis midpoint of full redelivery period.
(3) Generally, Navios Holdings may exercise its purchase option after three to five years of service.
(4) Navios Holdings holds the initial 50% purchase option on the vessel.
(5) Profit share based on applicable Baltic TC Average exceeding $/day rates listed.
(6) Year eight optional (option to Navios Holdings) included in the table above. Profit sharing is 100% to Navios Holdings until net daily rate of $44,850 and becomes 50/50 thereafter.
(7) Amount represents daily net rate of insurance proceeds following the default of the original charterer. The contracts for these vessels have been temporarily suspended and the vessels have been re-chartered to third parties for variable charter periods. Upon completion of the suspension period, the contracts with the original charterers will resume at amended terms. The Company has filed claims for all unpaid amounts by the original charterer in respect of the employment of the vessels in the corporate rehabilitation proceedings.
(8) Subject to CoA of $45,500 per day for the remaining period until first quarter of 2015.
(9) Amount represents daily rate of insurance proceeds following the default of the original charterer. These vessels have been rechartered to third parties for variable charter periods.
( ) Mortgaged Vessels. Denotes vessels that are mortgaged in favor of the trustee to secure the notes and the obligations of each Guarantor under the indenture and the security documents.

Competitive Advantages

We believe that the following strengths allow us to maintain a competitive advantage within the drybulk segment of the international shipping market.

Large, Diverse Fleet of Modern Vessels. Our fleet consists of 50 active vessels, plus 4 vessels that are contracted for future delivery, bringing our total controlled fleet to 54 vessels aggregating approximately 5.5 million dwt and making us one of the largest independent drybulk operators in the world. Our core fleet is comprised of modern Handysize, Ultra-Handymax, Panamax and Capesize vessels with an average age of 5.3 years. We believe our modern and diverse fleet provides us with certain operational advantages, including more efficient cargo operations, lower insurance and vessel maintenance costs, higher levels of fleet productivity and an efficient operating cost structure. The diversity of our fleet profile enables us to serve our customers in both major and minor bulk trades and ensures the Company is not overly exposed to any one drybulk asset class for its revenues. Our modern fleet provides us a competitive advantage in the time charter market, where vessel age and quality are of significant importance in competing for business.

Operating Visibility Through Contracted Revenues. In addition to the 30 owned vessels, we control a fleet of eight Capesize, nine Panamax, six Ultra Handymax, and one Handysize vessels under long-term time charters, which have an average age of approximately 4.4 years. Of the 24 chartered-in vessels, 20 are currently in operation and four are scheduled for delivery at various times through December 2013. We believe our existing charter coverage provides us with predictable, contracted revenues and operating visibility. As of August 22, 2012, we have fixed 93.4%, 41.3% and 24.4% of the 2012, 2013 and 2014 available days of its fleet (excluding vessels that are utilized to fulfill CoAs), respectively, representing contracted fees (net of commissions) based on contracted charter rates from Navios Holdings current charter agreements of $279.8 million, $169.6 million and $110.9 million, respectively. Although these fees are based on contractual charter rates, any contract is subject to performance by the counterparties and us. Additionally, the level of these fees would decrease depending on the vessels off-hire days to perform periodic maintenance. The average contractual daily charter-out rate for the core fleet (excluding vessels that are utilized to fulfill CoAs) is $20,870, $28,363 and $31,590 for 2012, 2013 and 2014, respectively. The average daily charter-in rate for the active long-term charter-in vessels (excluding vessels that are utilized to fulfill CoAs) for 2012 is $12,656. Our charters have been insured through a AA rated insurance company in the European Union. Depending on market conditions, we will continue to enter into long-term time charters as vessels become available for employment. Additionally, we establish visibility into worldwide commodity flows through physical shipping operations and port terminal operations in South America.

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Proven Access to Low-Cost, Long-Term Charter-In Vessels and Purchase Options. Our core fleet includes vessels that have been chartered-in (some through 2024, assuming minimum available charter extension periods are exercised) on attractive terms that allow us to charter-out the vessels at an attractive spread during strong markets and to weather down cycles in the market while maintaining low operating expenses. Given our long history and brand recognition, we have developed relationships with many of the largest trading houses in Japan, such as Marubeni Corporation and Mitsui & Co. Through these relationships, we have obtained low-cost, long-term charter-in contracts. Many of these contracts have historically contained options to extend time charters as well as options to purchase the vessel. The purchase options require no initial outlay of capital to build the vessel and shift the construction risk to the charter counterparty. Since these options can be exercised over a number of years, they provide us the flexibility of purchasing a vessel if market conditions are attractive. In addition, chartering-in vessels is a low-cost alternative for expanding our fleet and, historically, we have been able to charter-in vessels at attractive rates relative to our charter-out rates. As of August 22, 2012, the average contractual daily charter-out rate for the core fleet (excluding vessels that are utilized to fulfill CoAs) is $20,870, $28,363 and $31,590 for 2012, 2013 and 2014, respectively. The average daily charter-in rate for the active long-term charter-in vessels (excluding vessels that are utilized to fulfill CoAs) for 2012 is $12,656.

Low-Cost, Efficient Operation with In-House Technical Management. We believe our operating efficiencies allow us to maintain operating expenses that are approximately 33% below the industry average for vessels of a similar type. We employ our own in-house technical management team which oversees every step of technical management, from the construction of the vessels in Japan and South Korea to subsequent shipping operations throughout the life of a vessel, including the superintendence of maintenance, repairs, drydocking and crewing, thereby providing efficiency and transparency in our owned fleet operation. This allows us to proactively monitor our vessels performance and conduct in-transit repairs to lower our operational costs.

Experienced Management Team and Strong Brand. Our management team is well respected in the drybulk sector and the shipping industry, and has a strong track record of operational experience. The key members of our management team have on average over 20 years of experience in the shipping industry. Since August 25, 2005, our management team has grown our owned fleet by 400% to 30 vessels as of August 22, 2012. In addition, the Navios brand has 57 years of history in the drybulk sector and has a well established reputation for reliability and performance. We believe that our well respected management team and strong brand present us with market opportunities not afforded to other drybulk carriers.

Business Strategy

Our strategy is to generate predictable and growing cash flow through the following:

Operation of a high quality, modern fleet. We own and charter in a modern, high quality fleet, having an average age of approximately 5.3 years that provides numerous operational advantages including more efficient cargo operations, lower insurance and vessel maintenance costs, higher levels of fleet productivity, and an efficient operating cost structure.

Pursue an appropriate balance between vessel ownership and a long-term chartered-in fleet. We control, through a combination of vessel ownership and long-term time chartered vessels, approximately 5.5 million dwt in tonnage, making us one of the largest independent drybulk operators in the world. Our ability, through our long-standing relationships with various shipyards and trading houses, to charter-in vessels at favorable rates allows us to control additional shipping capacity without the capital expenditures required by new vessel acquisition. In addition, having purchase options on 12 of the 24 time chartered vessels (including those to be delivered) permits us to determine when is the most commercially opportune time to own or charter-in vessels. We intend to monitor developments in the sales and purchase market to maintain the appropriate balance between owned and long-term time chartered vessels.

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Capitalize on our established reputation. We believe our reputation and commercial relationships enable us to obtain favorable long-term time charters, enter into the freight market and increase our short-term tonnage capacity to complement the capacity of our core fleet, as well as to obtain access to cargo freight opportunities through CoA arrangements not readily available to other industry participants. This reputation has also enabled us to obtain favorable vessel acquisition terms as reflected in the purchase options contained in some of our long-term charters.

Utilize industry expertise to take advantage of market volatility. The drybulk shipping market is cyclical and volatile. We use our experience in the industry, sensitivity to trends, and knowledge and expertise as to risk management and Forward Freight Agreements (FFAs) to hedge against, and in some cases, to generate profit from, such volatility.

Maintain high fleet utilization rates. The shipping industry uses fleet utilization to measure a company s efficiency in finding suitable employment for its vessels and minimizing the days its vessels are off-hire. At 99.0% as of June 30, 2012, we believe that we have one of the highest fleet utilization rates in the industry.

Maintain customer focus and reputation for service and safety. We are recognized by our customers for the high quality of our service and safety record. Our high standards for performance, reliability, and safety provide us with an advantageous competitive profile.

Enhance vessel utilization and profitability through a mix of spot charters, time charters, and CoAs and strategic backhaul and triangulation methods. The shipping industry uses fleet utilization to measure a company s efficiency in finding suitable employment for its vessels and minimizing the days its vessels are off-hire. For the period ended June 30, 2012, we had an average utilization of 99.0%, which we believe is one of the highest fleet utilization rates in the industry.

Specifically, our strategy of maximizing vessel utilization is implemented as follows:

- The operation of voyage charters or spot fixtures for the carriage of a single cargo from load port to discharge port;
- The operation of time charters, whereby the vessel is hired out for a predetermined period but without any specification as to voyages to be performed, with the ship owner being responsible for operating costs and the charterer for voyage costs; and
- The use of CoAs, under which Navios Holdings contracts to carry a given quantity of cargo between certain load and discharge ports within a stipulated time frame, but does not specify in advance which vessels will be used to perform the voyages.

Businesses We Own Interests In

We own substantial equity interests in Navios Logistics, Navios Acquisition and Navios Partners. Navios Logistics owns and operates vessels, barges and push boats located mainly in Argentina, the largest bulk transfer and storage port facility in Uruguay, and an upriver liquid port facility located in Paraguay. Navios Acquisition is a publicly traded corporation that owns and operates crude, product and chemical tanker vessels. Navios Partners is a publicly traded master limited partnership that owns and operates Capesize, Panamax and Ultra-Handymax drybulk vessels under medium and long-term charters.

Navios South American Logistics Inc.

On January 1, 2008, we formed a South American logistics business through the combination of our existing port operations in Uruguay with the Horamar Group, a barge and upriver port business that specializes in the transportation and storage of liquid cargoes and the transportation of dry bulk cargoes in South America. Navios

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Logistics owns and operates vessels, barges and push boats located mainly in Argentina, the largest bulk transfer and storage port facility in Uruguay, and an upriver liquid port facility located in Paraguay. We intend to continue growing our South American logistics business by opportunistically acquiring assets complementary to its port terminal and storage facilities. Currently, we own approximately 63.8% of the outstanding common stock of Navios Logistics. We have been evaluating a number of strategic alternatives for Navios Logistics, including Navios Logistics becoming an independent business; while there can be no certainty as to timing, Navios Holdings could decide to pursue these strategic alternatives in 2012.

Navios Logistics is also subject to risks unique to its business. It is exposed to the risks of doing business in many different, and often less developed, emerging market countries. Navios Logistics operations are performed in countries that are historically less developed and stable than the United States. Some of the risks Navios Logistics is exposed to by operating in these countries include political and economic instability, changing economic policies and conditions, war and civil disturbances and the imposition of or unexpected adverse changes in foreign laws and regulatory requirements.

Navios Logistics is an unrestricted subsidiary under the indentures governing the 8.125% Senior Notes due 2019 (the 2019 Notes) and the 7 7/8% First Priority Ship Mortgage Notes due 2017 and therefore is not a guarantor of the notes offered hereby. For further information, see Risk Factors Risks Relating to the Notes and Our Indebtedness The notes will be structurally subordinated to the obligations of our current non-guarantor subsidiaries and any future non-guarantor subsidiaries.

Navios Logistics accounted for approximately $234.7 million, or 34%, of our total revenue, and approximately $0.6 million, or 1%, of our net income, in each case for the year ended December 31, 2011 as compared to approximately $188.0 million, or 28%, of our total revenue, and approximately $7.5 million, or 5%, of our net income, in each case for the year ended December 31, 2010.

Navios Maritime Acquisition Corporation

On July 1, 2008, Navios Holdings completed the initial public offering (IPO) of units in Navios Acquisition (NYSE: NNA), a blank check company. On May 25, 2010, after its special meeting of stockholders, Navios Acquisition announced the approval of the acquisition of 13 vessels (11 product tankers and two chemical tankers) for an aggregate purchase price of $457.7 million pursuant to the terms and conditions of the Acquisition Agreement by and between Navios Acquisition and Navios Holdings. On September 10, 2010, Navios Acquisition consummated the acquisition of a fleet of seven very large crude carrier vessels for an aggregate purchase price of $587.0 million. As of June 30, 2012, we currently own 45.24% of the voting stock and 53.96% of the economic interest of Navios Acquisition. Since March 30, 2011, we no longer consolidate Navios Acquisition and our investment in Navios Acquisition has been accounted for under the equity method of accounting based on our economic interest in Navios Acquisition.

The operations of Navios Acquisition are managed by Navios Tankers Management Inc. (the Tankers Manager), our wholly-owned subsidiary, from its offices in Piraeus, Greece. On May 28, 2010, we entered into (a) a management agreement with Navios Acquisition pursuant to which the Tankers Manager provides Navios Acquisition commercial and technical management services; (b) an administrative services agreement with the Tankers Manager pursuant to which the Tankers Manager provides Navios Acquisition administrative services and is in turn reimbursed for reasonable costs and expenses; and (c) an omnibus agreement with Navios Acquisition and Navios Partners (the Acquisition Omnibus Agreement) pursuant to which, among other things, Navios Holdings and Navios Partners agreed not to acquire, charter-in or own liquid shipment vessels, except for container vessels and vessels that are primarily employed in operations in South America without the consent of an independent committee of Navios Acquisition. In addition, Navios Acquisition, under the Acquisition Omnibus Agreement, agreed to cause its subsidiaries not to acquire, own, operate or charter drybulk carriers under specific exceptions. Under the Acquisition Omnibus Agreement, Navios Acquisition and its subsidiaries

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grant to Navios Holdings and Navios Partners, a right of first offer on any proposed sale, transfer or other disposition of any of its drybulk carriers and related charters owned or acquired by Navios Acquisition. Likewise, Navios Holdings and Navios Partners agreed to grant a similar right of first offer to Navios Acquisition for any liquid shipment vessels they might own.

Navios Acquisition does not constitute a subsidiary under the indentures governing the Existing Notes or the 2019 Notes and therefore is not a guarantor of the notes offered hereby.

Navios Maritime Partners L.P.

On August 7, 2007, we formed Navios Maritime Partners L.P. (Navios Partners) (NYSE: NMM) under the laws of the Republic of the Marshall Islands. Navios GP L.L.C. (the General Partner), our wholly owned subsidiary is an unrestricted subsidiary under the indentures governing the 2019 Notes and the notes and therefore is not a guarantor of the notes offered hereby. The General Partner was also formed on August 7, 2007 to act as the general partner of Navios Partners and to receive a 2% general partner interest, which gives us a 2% indirect interest in Navios Partners and all of Navios Partners incentive distribution rights through our ownership of the General Partner. Navios Partners is an international owner and operator of five Capesize, one Ultra-Handymax and 10 Panamax vessels engaged in the seaborne transportation services of a wide range of drybulk commodities including iron ore, coal, grain and fertilizer which are chartered under long-term time charters. We currently own a 25.2% direct interest in Navios Partners including a 2% general partner interest.

The operations of Navios Partners are managed by Navios ShipManagement Inc. (the Manager), our wholly-owned subsidiary, from its offices in Piraeus, Greece. In connection with Navios Partners IPO, we entered into (a) a management agreement with Navios Partners pursuant to which the Manager provides Navios Partners commercial and technical management services; (b) an administrative services agreement with the Manager pursuant to which the Manager provides Navios Partners administrative services and is in turn reimbursed for reasonable costs and expenses; and (c) an omnibus agreement with Navios Partners, governing, among other things, when we and Navios Partners may compete against each other as well as rights of first offer on certain drybulk carriers. Pursuant to the omnibus agreement that we entered into with Navios Partners in connection with the closing of its IPO, we generally agreed not to acquire or own Panamax or Capesize drybulk carriers under time charters of three or more years without the consent of an independent committee of Navios Partners. We also agreed to offer to Navios Partners the opportunity to purchase vessels from us when such vessels are fixed under charters of three or more years. In addition to those vessels which we are required to offer to Navios Partners under the omnibus agreement, as amended, we may voluntarily offer certain vessels to Navios Partners.

Corporate Structure

Our common stock is listed on the New York Stock Exchange under the ticker symbol NM. Navios Holdings is located at 85 Akti Miaouli Street, Piraeus 185 38, Greece and its telephone number is +30-210-4595000.

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Corporate Structure

The chart below summarizes our ownership and corporate structure as of August 29, 2012.

(1) 53.96% economic interest

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Summary of the Exchange Offer

On July 10, 2012, we sold $88,000,000 aggregate principal amount of 8 7/8% First Priority Ship Mortgage Notes due 2017, or the outstanding notes, in a transaction exempt from registration under the Securities Act of 1933, as amended (the Securities Act). We are conducting this exchange offer to satisfy our obligations contained in the registration rights agreement that we entered into in connection with that sale. You should read the discussion under the headings The Exchange Offer and Description of Notes for further information regarding the exchange notes to be issued in the exchange offer. Unless otherwise indicated, the outstanding notes, the exchange notes offered hereby and the Existing Notes are collectively referred to herein as the notes.

Securities Offered	Up to $88,000,000 aggregate principal amount of 8 7/8% First Priority Ship Mortgage Notes due 2017 registered under the Securities Act (the exchange notes). The terms of the exchange notes offered in the exchange offer are identical to those of the outstanding notes, except that the transfer restrictions, registration rights and additional interest provisions relating to the outstanding notes do not apply to the exchange notes. We issued $400,000,000 of the notes on November 2, 2009 (the Existing Notes), which are now unrestricted. The exchange notes offered hereby and the Existing Notes will be treated as a single class for all purposes under the indenture. The exchange notes will have the same CUSIP number as the Existing Notes.
The Exchange Offer	We are offering exchange notes in exchange for a like principal amount of our outstanding notes. The exchange notes are being offered only in exchange for the 8 7/8% First Priority Ship Mortgage Notes due 2017 that we issued on July 10, 2012, and not for any other notes. You may tender your outstanding notes for exchange notes by following the procedures described under the heading The Exchange Offer.
Tenders; Expiration Date; Withdrawal	The exchange offer will expire at 5:00 p.m., New York City time, on , 2012, unless we extend it. You may withdraw any outstanding notes that you tender for exchange at any time prior to the expiration of this exchange offer. See The Exchange Offer Terms of the Exchange Offer for a more complete description of the tender and withdrawal period.
Conditions to the Exchange Offer	The exchange offer is not subject to any conditions, other than that: the exchange offer does not violate any applicable law or applicable interpretations of the staff of the SEC; the outstanding notes are validly tendered in accordance with the exchange offer; and there is no action or proceeding instituted or threatened in any court or by any governmental agency that in our judgment would reasonably be expected to impair our ability to proceed with the exchange offer.

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	The exchange offer is not conditioned upon any minimum aggregate principal amount of outstanding notes being tendered in the exchange.
Procedures for Tendering Outstanding Notes	To participate in this exchange offer, you must properly complete and duly execute a letter of transmittal, which accompanies this prospectus, and transmit it, along with all other documents required by such letter of transmittal, to the exchange agent on or before the expiration date at the address provided on the cover page of the letter of transmittal. In the alternative, you can tender your outstanding notes by book-entry delivery following the procedures described in this prospectus, whereby you will agree to be bound by the letter of transmittal and we may enforce the letter of transmittal against you. If a holder of outstanding notes desires to tender such notes and the holder s outstanding notes are not immediately available, or time will not permit the holder s outstanding notes or other required documents to reach the exchange agent before the expiration date, or the procedure for book-entry transfer cannot be completed on a timely basis, a tender may be effected pursuant to the guaranteed delivery procedures described in this prospectus. See The Exchange Offer Procedures for Tendering.
U.S. Federal Income Tax Considerations	Your exchange of outstanding notes for exchange notes to be issued in the exchange offer will not result in any gain or loss to you for U.S. federal income tax purposes. See U.S. Federal Income Tax Considerations.
Use of Proceeds	We will not receive any cash proceeds from the exchange offer.
Exchange Agent	Wells Fargo Bank, National Association under the indenture governing the notes, is serving as exchange agent in connection with the exchange offer. The address and telephone number of the exchange agent are set forth under the heading The Exchange Offer Exchange Agent.
Consequences of Failure to Exchange Your Outstanding Notes	Outstanding notes not exchanged in the exchange offer will continue to be subject to the restrictions on transfer that are described in the legend on the outstanding notes. In general, you may offer or sell your outstanding notes only if they are registered under, or offered or sold under an exemption from, the Securities Act and applicable state securities laws. We do not currently intend to register the outstanding notes under the Securities Act. If your outstanding notes are not tendered and accepted in the exchange offer, it may become more difficult for you to sell or transfer your outstanding notes.

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Resales of the Exchange Notes

Based on interpretations of the staff of the SEC, we believe that you may offer for sale, resell or otherwise transfer the exchange notes that we issue in the exchange offer without complying with the registration and prospectus delivery requirements of the Securities Act if:

- you acquire the exchange notes issued in the exchange offer in the ordinary course of your business;
- you are not participating, do not intend to participate, and have no arrangement or undertaking with anyone to participate, in the distribution of the exchange notes issued to you in the exchange offer; and
- you are not an affiliate of our company, as that term is defined in Rule 405 of the Securities Act.

If any of these conditions are not satisfied and you transfer any exchange notes issued to you in the exchange offer without delivering a proper prospectus or without qualifying for a registration exemption, you may incur liability under the Securities Act. We will not be responsible for, or indemnify you against, any liability you incur.

Any broker-dealer that acquires exchange notes in the exchange offer for its own account in exchange for outstanding notes which it acquired through market-making or other trading activities must acknowledge that it will deliver this prospectus when it resells or transfers any exchange notes issued in the exchange offer. See Plan of Distribution for a description of the prospectus delivery obligations of broker-dealers.

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Summary of The Exchange Notes

The summary below describes the principal terms of the exchange notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of Notes section of this prospectus contains more detailed descriptions of the terms and conditions of the exchange notes.

Issuers	Navios Maritime Holdings Inc. and Navios Maritime Finance (US) Inc.
Notes offered	$88,000,000 aggregate principal amount of 8 $^{7}/_{8}$% First Priority Ship Mortgage Notes due 2017. The exchange notes offered hereby and the $400,000,000 of Existing Notes issued on November 2, 2009 (which are now unrestricted) will have the same terms and ranking, will be treated as a single class for all purposes under the indenture (including, without limitation, waivers, amendments, redemptions and other offers to purchase). The exchange notes will have the same CUSIP number as the Existing Notes.
Maturity	The exchange notes will mature on November 1, 2017.
Interest payment dates	We will pay interest on the exchange notes semi-annually on May 1 and November 1 of each year, beginning November 1, 2012. Interest will accrue on the exchange notes from May 1, 2012.
Ranking	The exchange notes will be senior obligations of Navios Maritime Holdings Inc. and Navios Maritime Finance (US) Inc., and will be secured by first priority ship mortgages, first priority statutory mortgages and/or supplemental mortgages (with a *pari passu* provision (or a separate *pari passu* agreement)) on 17 drybulk vessels owned by certain subsidiary guarantors and certain other associated property and contract rights (the Collateral). Each of our direct and indirect subsidiaries that guarantee our Existing Notes and our 2019 Notes will guarantee the exchange notes. Except to the extent of any pre-existing permitted liens on the Collateral, the exchange notes will be:

- effectively senior to all of Navios Maritime Holdings Inc. s, Navios Maritime Finance (US) Inc. s and the subsidiary guarantors existing and future obligations to the extent of the value of the Collateral securing the notes;

- senior in right of payment to all of Navios Maritime Holdings Inc. s, Navios Maritime Finance (US) Inc. s and the subsidiary guarantors existing and future obligations that are, by their terms, expressly subordinated in right of payment to the notes;

- effectively junior to any of Navios Maritime Holdings Inc. s, Navios Maritime Finance (US) Inc. s and the subsidiary guarantors existing and future obligations that are secured by assets other than the Collateral to the extent of the value of any such assets securing such other obligations;

structurally junior to any existing and future obligations of our non-guarantor subsidiaries; and

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equal in right of payment with the Existing Notes and will have the benefit of the same Collateral and guarantees as the Existing Notes.

As of June 30, 2012, on an as adjusted basis, after giving effect to the July Offering and the use of proceeds thereof, Navios Maritime Holdings Inc., Navios Maritime Finance (US) Inc. and the subsidiary guarantors would have had approximately $1,212.7 million of indebtedness outstanding, including $358.8 million of secured indebtedness (other than the notes), which would have been effectively senior to the notes, and our non-guarantor subsidiaries would have had approximately $200.6 million of indebtedness outstanding, which would have been structurally senior to the notes.

Our non-guarantor subsidiaries accounted for approximately $280.6 million, or 41%, of our total revenue, approximately $765.9 million, or 26%, of our total assets, and approximately $370.9 million, or 21%, of our total liabilities, in each case for the year ended and as of December 31, 2011. Our non-guarantor subsidiaries accounted for approximately $128.5 million, or 40%, of our total revenue, approximately $700.0 million, or 24%, of our total assets, and approximately $302.2 million, or 18%, of our total liabilities in each case for the six months ended and as of June 30, 2012. See Footnote 25 to our audited consolidated financial statements for the year ended December 31, 2011 and footnote 15 to our unaudited consolidated financial statements for the six months ended June 30, 2012 incorporated by reference in this prospectus. Navios Acquisition and Navios Partners are not our subsidiaries because we own less than 50% of their voting stock.

Guarantees

On the issue date, the exchange notes will be fully and unconditionally guaranteed, jointly and severally, by all of our direct and indirect subsidiaries that guarantee the Existing Notes and the 2019 Notes, which excludes certain subsidiaries that have been or will be designated as unrestricted subsidiaries. The guarantees of our subsidiaries that own mortgaged vessels will be senior secured guarantees and the guarantees of our subsidiaries that do not own mortgaged vessels will be senior unsecured guarantees. Each wholly owned material subsidiary that we create or acquire following the issue date will also be required to guarantee the notes unless such subsidiary has been designated as an unrestricted subsidiary or is a securitization subsidiary. See Description of Notes Certain Covenants Designation of Restricted and Unrestricted Subsidiaries and Certain Covenants Subsidiary Guarantees.

Proceeds of Asset Sales and Event of Loss

Navios Maritime Holdings Inc. is obligated in certain instances to make offers to purchase outstanding notes with the net proceeds of certain sales or other dispositions of assets or upon the occurrence of an Event of Loss with respect to a Mortgaged Vessel. To the extent that any such offer to purchase is not fully subscribed by holders of

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	the notes, Navios Maritime Holdings Inc. may, subject to certain conditions, retain the unutilized portion of such net proceeds, provided that if such sale or event of loss involved collateral securing the notes, such unutilized proceeds will continue to constitute Collateral securing the notes. See Description of Notes Repurchase at the Option of Holders Asset Sales Asset Sales Not Involving Collateral, Repurchase at the Option of Holders Asset Sales Asset Sales Involving Collateral and Repurchase at the Option of Holders Events of Loss.
Optional redemption	We may redeem the exchange notes in whole or in part, at our option, at any time (1) before November 1, 2013, at a redemption price equal to 100% of the principal amount plus the applicable make-whole premium described under Description of Notes Optional Redemption and (2) on or after November 1, 2013, at the redemption prices listed under Description of Notes Optional Redemption.
Equity offering optional redemption	In addition, at any time before November 1, 2012, Navios Maritime Holdings Inc. may redeem up to 35% of the aggregate principal amount of the notes with the net proceeds of an equity offering at 108.875% of the principal amount of the notes, plus accrued and unpaid interest, if any, so long as at least 65% of the aggregate principal amount of the notes issued under the indenture remains outstanding after such redemption. See Description of Notes Security Optional Redemption.
Change of control	Upon the occurrence of certain change of control events, you will have the right, as a holder of the notes, to require Navios Maritime Holdings Inc. to repurchase some or all of your notes at 101% of their face amount, plus accrued and unpaid interest to the repurchase date. See Description of Notes Repurchase at the Option of Holders Change of Control.
Certain covenants	Navios Maritime Holdings Inc. and Navios Maritime Finance (US) Inc. will issue the notes offered hereby under the indenture governing the Existing Notes. The indenture governing the notes contains covenants that, among other things, will limit the ability of Navios Maritime Holdings Inc. and its restricted subsidiaries to: • incur additional indebtedness or issue certain preferred stock; • pay dividends on, redeem or repurchase their capital stock or make other restricted payments and investments; • create certain liens; • transfer or sell assets; • enter into certain transactions with their affiliates; • merge, consolidate or sell all or substantially all of their properties and assets; and

create or designate unrestricted subsidiaries.

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	These covenants are subject to important exceptions and qualifications, which are described under Description of Notes Certain Covenants.
No assurance of active trading market	We cannot assure you that an active and liquid market for the exchange notes will develop or be maintained. If an active and liquid market for the exchange notes is not maintained, the market price of the exchange notes may be adversely affected.
Risk factors	You should consider carefully all of the information set forth in and incorporated by reference in this prospectus and, in particular, the information under the heading Risk Factors before participating in the exchange offer.

For more complete information about the exchange notes, see the Description of Notes section of this prospectus.

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Selected Consolidated Historical Financial Data

The following table sets forth selected consolidated historical financial data for our business. This information is qualified by reference to, and should be read in conjunction with, our consolidated financial statements and notes thereto, as well as the sections entitled, Operating and Financial Review and Prospects which are incorporated by reference herein from our 2011 Form 20-F and our Q2 2012 6-K. The selected consolidated historical financial information and operating results for the years ended December 31, 2011, 2010 and 2009 and the consolidated balance sheet data as of December 31, 2011 and 2010 have been derived from our audited consolidated financial statements incorporated by reference herein from our Report on Form 6-K dated July 20, 2012. The consolidated statement of operations data for the years ended December 31, 2008 and 2007, and the balance sheet data as of December 31, 2009, 2008 and 2007, have been derived from our audited financial statements which are not incorporated by reference into this prospectus. The selected consolidated historical financial data for the six-month periods ended June 30, 2012 and 2011 have been derived from our unaudited financial statements incorporated by reference herein from our Q2 2012 6K. In the opinion of management, the unaudited financial statements referenced above include all adjustments, consisting of normal recurring adjustments, necessary for a fair statement of the results for the periods presented.

The historical results included below and elsewhere in this prospectus are not necessarily indicative of the future performance of Navios Holdings.

	Six Months Ended June 30,		Year Ended December 31,				
	2012 (unaudited)	2011 (unaudited)	2011	2010	2009	2008	2007
	(in thousands of U.S. dollars)						
Statement of Operations Data							
Revenue	$ 324,093	$ 347,125	$ 689,355	$ 679,918	$ 598,676	$ 1,246,062	$ 758,420
Time charter, voyage and logistics business expenses	(134,932)	(123,962)	(273,312)	(285,742)	(316,473)	(1,034,365)	(557,573)
Direct vessel expenses	(59,050)	(62,245)	(117,269)	(97,925)	(68,819)	(58,495)	(27,892)
General and administrative expenses	(25,026)	(26,685)	(52,852)	(58,604)	(43,897)	(37,047)	(23,058)
Depreciation and amortization	(51,706)	(57,718)	(107,395)	(101,793)	(73,885)	(57,062)	(31,900)
Interest income/(expense) and finance cost, net	(50,546)	(54,570)	(103,061)	(102,380)	(61,919)	(41,375)	(40,270)
(Loss)/gain on derivatives	(202)	(82)	(165)	4,064	375	8,092	25,100
Gain on sale of assets/partial sale of subsidiary	323	38,787	38,822	55,432	20,785	27,817	167,511
(Loss)/gain on change in control		(35,325)	(35,325)	17,742			
Loss on bond extinguishment		(21,199)	(21,199)				
Other (expense)/income, net	(4,221)	(4,720)	(11,569)	(5,614)	(14,666)	(6,921)	3,185
(Loss)/income before equity in net earnings of affiliate companies	**(1,267)**	**(594)**	**6,030**	**105,098**	**40,177**	**46,706**	**273,523**
Equity in net earnings of affiliated companies	16,633	14,746	35,246	40,585	29,222	17,431	1,929
Income before taxes	**15,366**	**14,152**	**41,276**	**145,683**	**69,399**	**64,137**	**275,452**
Income tax (expense)/benefit	(595)	(181)	56	(414)	1,565	56,113	(4,451)
Net income	**14,771**	**13,971**	**41,332**	**145,269**	**70,964**	**120,250**	**271,001**
Less: Net (income)/loss attributable to the noncontrolling interest	(27)	(1,251)	(506)	488	(3,030)	(1,723)	
Preferred stock dividends of subsidiary		(27)	(27)				
Preferred stock dividends attributable to the non controlling interest		12	12				
Net income attributable to Navios Maritime Holdings common stockholders	**$ 14,744**	**$ 12,705**	**$ 40,811**	**$ 145,757**	**$ 67,934**	**$ 118,527**	**$ 271,001**
Less: Incremental fair value of securities offered to induce warrants exercise							**(4,195)**
Income attributable to Navios Maritime Holdings common stockholders	**$ 14,744**	**$ 12,705**	**$ 40,811**	**$ 145,757**	**$ 67,934**	**$ 118,527**	**$ 266,806**

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	Six Months Ended June 30,		Year Ended December 31,				
	2012 (unaudited)	2011 (unaudited)	2011	2010	2009	2008	2007
	(in thousands of U.S. dollars)						
Balance Sheet Data (at period end)							
Current assets, including cash	$ 402,598	$ 521,161	$ 370,974	$ 349,965	$ 427,680	$ 505,409	$ 848,245
Total assets	2,878,470	2,990,982	2,913,824	3,676,767	2,935,182	2,253,624	1,971,004
Current liabilities, including current portion of long term debt	209,761	227,011	252,003	201,603	196,080	271,532	450,491
Total long term debt, including current portion	1,413,847	1,504,862	1,453,557	2,075,910	1,622,706	887,715	614,049
Navios Holdings stockholders equity	1,056,643	1,055,586	1,059,106	1,059,583	925,480	805,820	769,204
Other Financial Data							
Net cash provided by/(used in) operating activities	37,643	73,152	106,643	188,641	216,451	(28,388)	128,075
Net cash provided by/(used in) investing activities	14,230	(46,531)	(175,264)	(135,920)	(802,538)	(452,637)	(16,451)
Net cash (used in)/provided by financing activities	(53,874)	108,323	32,307	(19,244)	629,396	187,082	216,285
Book value per common share	10.32	10.38	10.34	10.43	9.17	8.02	7.23
Ratio of earnings to fixed charges [(1)]	1.19	1.13	1.22	1.69	1.33	1.16	2.48
Cash dividends per common share	0.12	0.13	0.25	0.24	0.27	0.38	0.24
Cash dividends per preferred share	100.25	99.19	200.0	345.52	52.35		
Cash paid for common stock dividend declared	12,291	13,341	25,542	24,107	27,154	28,588	26,023
Cash paid for preferred stock dividend declared	850	841	1,696	2,930	429		

(1) The ratio of earnings to fixed charges is calculated as follows:

	Six Months Ended June 30,		Year Ended December 31,				
	2012	2011	2011	2010	2009	2008	2007
Earnings:							
(a) pre-tax (loss)/income from continuing operations before adjustment for income or loss from equity investees	(1,267)	(594)	6,030	105,098	40,177	46,706	273,523
(b) fixed charges	72,717	80,950	152,074	170,047	145,103	353,355	185,719
(c) amortization of capitalized interest	448	429	874	623	832	21	
(d) distributed income of equity investees	16,138	13,613	30,143	22,197	18,944	13,250	678
Less:							
(a) Interest capitalized	(1,176)	(3,242)	(4,303)	(11,295)	(11,854)	(4,070)	(54)
(b) preference security dividend requirements of consolidated subsidiaries		(27)	(27)				
Total	**86,860**	**91,129**	**184,791**	**286,670**	**193,202**	**409,262**	**459,866**

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	Six Months Ended June 30,		Year Ended December 31,				
	2012	2011	2011	2010	2009	2008	2007
Fixed charges:							
(a) Interest expensed and capitalized	50,143	56,820	105,904	105,565	68,790	51,121	49,287
(b) amortization of debt expense and discount or premium and capitalized expenses related to indebtedness	2,832	3,226	5,580	11,752	6,682	2,077	1,856
(c) an estimate of the interest within rental expense	19,742	20,877	40,563	52,730	69,631	300,157	134,576
(d) preference security dividend requirements of consolidated subsidiaries		27	27				
Total	**72,717**	**80,950**	**152,074**	**170,047**	**145,103**	**353,355**	**185,719**
Earnings to fixed charges	**1.19**	**1.13**	**1.22**	**1.69**	**1.33**	**1.16**	**2.48**

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RISK FACTORS

You should carefully consider the risk factors set forth below and the other information included in or incorporated by reference into this prospectus before deciding to participate in the exchange offer. When evaluating an investment in the notes, you should also carefully consider those risks discussed under the caption Risk Factors beginning on page 4 of our 2011 Form 20-F, which are specifically incorporated by reference into this prospectus. These risks are not the only risks that we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also impair our business operations. Any of these risks may have a material adverse effect on our business, financial condition, results of operations and cash flows. In such a case, you may lose all or part of your investment in the exchange notes.

Risks Relating to the Notes and Our Indebtedness

We have substantial debt and may incur substantial additional debt, which could adversely affect our financial health and our ability to obtain financing in the future, react to changes in our business and make payments under the notes.

As of June 30, 2012, on an as adjusted basis, after giving effect to the July Offering and the use of proceeds thereof, we would have had $1,413.3 million in aggregate principal amount of debt outstanding of which $358.8 million was secured by assets other than the Collateral securing the notes. We also would have had up to $70.0 million available to us to be used for general corporate purposes under our existing credit facilities. We may increase the amount of our indebtedness in the future, which would further exacerbate the risks listed below.

Our substantial debt could have important consequences to holders of our notes. Because of our substantial debt:

- our ability to obtain additional financing for working capital, capital expenditures, debt service requirements, vessel or other acquisitions or general corporate purposes and our ability to satisfy our obligations with respect to our notes may be impaired in the future;
- a substantial portion of our cash flow from operations must be dedicated to the payment of principal and interest on our indebtedness, thereby reducing the funds available to us for other purposes;
- we will be exposed to the risk of increased interest rates because our borrowings under our senior secured credit facilities are and will be at variable rates of interest;
- it may be more difficult for us to satisfy our obligations to our lenders and noteholders, resulting in possible defaults on and acceleration of such indebtedness;
- we may be more vulnerable to general adverse economic and industry conditions;
- we may be at a competitive disadvantage compared to our competitors with less debt or comparable debt at more favorable interest rates and, as a result, we may not be better positioned to withstand economic downturns;
- our ability to refinance indebtedness may be limited or the associated costs may increase; and
- our flexibility to adjust to changing market conditions and ability to withstand competitive pressures could be limited, or we may be prevented from carrying out capital expenditures that are necessary or important to our growth strategy and efforts to improve operating margins or our business.

Despite our indebtedness levels, we and our subsidiaries may be able to incur substantially more debt, including secured debt. This could further exacerbate the risks associated with our substantial indebtedness.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future as the terms of the indenture governing our 2019 Notes and the indenture governing the notes do not fully prohibit us or our

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subsidiaries from doing so. As of June 30, 2012, on an as adjusted basis, after giving effect to the July Offering and the use of proceeds thereof, we would have had $1,413.3 million in aggregate principal amount of debt outstanding, of which $842.7 million would be secured and of which $358.8 million would be secured in favor of indebtedness other than the notes, which could make such secured indebtedness effectively senior to the notes to the extent of the value of the assets securing such indebtedness. We also would have had $70.0 million of undrawn commitments under our senior secured facilities, after giving effect to this offering and the use of proceeds thereof. We also may incur new indebtedness in connection with our exercise of purchase options on vessels. If new indebtedness is added to our current indebtedness levels, the related risks that we now face would increase and we may not be able to meet all our indebtedness obligations, including the repayment of our notes. In addition, the indenture governing our 2019 Notes does not, and the indenture governing the notes does not, prevent us from incurring obligations that do not constitute indebtedness as defined therein

The agreements and instruments governing our debt contain restrictions and limitations that could significantly impact our ability to operate our business and adversely affect the holders of the notes.

Our secured credit facilities and our indentures impose certain operating and financial restrictions on us. These restrictions limit our ability to:

- incur or guarantee additional indebtedness;
- create liens on our assets;
- make new investments;
- engage in mergers and acquisitions;
- pay dividends or redeem capital stock;
- make capital expenditures;
- engage in certain FFA trading activities;
- change the flag, class or commercial and technical management of our vessels;
- enter into long-term charter arrangements without the consent of the lender; and
- sell any of our vessels.

The agreements governing the terms of Navios Logistics indebtedness impose similar restrictions upon Navios Logistics.

Therefore, we and Navios Logistics will need to seek permission from our respective lenders in order to engage in some corporate and commercial actions that we believe would be in the best interest of our respective business, and a denial of permission may make it difficult for us or Navios Logistics to successfully execute our business strategy or effectively compete with companies that are not similarly restricted. The interests of our and Navios Logistics lenders may be different from our respective interests or the interests of the holders of our notes, and we cannot guarantee that we or Navios Logistics will be able to obtain the permission of lenders when needed. This may prevent us or Navios Logistics from taking actions that are in the best interests of us or Navios Logistics. Any future debt agreements may include similar or more

restrictive restrictions.

Our senior secured credit facilities contain requirements that the value of the collateral provided pursuant to the senior secured credit facilities must equal or exceed by a certain percentage the amount of outstanding borrowings under the senior secured credit facilities and that we maintain a minimum liquidity level. In addition, our senior secured credit facilities contain similar restrictive covenants as those contained in the indentures. It is an event of default under our senior secured credit facilities if such covenants are not complied with or if Ms. Angeliki Frangou, our Chairman and Chief Executive Officer, ceases to hold a minimum percentage of our issued stock. Our ability to comply with the covenants and restrictions contained in our senior secured credit

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facilities and the indentures governing our notes may be affected by economic, financial and industry conditions and other factors beyond our control. Any default under the agreements governing our indebtedness, including a default under our senior secured credit facilities, that is not waived by the required lenders, and the remedies sought by the holders of such indebtedness, could prevent us from paying principal, premium, if any, and interest on the notes and the 2019 Notes and substantially decrease the market value of our notes. If we are unable to repay indebtedness the lenders under our senior secured credit facilities could proceed against the collateral securing that indebtedness. In any such case, we may be unable to borrow under our senior secured credit facilities and may not be able to repay the amounts due under our senior secured credit facilities, the notes and the 2019 Notes. This could have serious consequences to our financial condition and results of operations and could cause us to become bankrupt or insolvent. Our ability to comply with these covenants in future periods will also depend substantially on the value of our assets, our charter rates, our success at keeping our costs low and our ability to successfully implement our overall business strategy. Any future credit agreement or amendment or debt instrument may contain similar or more restrictive covenants.

The market values of our vessels, which have declined from historically high levels, may fluctuate significantly, which could cause us to breach covenants in our credit facilities and result in the foreclosure of our Mortgaged Vessels.

Factors that influence vessel values include:

- prevailing level of charter rates;
- number of newbuilding deliveries;
- number of vessels scrapped or otherwise removed from the total fleet;
- changes in environmental and other regulations that may limit the useful life of vessels;
- changes in global drybulk commodity supply and demand;
- types and sizes of vessels;
- development of and increase in use of other modes of transportation;
- cost of vessel construction;
- cost of newbuilding vessels;
- governmental or other regulations; and
- general economic and market conditions affecting the shipping industry.

If the market values of our owned vessels decrease, we may breach covenants contained in our secured credit facilities. If we breach such covenants and are unable to remedy any relevant breach, our lenders could accelerate our debt and foreclose on the collateral, including our vessels. Any loss of vessels would significantly decrease our ability to generate positive cash flow from operations and, therefore, service our debt. In addition, if the book value of a vessel is impaired due to unfavorable market conditions, or a vessel is sold at a price below its book

value, we would incur a loss. Navios Logistics may be subject to similar ramifications under its credit facilities if the market values of its owned vessels decrease.

In addition, as vessels grow older, they generally decline in value. We will review our vessels for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. We review certain indicators of potential impairment, such as undiscounted projected operating cash flows expected from the future operation of the vessels, which can be volatile for vessels employed on short-term charters or in the spot market. Any impairment charges incurred as a result of declines in charter rates would negatively affect our financial condition and results of operations. In addition, if we sell any vessel at a time when vessel prices have fallen and before we have recorded an impairment adjustment to our financial statements, the sale may be at less than the vessel s carrying amount on our financial statements, resulting in a loss and a reduction in earnings.

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Our ability to generate the significant amount of cash needed to pay interest and principal on the notes and otherwise service our debt and our ability to refinance all or a portion of our indebtedness or obtain additional financing depend on multiple factors, many of which may be beyond our control.

The ability of us and Navios Logistics to make scheduled payments on or to refinance our respective debt obligations, including the notes, will depend on our respective financial and operating performance, which, in turn, will be subject to prevailing economic and competitive conditions and to financial and business factors, many of which may be beyond the control of us and Navios Logistics.

The principal and interest on such debt will be paid in cash. The payments under our and Navios Logistics debt will limit funds otherwise available for our respective working capital, capital expenditures, vessel acquisitions and other purposes. As a result of these obligations, the current liabilities of us or Navios Logistics may exceed our respective current assets. We or Navios Logistics may need to take on additional debt as we expand our respective fleets or other operations, which could increase our respective ratio of debt to equity. The need to service our respective debt may limit funds available for other purposes, and our or Navios Logistics inability to service debt in the future could lead to acceleration of such debt, the foreclosure on assets such as owned vessels or otherwise negatively affect us.

Our senior secured credit facilities mature on various dates through May 2022. In addition, borrowings under the senior secured credit facilities have amortization requirements prior to final maturity. As a result, we may be required to refinance any outstanding amounts under these facilities prior to the scheduled maturity of the notes. We cannot assure you that we will be able to refinance any of our indebtedness or obtain additional financing, particularly because of our high levels of indebtedness and the indebtedness incurrence restrictions imposed by the agreements governing our indebtedness, as well as prevailing market conditions. We could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our indebtedness service and other obligations.

Our senior secured credit facilities and our indentures do, and any future indebtedness may, restrict our ability to dispose of assets and use the proceeds from any such dispositions to service our indebtedness. Each of our senior secured credit facilities requires immediate repayment in full upon the sale of any vessel by which it is secured, and the indentures governing our notes require us to make an offer to purchase all of our outstanding notes at par if we do not use asset sale proceeds in the manner specified in the indentures. In the case of the indenture governing the notes, this would include reinvestment in our business in the case of asset sales of non-collateral and investment in new vessels and other related assets mortgaged in favor of the noteholders in the case of asset sales of collateral. We cannot assure you we will be able to consummate any asset sales, or if we do, what the timing of the sales will be or whether the proceeds that we realize will be adequate to meet indebtedness service obligations when due.

Most of our senior secured credit facilities require that we maintain loan to collateral value ratios in order to remain in compliance with the covenants set forth therein. If the value of such collateral falls below such required level, we would be required to either prepay the loans or post additional collateral to the extent necessary to bring the value of the collateral as compared to the aggregate principal amount of the loan back to the required level. We cannot assure you that we will have the cash on hand or the financing available to prepay the loans or have any unencumbered assets available to post as additional collateral. In such case, we would be in default under such credit facility and the collateral securing such facility would be subject to foreclosure by the applicable lenders.

The exchange notes will be secured only by the Collateral and will otherwise be effectively subordinated to the rights of our and the guarantors existing and future secured creditors.

The indentures governing the 2019 Notes and the notes permit us to incur a significant amount of additional secured indebtedness, including indebtedness under our senior secured credit facilities and indebtedness to be

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used for acquisitions of vessels and businesses. A substantial part of our debt has been and will continue to be secured debt used to purchase vessels. Indebtedness under our senior secured credit facilities is secured by mortgages on all vessels owned by our wholly-owned vessel subsidiaries, other than the Collateral that secures our obligations under the notes. See The Mortgaged Vessels. The fair market value of the Collateral (including the Mortgaged Vessels) is subject to significant fluctuations (as described under The market values of our vessels, which have declined from historically high levels, may fluctuate significantly, which could cause us to breach covenants in our credit facilities and result in the foreclosure of our Mortgaged Vessels) and there is no guarantee that the value of the Collateral (including the Mortgaged Vessels) will be sufficient to satisfy in full amounts owed to holders of the notes, and to the extent such amounts are insufficient, the obligation of each guarantor to repay amounts owed on the notes will be effectively subordinated to any secured indebtedness of such guarantor mortgaged in favor of the senior secured credit facilities or future secured indebtedness. If an event of default occurs under our senior secured credit facilities or under future secured indebtedness, the senior secured lenders will have a prior right to the assets mortgaged in their favor, to the exclusion of the holders of the notes, even if we are in default under the notes and the 2019 Notes. In that event, our assets and the assets of the subsidiary guarantors (other than the Collateral) would first be used to repay in full all indebtedness and other obligations secured by them (including all amounts outstanding under our senior secured credit facilities), resulting in a portion of our assets being unavailable to satisfy the claims of the holders of the notes and other unsecured indebtedness. Therefore, in the event of any distribution or payment of our assets in any foreclosure, dissolution, winding-up, liquidation, reorganization, or other bankruptcy proceeding, holders of the notes, after receiving any distribution or payment in respect of the Collateral, will participate in our remaining assets ratably with all holders of our unsecured indebtedness that is deemed to be of the same class as such notes, and potentially with all of our other general creditors, based upon the respective amounts owed to each holder or creditor. In any of the foregoing events, we cannot assure you that there will be sufficient assets to pay amounts due on our notes. As a result, holders of the notes may receive less, ratably, than holders of other secured indebtedness.

Notwithstanding the current or future appraised value of the Mortgaged Vessels, if an event of default with respect to the notes were to occur, our ability to realize such value upon the sale of the Mortgaged Vessels and to satisfy our obligations with respect to the notes will depend upon market and economic conditions, the physical condition of the Mortgaged Vessels, the availability of buyers and other similar factors at the time of sale. Accordingly, there can be no assurance that the proceeds of any sale of the Mortgaged Vessels pursuant to the indenture and the security documents following an event of default under the notes would be sufficient to satisfy payments due on the notes. Furthermore, in certain circumstances the extent to which the mortgages may be enforced and the extent to which the mortgages will have priority over the claims of other creditors is limited as certain creditors may be granted priority by operation of law over the rights of the trustee and the noteholders arising under the mortgages and the other collateral securing the notes. See The Mortgaged Vessels are registered under the flags of Greece, Malta or Panama. Noteholders rights in any proceeding against a Mortgaged Vessel may depend on the laws of the country where any proceeding is brought, and noteholders may have difficulty enforcing their rights in certain jurisdictions. If the proceeds from a sale of the Mortgaged Vessels are not sufficient to satisfy payments due on the notes, the holders of the notes (to the extent not repaid from the proceeds of the sale of the Mortgaged Vessels and other collateral) will have only unsecured claims against the remaining assets of Navios Maritime Holdings Inc. and the subsidiary guarantors.

In addition, the collateral securing the notes may be subject to liens permitted under the terms of the indenture governing the notes, whether arising before, on or after the date the notes are issued. By operation of law, certain of those liens will have priority over the claims of the trustee and the noteholders in the collateral securing the notes. The existence of any permitted liens could adversely affect the value of the collateral as well as the ability of the collateral agent to realize or foreclose on such collateral.

Additionally, although the collateral securing the notes will include assignments of the charters and earnings related to the Mortgaged Vessels, if an event of default with respect to the notes were to occur, the ability of the trustee and the noteholders to realize on the value of these charters may be limited in that at such time, one or

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more defaults may also exist under such charters which may entitle the charter counterparty to terminate the agreement. In addition, charters may provide that if someone other than Navios Holdings were to manage or operate a vessel (which may be the case if the trustee were to exercise its rights upon an event of default) the charter counterparty would at such time be entitled to terminate the charter. Charter counterparties may also fail to abide by the instructions of the trustee in terms of directing payments to it following an event of default which may further impair the ability of the noteholders to obtain the benefits of the assigned charters.

There also can be no assurance that the collateral will be saleable and, even if saleable, the timing of its liquidation is uncertain. To the extent that liens or other rights granted to third parties encumber collateral, such third parties have or may exercise rights and remedies with respect to the collateral subject to such liens that could adversely affect the value of the collateral and the ability of the collateral agent to realize or foreclose on the collateral. By its nature, some or all of the collateral may be illiquid and may have no readily ascertainable market value. In the event that a bankruptcy case is commenced by or against us, if the value of the collateral is less than the amount of principal and accrued and unpaid interest on the notes and all other senior secured obligations, interest may cease to accrue on the notes from and after the date the bankruptcy petition is filed. In the event of a foreclosure, liquidation, bankruptcy or similar proceeding, we cannot assure you that the proceeds from any sale or liquidation of the collateral will be sufficient to pay the obligations due under the notes.

The indenture also permits us to designate one or more of our restricted subsidiaries as an unrestricted subsidiary. If we designate a subsidiary as an unrestricted subsidiary for purposes of the indenture governing the notes, all of the liens on any collateral owned by such subsidiary as well as the pledge of the capital stock of such subsidiary will be released under the indenture. Designation of a subsidiary as an unrestricted subsidiary will reduce the aggregate value of the collateral securing the notes to the extent that liens on the assets of the unrestricted subsidiary and its subsidiaries are released. In addition, the creditors of the unrestricted subsidiary and its subsidiaries will have a senior claim on the assets of such unrestricted subsidiary and its subsidiaries. We have designated Navios Logistics and the general partner of Navios Partners as unrestricted subsidiaries under our indentures. See Description of Notes.

The notes will be structurally subordinated to the obligations of our current non-guarantor subsidiaries and any future non-guarantor subsidiaries.

The notes and the 2019 Notes are not guaranteed by certain of our subsidiaries, including Navios Logistics and Corporation Navios Sociedad Anonima (CNSA), which operates the Uruguay port facility. Navios Logistics, CNSA and certain of our other subsidiaries are also unrestricted subsidiaries and therefore are not subject to any of the covenants under the indenture governing the 2019 Notes and are not subject to any of the covenants under the indenture governing the notes. Unrestricted subsidiaries may, among other things, incur without limitation additional indebtedness and liens, make investments and acquisitions, and sell assets or stock. In addition, we will be able to sell unrestricted subsidiaries, or distribute unrestricted subsidiaries or the proceeds from a sale of any of their assets or stock to stockholders, or enter into merger, joint venture or other transactions involving them, or any combination of the foregoing, without restrictions. Payments on the 2019 Notes and the notes are only required to be made by us and the subsidiary guarantors. Accordingly, claims of the 2019 Notes and the notes are structurally subordinated to the claims of creditors of our non-guarantor subsidiaries (which will include any subsidiary that is designated as an unrestricted subsidiary or is a securitization subsidiary, in each case in accordance with the indentures, and any future subsidiaries that are not wholly-owned by us), including trade creditors. We may also be able to create future non-guarantor subsidiaries or unrestricted subsidiaries under the indentures. All obligations of our non-guarantor subsidiaries, including trade payables, will have to be satisfied before any of the assets of such subsidiary would be available for distribution, upon liquidation or otherwise, to us or a subsidiary guarantor. As of June 30, 2012, our non-guarantor subsidiaries would have had approximately $200.6 million of indebtedness outstanding. Our non-guarantor subsidiaries accounted for approximately $280.6 million, or 41%, of total revenue, approximately $765.9 million, or 26%, of our total assets, and approximately $370.9 million, or 21%, of our total liabilities, in each case for the year ended and as of December 31, 2011. Our non-guarantor subsidiaries accounted for approximately $128.5 million,

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or 40%, of total revenue, approximately $700.0 million, or 24%, of our total assets, and approximately $302.2 million, or 18%, of our total liabilities, in each case for the six months ended and as of June 30, 2012. See Footnote 25 to our audited consolidated financial statements for the year ended December 31, 2011 and Footnote 15 to our unaudited consolidated financial statements for the six months ended June 30, 2012 incorporated by reference in this prospectus.

The Mortgaged Vessels are registered under the flags of Greece, Malta or Panama. Noteholders rights in any proceeding against a Mortgaged Vessel may depend on the laws of the country where any proceeding is brought, and noteholders may have difficulty enforcing their rights in certain jurisdictions.

Each of the Mortgaged Vessels is, and during the term of the notes will be, registered under Greek, Maltese or Panamanian flag. Greek, Maltese and Panamanian law provide that mortgages may be enforced by the mortgagee by a suit in admiralty in a proceeding against the Mortgaged Vessel. Historically, Greek, Maltese and Panamanian ship mortgages have been enforced in major commercial ports throughout the world, including ports in the United States. However, the Company has been advised by Vgenopoulos and Partners, counsel to the Company with respect to matters of Greek law, Camilleri, Delia, Randon & Associates, counsel to the Company with respect to Maltese law, and Vives y Asociados, counsel to the Company with respect to matters of Panamanian law, that the priority that any of the mortgages would have against the claims of other lien creditors in an enforcement proceeding is generally determined by, and will vary in accordance with, the laws of the country where the proceeding is brought. The Greek, Maltese and Panamanian ship mortgages may be enforced against a vessel physically present in the United States, but the claim under any such mortgage would rank behind preferred maritime liens, including those for supplies and other necessaries provided in the United States. Since the Mortgaged Vessels trade primarily outside the territorial waters of Greece, Malta, Panama and the United States, there is no assurance that, if enforcement proceedings are commenced against a Mortgaged Vessel, the Mortgaged Vessel will be located in a jurisdiction having the same mortgage enforcement procedures and lien priorities as Greece, Malta, Panama or the United States, although, upon the occurrence of an event of default under the notes, the Trustee may be able to effect control over the Mortgaged Vessels to direct them to a desirable jurisdiction to arrest such vessels pursuant to judicial foreclosure proceedings.

Although one or more of our Mortgaged Vessels are separately owned by one of our subsidiaries, under certain circumstances a parent company and all of the shipowning affiliates in a group under common control engaged in a joint venture could be held liable for damages or debts owed by one of the affiliates, including liabilities for oil spills under the United States Oil Pollution Act of 1990 (as amended) or other environmental laws. Therefore, it is possible that we could be subject to execution upon a judgment against us or any one of our subsidiaries.

The rights of holders of notes to the Collateral may be adversely affected by the failure to perfect security interests in the Collateral and other issues generally associated with the realization of security interests in collateral.

Applicable law provides that a security interest in certain tangible and intangible assets can only be properly perfected and its priority retained through certain actions undertaken by the secured party. In addition, applicable law provides that certain property and rights acquired after the grant of a general security interest can only be perfected at the time such property and rights are acquired and identified and additional steps to perfect in such property and rights are taken. There can be no assurance that the collateral agent will monitor, or that we will inform the collateral agent of, the future acquisition of property and rights that constitute collateral, and that the necessary action will be taken to properly perfect the security interest in such after-acquired collateral. The collateral agent has no obligation to monitor the acquisition of additional property or rights that constitute collateral or the perfection of any security interest. Such failure may result in the loss of the security interest in the collateral or the priority of the security interest in favor of the notes against third parties.

The mortgages on and other security documents in respect of the $400.0 million of indebtedness under the indenture have been in place since the issuance of the Existing Notes. In connection with the issuance of the

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additional $88.0 million of indebtedness under the indenture, the existing mortgages and other applicable security documents were amended or in some cases, supplemental mortgages (and the pari passu provisions or pari passu agreements entered into in connection with any such supplemental mortgages that provide that the applicable supplemental mortgage shall rank equally and ratably with the applicable existing mortgage) were filed, to increase the amount of indebtedness secured thereby from $400.0 million to $488.0 million, and mortgages in an amount of $488.0 million were filed in respect of the Navios Happiness and Navios Stellar. In addition to uncertainties with respect to the perfection of the security interest granted under the additional mortgages, under certain circumstances, the validity of the aforementioned amendments or supplemental mortgages (and the pari passu provisions or pari passu agreements entered into in connection with any such supplemental mortgages that provide that the applicable supplemental mortgage shall rank equally and ratably with the applicable existing mortgage) may be challenged by other creditors. This may result in the exchange notes offered hereby not being equally and ratably secured with the Existing Notes.

In addition, the security interest of the collateral agent will be subject to practical challenges generally associated with the realization of security interests in collateral. For example, the collateral agent may need to obtain the consent of third parties (such as the parties to charters and insurers) and make additional filings. If we are unable to obtain these consents or make these filings, the security interests may be invalid and the holders will not be entitled to the collateral or any recovery with respect thereto. We cannot assure you that the collateral agent will be able to obtain any such consent. We also cannot assure you that the consents of any third parties will be given when required to facilitate a foreclosure on such assets. Additionally, the ability of the trustee to realize upon the collateral under the assignments of charters, freights and hires and the assignments of insurance relating to charters and insurance policies, both of which are governed by the laws of the State of New York will most likely require the trustee to bring enforcement actions in the foreign jurisdictions under which such charters, freights, hires, and insurance contracts are governed in order to pursue remedies. Depending on the relevant foreign jurisdiction, the trustee s ability to exercise remedies and realize any recovery on such items of collateral may be severely limited or may not be possible depending on the facts and circumstances relating to such claim and the foreign jurisdiction in which such claim is being pursued. Accordingly, the collateral agent may not have the ability to foreclose upon those assets and the value of the collateral may significantly decrease.

We may be unable to raise funds necessary to finance the change of control repurchase offer required by the indenture governing the notes.

If we experience specified changes of control, we would be required to make an offer to repurchase all of the 2019 Notes and the notes (unless otherwise redeemed) at a price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the repurchase date. The occurrence of specified events that would constitute a change of control will constitute a default under our senior secured credit facilities. There are also change of control events that would constitute a default under the senior secured credit facilities that would not be a change of control under the indentures. In addition, our senior secured credit facilities prohibit the purchase of notes by us in the event of a change of control, unless and until such time as the indebtedness under our senior secured credit facilities is repaid in full. As a result, following a change of control event, we would not be able to repurchase notes unless we first repay all indebtedness outstanding under our senior secured credit facilities and any of our other indebtedness that contains similar provisions, or obtain a waiver from the holders of such indebtedness to permit us to repurchase the notes and the 2019 Notes. We may be unable to repay all of that indebtedness or obtain a waiver of that type. Any requirement to offer to repurchase outstanding notes may therefore require us to refinance our other outstanding debt, which we may not be able to do on commercially reasonable terms, if at all. In addition, our failure to purchase the 2019 Notes and the notes after a change of control in accordance with the terms of the indentures would constitute an event of default under the indentures, which in turn would result in a default under our senior secured credit facilities. See Description of Notes.

Our inability to repay the indebtedness under our senior secured credit facilities would also constitute an event of default under the indenture governing the 2019 Notes and will constitute an event of default under the indenture governing the notes, which could have materially adverse consequences to us and to the holders of the

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notes and the 2019 Notes. In the event of a change of control, we cannot assure you that we would have sufficient assets to satisfy all of our obligations under our senior secured credit facilities, the notes and the 2019 Notes. Our future indebtedness may also require such indebtedness to be repurchased upon a change of control.

An increase in interest rates would increase the cost of servicing our debt and could reduce our profitability.

A portion of the debt under our secured credit facilities bears interest at variable rates. We may also incur indebtedness in the future with variable interest rates. As a result, an increase in market interest rates would increase the cost of servicing our debt and could materially reduce our profitability and cash flows. The impact of such an increase would be more significant for us than it would be for some other companies because of our substantial debt.

The international nature of our operations may make the outcome of any bankruptcy proceedings difficult to predict.

We are incorporated under the laws of the Republic of the Marshall Islands and our subsidiaries are also incorporated under the laws of the Republic of the Marshall Islands, the Republic of Liberia, Malta and certain other countries other than the United States, and we conduct operations in countries around the world. Consequently, in the event of any bankruptcy, insolvency or similar proceedings involving us or one of our subsidiaries, bankruptcy laws other than those of the United States could apply. We have limited operations in the United States. If we become a debtor under the United States bankruptcy laws, bankruptcy courts in the United States may seek to assert jurisdiction over all of our assets, wherever located, including property situated in other countries. There can be no assurance, however, that we would become a debtor in the United States or that a United States bankruptcy court would be entitled to, or accept, jurisdiction over such bankruptcy case or that courts in other countries that have jurisdiction over us and our operations would recognize a United States bankruptcy court s jurisdiction if any other bankruptcy court would determine it had jurisdiction.

Our being subject to certain fraudulent transfer and conveyance statutes may have adverse implications for the holders of the notes.

Fraudulent transfer and insolvency laws may void, subordinate or limit the notes, the guarantees and the Mortgages and the other security documents.

Marshall Islands

Navios Maritime Holdings Inc. and the majority of the guarantors as of the issue date are organized under the laws of the Republic of the Marshall Islands. While the Republic of the Marshall Islands does not have a bankruptcy statute or general statutory mechanism for insolvency proceedings, a Marshall Islands court may apply general U.S. principles of fraudulent conveyance, discussed below. In such case, a Marshall Islands court may void or subordinate the notes, the guarantees, the Mortgages or the liens granted under the other security documents, including for the reasons a United States court could void or subordinate a guarantee or a lien as described below.

United States

Federal and state fraudulent transfer and conveyance statutes may apply to the issuance of the notes, the incurrence of the guarantees and the granting of the Mortgages and the liens granted under the other security documents, including any future guarantees of any U.S. subsidiaries we might create. Under U.S. federal bankruptcy law and comparable provisions of U.S. state fraudulent transfer or conveyance laws, if any such law would be deemed to apply, which may vary from state to state, the notes, the guarantees, the Mortgages or the liens granted under the other security documents could be voided as fraudulent transfers or obligations if (1) we

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or any of the guarantors, as applicable, issued the notes, incurred the guarantees or granted the Mortgages or the liens granted under the other security documents with the intent of hindering, delaying or defrauding creditors or (2) we or any of the guarantors, as applicable, received less than reasonably equivalent value or fair consideration in return for issuing the notes, incurring the guarantees or granting the Mortgages and the liens granted under the other security documents and, in the case of (2) only, one of the following is also true at the time of the transaction:

- we or any of the guarantors, as applicable, were insolvent or rendered insolvent by reason of the issuance of the notes, the incurrence of the guarantees or the granting of a Mortgage and the liens granted under the other security documents;
- the issuance of the notes, the incurrence of the guarantees or the granting of a Mortgage or other security documents left us or any of the guarantors, as applicable, with an unreasonably small amount of capital to carry on the business;
- we or any of the guarantors intended to, or believed that we or such guarantor would, incur debts beyond our or such guarantor s ability to pay as they mature; or
- we or any of the guarantors was a defendant in an action for money damages, or had a judgment for money damages docketed against us or such guarantor if, in either case, after final judgment, the judgment is unsatisfied.

If a court were to find that the issuance of the notes, the incurrence of any of the guarantees, or the granting of any of the Mortgages or the liens granted under the other security documents was a fraudulent transfer or obligation, the court could void any such transfer or obligation, including such Mortgages or the liens granted under the other security documents and the payment obligations under such notes or guarantees, or subordinate such notes, guarantees, Mortgages or the liens granted under the other security documents to presently existing and future indebtedness of ours or of the related guarantor, and, in such event, the court may require the holders of the notes to repay any amounts received with respect to such notes, guarantees, Mortgages or the liens granted under the other security documents. Thus, in the event of a finding that a fraudulent transfer or obligation occurred, you may not receive any repayment on the notes. Further, the voidance of the notes could result in an event of default with respect to our and our subsidiaries other indebtedness that could result in acceleration of such indebtedness.

As a general matter, value is given for a transfer or an obligation if, in exchange for the transfer or obligation, property is transferred or an antecedent indebtedness is secured or satisfied. A debtor will generally not be considered to have received value in connection with an indebtedness offering if the debtor did not substantially benefit directly or indirectly from the transaction. In that regard, a debtor will generally not be considered to have received value if the proceeds of an indebtedness offering were used to make a dividend payment or otherwise retire or redeem equity securities issued by the debtor.

We cannot be certain as to the standards a court would use to determine whether or not we or the guarantors were solvent at the relevant time or, regardless of the standard that a court uses, that the issuance of the guarantees or the granting of the mortgage would not be further subordinated to our or any of our guarantors other indebtedness. Generally, however, an entity would be considered insolvent if, at the time it incurred indebtedness:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all its assets; or
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

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Greece

If Navios Maritime Holdings Inc. or any of the guarantors files a petition for bankruptcy in Greece, Greek bankruptcy law will apply. Under Greek law, upon a court declaration of bankruptcy, all the assets of the bankrupt party are placed under the control of a receiver to be held for the benefit of all creditors. After a court declaration of bankruptcy, the bankrupt party may, following an application to, and approval by, the bankruptcy court, continue to manage its assets with the cooperation of a receiver. In addition, certain transactions occurring prior to the declaration of bankruptcy may be found by the court to be null and void by operation of law, or may be declared null and void by the court after an examination of the merits of particular transactions if they are executed by the bankrupt party during the so-called suspect period. The suspect period is the time between the day of discontinuance of payments, which is determined by the Greek court and may predate the declaration of bankruptcy by up to two years, and the date of the declaration of bankruptcy.

Transactions that will be declared null and void by operation of law are:

- Any unilateral act by the bankrupt party having the effect of reducing its assets (including, without limitation, making donations, waiving debts, and granting interest-free loans) and making any payments other than in cash or commercial paper during the suspect period; and

- Any mortgage or pledge of any asset of the bankrupt party granted during the suspect period as security for a previous indebtedness.

The court will declare transactions in the above two categories null and void without taking into consideration any arguments from the parties to such transactions.

Certain other transactions entered into up to five (5) years prior to the entry into bankruptcy may be declared null and void by the bankruptcy court if it is concluded by the court that they were entered into with a malicious intent (dolus) to prevent creditors from satisfying their bona fide claims.

Moreover, the Greek court may declare any payments or transactions (including the issuance of notes or guarantees or the granting of mortgages or the other security documents) during the suspect period null and void if the person who transacted with the bankrupt party knew that the latter was in a state of discontinuance of payments and if such payments or transactions were harmful to the creditors of the bankrupt party.

Belgium

Insolvency

The notes will be guaranteed by Kleimar NV, a limited liability company (société anonyme/naamloze vennootschap) organized under the laws of Belgium (the Belgian Guarantor). Consequently, in the event of an insolvency of the Belgian Guarantor, insolvency proceedings may be initiated in Belgium. Such proceedings would then be governed by Belgian law. Under certain circumstances, Belgian law also allows bankruptcy proceedings to be opened in Belgium over the assets of companies that are not established under Belgian law. The following is a brief description of certain aspects of Belgian insolvency law. Belgian insolvency laws provide for two insolvency procedures: a judicial restructuring procedure (gerechtelijke reorganisatie/ reorganisation judiciaire) and a bankruptcy procedure (faillissement/faillite).

The judicial restructuring proceedings are regulated by the Act of 30 January 2009 on the Continuity of Enterprises (the Act on the Continuity of Enterprises), which entered into force on 1 April 2009.

Judicial Restructuring

A debtor may file a petition for judicial restructuring if the continuity of the enterprise is at risk, whether immediately or in the future. If the net assets of the debtor have fallen below 50% of the debtor s registered capital, the continuity of the enterprise is always presumed to be at risk.

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As long as the court overseeing a judicial restructuring has not issued a ruling on the restructuring petition, the debtor cannot be declared bankrupt or wound up by court order. In addition, during the period between the filing of the petition and the court s decision, with few exceptions, none of the debtor s assets may be disposed of by any of its creditors as a result of the enforcement of any security interests that such creditors may hold with respect to such assets.

In principle, within a period of ten days as from the filing of the petition and subject to the satisfaction of the filing conditions, the court will declare the judicial restructuring procedure open, allowing a temporary moratorium for a maximum period of six months. At the request of the debtor and pursuant to the report issued by the delegated judge, the moratorium period can be extended by six months. In exceptional circumstances (such as due to the size of the business, the complexity of the case or the impact of the procedure on employment), and in the interest of the creditors, the court may order an additional extension of the moratorium period for six months. The granting of the moratorium operates as a stay. No enforcement measures with respect to pre-existing claims in the moratorium can be continued or initiated against any of the debtor s assets from the time that the moratorium is granted until the end of the period, with a few exceptions. During the duration of the moratorium, no attachments can be made with regard to pre-existing claims.

Conservatory attachments that existed prior to the opening of the judicial restructuring retain their conservatory character, but the court may order their release, provided that such release does not have a material adverse effect on the situation of the creditor concerned.

Receivables other than credit claims (bankvorderingen/créances bancaires in the meaning of the Financial Collateral Law of 15 December 2004), pledged by the debtor in favour of a creditor prior to the opening of the judicial restructuring procedure are not affected by the moratorium, and the holder of such pledged receivables is permitted to take enforcement measures against the estate of the initial counterparty of the debtor (e.g., the debtor s customers) during the moratorium. A pledge on financial instruments in the meaning of the Financial Collateral Law of 15 December 2004 can be enforced notwithstanding the enforcement prohibition imposed by the moratorium (unless considered an abuse of right). Personal guarantees granted by third parties in favour of the debtor s creditors are not covered by the enforcement prohibition imposed by the moratorium, nor are the debts payable by co-debtors. The moratorium also does not prevent the voluntary payment by the debtor of claims covered by the moratorium. However, in respect of an enforcement over cash, the enforcement prohibition applies, with a few exceptions, if the judicial reorganisation procedure affects (i) a corporate debtor which is not a public or financial legal entity in the meaning of the Financial Collateral Law of 15 December 2004 or (ii) a public or financial legal entity but the creditor is not such an entity.

During the judicial restructuring procedure, the board of directors and management of the debtor continue to exercise their management functions. However, upon request of the debtor or any other interested party and to the extent it is deemed useful for reaching the aims of the restructuring, the court may appoint, in its decision to open the judicial restructuring procedure or at any other point in time during the course of the procedure, a judicial administrator (gerechtsmandataris/mandataire de justice) to assist the debtor during the restructuring. The restructuring procedure aims to preserve the continuity of a company as a going concern. Consequently, the initiation of the procedure does not terminate any contracts, and contractual provisions which provide for the early termination or acceleration of the contract upon the initiation or approval of a restructuring procedure, and certain contractual terms such as default interest, may not be enforceable during such a procedure. The Belgian law on judicial restructuring provides that a creditor may not terminate a contract on the basis of a debtor s default that occurred prior to the restructuring procedure if the debtor remedies such default within a 15-day period following the notification of such default. As an exception to the general rule of continuity of contracts, the debtor may cease performing a contract during the restructuring procedure, provided that the debtor notifies the creditor, and the decision is necessary for the debtor to be able to propose a reorganization plan to its creditors or to transfer all or part of the company or its assets.

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Judicial Restructuring by Amicable Settlement by Collective Agreement, or by Court-ordered Transfer of Enterprise

The Act on the Continuity of Enterprises provides for three types of restructurings: (i) the amicable settlement, (ii) the collective agreement and (iii) the transfer of (part of) the activities. The type of restructuring may change during the proceedings and may also depend on the position of the court and/or third parties. In the case of a judicial restructuring by collective agreement, the creditors agree to a restructuring plan during the restructuring procedure. The plan may include measures such as the reduction or rescheduling of liabilities and interest obligations and the swap of debt into equity. The maximum duration of the plan is five years. It must be filed with the Clerk s Office of the Commercial Court at least 14 days in advance of the date on which the creditors will vote on the approval of the restructuring plan. The court needs to ratify the restructuring plan prior to its taking effect. A restructuring plan approved by a double majority of the creditors (both in headcount and in value of the claims) and by the court will bind all creditors, including those who voted against it or did not vote and whether secured or not. Within a period of 14 days following the ruling declaring the judicial restructuring procedure open, the debtor must inform each of its creditors individually of the amount of its claims against the debtor as recorded in the books of the debtor, as well as of details regarding security interests, if applicable. Creditors with pre-existing claims, as well as any other interested party that claims to be a creditor, can challenge the amounts and the ranking of the secured claims declared by the debtor. The court can determine the disputed amounts and the ranking of such claims on a preliminary basis for the purpose of the restructuring procedure, or definitively, on the condition that it has jurisdiction in that respect, but that the decision relating to the dispute cannot be taken in a sufficiently short time frame. The debtor must use the moratorium period to complete and finalize a restructuring plan, with the assistance of the court-appointed administrator, as the case may be. The court-ordered transfer of all or part of the debtor s enterprise can be requested by the debtor in his petition or at a later stage in the procedure. It can be requested by the public prosecutor, by a creditor or by any party who has an interest in acquiring, in whole or in part, the debtor s enterprise, and the court can order such transfer in specific circumstances.

Bankruptcy

A bankruptcy procedure may be initiated by the debtor, by unpaid creditors or upon the initiative of the Public Prosecutor s office, or the provisional administrator of the merchant s assets or the liquidator of main insolvency proceedings opened in another EU member state (except Denmark) according to the EU Insolvency Regulation. Once the court ascertains that the requirements for bankruptcy are met, the court will establish a date by which all creditors claims must be submitted to the court for verification. Conditions for a bankruptcy order (declaration de faillite/aangifte van faillissement) are that the debtor must be in a situation of cessation of payments (cessation de paiements/staking van betaling) and be unable to obtain further credit (ébranlement de credit/wiens krediet geschokt is). Cessation of payments is generally accepted to mean that the debtor is not able to pay its debts as they fall due. Such situation must be persistent and not merely temporary. In bankruptcy, the debtor loses all authority and decision rights concerning the management of the bankrupt business. The bankruptcy receiver (curateur/curator), appointed by the court, becomes responsible for the operation of the business and implements the sale of the debtor s assets, the distribution of the sale proceeds to creditors and the liquidation of the debtor. The rights of creditors in the process are limited to being informed of the course of the bankruptcy proceedings on a regular basis by the receiver. Creditors may oppose the sale of assets by bringing an action before the court, or may request the temporary continued operation of the business. The receiver must decide whether or not to continue performance under ongoing contracts (i.e., contracts existing before the bankruptcy order). The receiver may elect to continue the business of the debtor, provided the receiver obtains the authorization of the court and such continuation does not cause any prejudice to the creditors. However, two exceptions apply: (i) the parties to an agreement may contractually agree that the occurrence of a bankruptcy constitutes an automatic early termination or acceleration event; (ii) and intuitu personae contracts (i.e., contracts whereby the identity of the other party constitutes an essential element upon the signing of the contract) are automatically terminated as of the bankruptcy judgment, since the debtor is no longer responsible for the management of the company. Parties can agree to continue to perform under such contracts. The receiver may elect not to perform the obligations of the bankrupt party which are still to be performed after the bankruptcy

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under any agreement validly entered into by the bankrupt party prior to the bankruptcy if such decision is necessary for the management and liquidation of the bankrupt estate. The counterparty to that agreement may make a claim for damages in the bankruptcy (and such claim will rank pari passu with claims of all other unsecured creditors) and/or seek a court order to have the relevant contract dissolved. The counterparty may not seek injunctive relief or require specific performance of the contract.

As a general rule, the enforcement rights of individual creditors are suspended upon the rendering of the court order opening bankruptcy proceedings, and after such order is made, only the bankruptcy trustee may proceed against the debtor and liquidate its assets. Exceptions exist with regard to certain required credits. For creditors with claims secured by movable assets, such suspension would normally be limited to the period required for the first report of verification of the claims. At the request of the receiver, the suspension period may be extended for up to one year from the bankruptcy judgment. Such extension requires a specific order of the court, which can only be made if the further suspension will allow for a realization of the assets in the interest of all creditors but without prejudicing the secured creditors, and provided that those secured creditors have been given the opportunity to be heard by the court. For creditors with claims secured by immovable assets, the intervention of the receiver is necessary to pursue the sale of the assets. The receiver will do so upon an order of the court, given either at its request or at the request of a mortgagee. A first-ranking mortgagee will generally be entitled to pursue the enforcement of its mortgage as soon as the first report of claims has been finalized; the court may suspend such enforcement for a period of not more than one year from the date of the bankruptcy if the suspension will allow for a realization of the assets without prejudicing the mortgagee, provided that the mortgagee has been given the opportunity to be heard by the court. However, a pledge on financial instruments or cash held on accounts can be enforced during the suspension period. As from the date of the bankruptcy judgment, no further interest accrues against the bankrupt debtor on its unsecured debt, or debts secured by a general privilege, like tax administration or social security.

The debts of the bankrupt estate generally will be ranked as to priority on the basis of complex rules. The following is a general overview only of the main principles: (i) estate debt: costs and indebtedness incurred by the receiver during the bankruptcy proceedings, the so-called estate debts , have a senior priority. In addition, if the receiver has contributed to the realization and enforcement of secured assets, such costs will be paid to the receiver in priority out of the proceeds of the realized assets before distributing the remainder to the secured creditors; (ii) security interests: creditors that hold a security interest have a priority right over the secured asset (whether by means of appropriation of the asset or on the proceeds upon realization); (iii) privileges: creditors may have a particular privilege on certain or all assets (e.g., tax claims, claims for social security premiums, etc.). Privileges on specific assets rank before privileges on all assets of the debtor; and (iv) unsecured creditors: once all estate debts and creditors having the benefit of security interests and privileges have been satisfied, the proceeds of the remaining assets will be distributed by the receiver among the unsecured creditors who rank pari passu (unless a creditor agreed to be subordinated).

Hardening Periods and Fraudulent Transfer

In the event that bankruptcy proceedings are governed by Belgian law, certain business transactions may be declared ineffective against third parties if concluded or performed during a so-called hardening period.

In principle, the cessation of payments (which constitutes a condition for filing for bankruptcy) is deemed to have occurred as of the date of the bankruptcy order. The court issuing the bankruptcy order may determine, based on serious and objective indications that the cessation of payments occurred on an earlier date. Such earlier date may not be earlier than six months before the date of the bankruptcy order, except in cases where the bankruptcy order relates to a company that was dissolved more than six months before the date of the bankruptcy order in circumstances suggesting an intent to defraud its creditors, in which case the date of cessation of payments may be determined as being the date of such decision to dissolve the company. The period from the date of cessation of payments up to the declaration of bankruptcy is referred to as the hardening period (période suspecte/verdachte periode). The business transactions entered into during the hardening period which

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may be declared ineffective against third parties include, among others, (i) gratuitous transactions or unbalanced transactions entered into on beneficial terms for the counterparty, (ii) payments for debts which are not due and payments other than in money for debts due, and (iii) security provided for existing debt. The Belgian receiver may request the court to declare payments of the Belgian Guarantor during the hardening period for debts due ineffective against third parties, provided that it can be proven that the creditor concerned was aware of the cessation of payment of the company. Finally, regardless of any declaration by the commercial court of a hardening period, transactions of which it can be demonstrated that they have been entered into with fraudulent prejudice to third creditors may be declared ineffective against third parties.

Limitation on Enforcement

The grant of a guarantee or collateral by a Belgian company for the obligations of another group company must be in the corporate interest of the granting company. If the granting of a guarantee or the creation of a security interest is not in the grantor s corporate purpose, they could, upon certain conditions, be held null and void. The granting of a guarantee and security interest must comply with the applicable (if any) financial assistance rules. The question of corporate interest is determined on a case-by-case basis and consideration has to be given to any direct and/or indirect benefit that the company would actually derive from the transaction and is particularly relevant for upstream or cross-stream guarantees. It is generally taught by legal scholars that such benefit should be proportionally greater than the risk for the guarantor resulting from the granting and/or enforcement of the guarantee or collateral concerned. The financial support granted by the company should not exceed its financial capabilities. The question whether or not the corporate interest requirement is met is a matter of fact, which must be assessed by the competent body of the company and is ultimately subject to the appreciation of the court. If the corporate interest requirement is not met, the directors of the company may be held liable (i) by the company for negligence in the management of the company and (ii) by third parties in tort. Moreover, the guarantee or collateral could be declared null and void and, under certain circumstances, the creditor that benefits from the guarantee or collateral could be held liable for up to the amount of the guarantee. These rules have been seldom tested under Belgian law. Case law on this issue is limited and protects the creditors of the guarantor. In order to enable Belgian subsidiaries to grant a guarantee and collateral to secure liabilities of a direct or indirect parent or sister company and to limit and/or exclude the risk of violating Belgian rules on corporate interest, it is standard market practice for indentures, credit agreements, guarantees and security documents to contain so-called limitation language in relation to subsidiaries incorporated or established in Belgium. Accordingly, the Guarantee by the Belgian Guarantor contains such limitation language and the security and the guarantees of the Belgian Guarantor may be so limited.

Recognition and enforcement

Courts may condition the enforcement of a security interest and/or guarantee upon the evidence that the creditor has a final and undisputed claim triggering the foreclosure of the security interest and/or guarantee. Enforcement of security interests and/or guarantees may be hindered by conflict of law and/or conflict of jurisdiction issues and may not breach any public policy provision and/or mandatory legal provisions. Courts may require a sworn translation in French or Dutch of the English documents which they may review.

Malta

If bankruptcy proceedings are opened in Malta, Maltese law will apply. Under the Companies Act, 1995 (Chap. 386 of the Laws of Malta) (the Companies Act), insolvency proceedings may be started once it has been established that the company is unable to pay its debts. The Court will examine carefully if the financial situation of the company justifies its winding up or if there exists a possibility that the company can still operate and consequently pay its debts. The Companies Act provides that in proving to the court that the company is unable to pay its debts, account must be taken of any contingent and prospective liabilities of the company. This may be verified by means of balance sheets and it must be verified that assets of the company concerned are less than its liabilities. Every privilege, hypothec or other charge, or transfer or other disposal of property or rights,

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and any payment, execution or other act relating to property or rights made or done by or against a company, and any obligation incurred by the company within six months before the dissolution of the company are to be a fraudulent preference against its creditors whether it is of a gratuitous nature or an onerous nature if it constitutes a transaction at an undervalue or if a preference is given, unless the person in whose favour it is made, done or incurred, proves that he did not know and did not have reason to believe that the company was likely to be dissolved by reason of insolvency, and in the event of the company being so dissolved every such fraudulent preference would be deemed void.

Companies which qualify as a shipping organisation in terms of the Merchant Shipping Act (Chap. 234 of the Laws of Malta) (the Merchant Shipping Act) are, as a general rule, not governed by the Companies Act, 1995, but by the Merchant Shipping (Shipping Organisations Private Companies) Regulations 2004 (the Regulations) issued under the Merchant Shipping Act which contain provisions substantially analogous to the Companies Act in so far as concerns the dissolution and consequential winding-up, company reconstructions and the company recovery procedure or other insolvency proceedings. For the avoidance of doubt, the provisions of the Companies Act relating to insolvency do not apply insofar as they may be inconsistent with the provisions of the Merchant Shipping Act. Procedurally, once insolvency proceedings have commenced, a company is deemed to be in dissolution. Any transfer of property or shares, and the issue of any warrants (except warrants of prohibitory injunction) that are filed after the company is placed in dissolution are deemed null and void. On appointment of the liquidator, the powers of the officers of the company (particularly those of the director/s) cease and pass into the hands of the liquidator. Criminal proceedings may be taken against any officer of the company who in the twelve months prior to the deemed date of dissolution, had concealed assets or documents or disposed of assets or otherwise acted in a fraudulent manner. In civil proceedings these officers may be found responsible to remunerate the company for any monies due to the company as well as damages. The law also provides for proceedings in case of wrongful trading by directors and fraudulent trading by any officer of the company.

The ranking of claims is established by reference to the Civil Law, Chapter 16 Laws of Malta (The Civil Code). Hypothecs or privileges registered during the insolvency of the company are without effect. Ships and other vessels constitute a particular class of moveables whereby they form separate and distinct assets within the estate of their owners for the security of actions and claims to which the vessel is subject. In case of bankruptcy of the owner of a ship, all actions and claims, to which the ship may be subject, shall have preference, on the said ship, over all other debts of the estate. In terms of the Merchant Shipping Act, a ship shall include together with the hull, all equipment, machinery and other appurtenances as accessories belonging to the ship, which are on board or which have been temporarily removed therefrom.

All registered mortgages, any special privileges and all actions and claims to which a vessel may be subject are not affected by the bankruptcy of the mortgagor or shipowner happening after the date on which the mortgage was created or the special privilege, action or claim arose, notwithstanding that the owner at the commencement of the bankruptcy had the ship in his possession, order or disposition, or was the reputed owner thereof, and such mortgage, privilege, action or claim would have preference, on the said vessel, over all other debts, claims or interests of any other creditor of the bankrupt or of any curator, trustee or receiver, acting on behalf of any other creditors. Any judicial sale proceedings instituted by any registered mortgagee or privileged creditor cannot be interrupted or in any way hindered by any curator in bankruptcy, whether voluntary or compulsory, or any liquidator or receiver of the shipowner for any cause other than a cause that could be set up by the owner.

Other Jurisdictions

The laws of the other jurisdictions in which guarantors may be organized may also limit the ability of such guarantors to guarantee indebtedness of a parent company. These limitations arise under various provisions or principles of corporate law which include provisions requiring a subsidiary guarantor to receive adequate corporate benefit from the financing, rules governing preservation of share capital, thin capitalization and fraudulent transfer principles. In certain of these jurisdictions, the guarantees will contain language limiting the

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amount of indebtedness guaranteed so that the applicable local law restrictions will not be violated. Accordingly, if you were to enforce the guarantees in such jurisdictions, your claims may be limited. Furthermore, although we believe that the guarantees of such guarantors are enforceable (subject to local law restrictions), a third party creditor may challenge these guarantees and prevail in court. We can provide no assurance that the guarantees will be enforceable.

You should not expect Navios Finance to participate in servicing the interest and principal obligations under the notes.

Navios Finance is our wholly-owned subsidiary that was formed solely for the purpose of serving as a co-issuer of the notes. Navios Finance is capitalized only with a minimal amount of common equity and will not receive any proceeds from the issuance of the notes offered hereby. Other than as a co-issuer of the notes, Navios Finance does not have (and is not permitted to have) any assets (other than its equity capital), operations, revenues or debt (other than the notes and other indebtedness permitted to be incurred by the terms of the indenture). As a result, prospective purchasers of the notes offered hereby should not expect Navios Finance to participate in servicing the interest and principal obligations under the notes.

We cannot assure you that an active trading market will develop for the exchange notes.

The exchange notes will have the same CUSIP number as the Existing Notes. Although the initial purchasers have informed us that they currently intend to make a market in the exchange notes, the initial purchasers are not obligated to do so and any such market making may be discontinued at any time without notice. In addition, such market making activity may be limited during the pendency of the exchange offer. Accordingly, we cannot give you any assurance as to the development or liquidity of any market for the exchange notes. We do not intend to apply for listing of the exchange notes, on any other securities exchange.

Even if a trading market for the exchange notes does develop, you may not be able to sell your notes at a particular time, if at all, or you may not be able to obtain the price you desire for your exchange notes. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial fluctuations in the price of securities. If the exchange notes are traded after their initial issuance, they may trade at a discount from their initial offering price depending on many factors, including prevailing interest rates, the market for similar securities, our credit rating, the interest of securities dealers in making a market for the notes, the price of any other securities we issue, our performance, prospects, operating results and financial condition, as well as of other companies in our industry.

The liquidity of, and trading market for the exchange notes also may be adversely affected by general declines in the market or by declines in the market for similar securities. Such declines may adversely affect such liquidity and trading markets independent of our financial performance and prospects.

Your failure to tender outstanding notes in the exchange offer may affect their marketability.

If outstanding notes are tendered for exchange and accepted in the exchange offer, the trading market, if any, for the untendered and tendered but unaccepted outstanding notes will be adversely affected. Your failure to participate in the exchange offer will substantially limit, and may effectively eliminate, opportunities to sell your outstanding notes in the future. We issued the outstanding notes in a private placement exempt from the registration requirements of the Securities Act.

Accordingly, you may not offer, sell or otherwise transfer your outstanding notes except in compliance with the registration requirements of the Securities Act and any other applicable securities laws, or pursuant to an exemption from the securities laws, or in a transaction not subject to the securities laws. If you do not exchange

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your outstanding notes for exchange notes in the exchange offer, or if you do not properly tender your outstanding notes in the exchange offer, your outstanding notes will continue to be subject to these transfer restrictions after the completion of the exchange offer. In addition, after the completion of the exchange offer, you will no longer be able to obligate us to register the outstanding notes under the Securities Act.

Risks Associated with the Shipping Industry and Our Drybulk Operations

Our international activities increase the compliance risks associated with economic and trade sanctions imposed by the United States, the European Union and other jurisdictions.

Our international operations could expose us to trade and economic sanctions or other restrictions imposed by the United States or other governments or organizations, including the United Nations, the European Union and its member countries. Under economic and trading sanctions laws, governments may seek to impose modifications to business practices, and modifications to compliance programs, which may increase compliance costs, and may subject us to fines, penalties and other sanctions.

Recently, the scope of sanctions imposed against the government of Iran and persons engaging in certain activities or doing certain business with and relating to Iran has been expanded by a number of jurisdictions, including the United States, the European Union and Canada. Not only has the United States enacted new legislation which imposed new sanctions that specifically restrict shipping refined petroleum into Iran, but also the European Union has implemented new restrictive measures which prohibit the purchase, transport or insurance of Iranian oil or petroleum products (the tankers of our affiliate, Navios Maritime Acquisition Corporation have in the past, but do not currently call on ports in Iran). There has also been an increased focus on economic and trade sanctions enforcement that has led recently to a significant number of penalties being imposed against shipping companies.

We are monitoring developments in the United States, the European Union and other jurisdictions that maintain sanctions programs, including developments in implementation and enforcement of such sanctions programs. Expansion of sanctions programs, embargoes and other restrictions in the future (including additional designations of countries subject to sanctions), or modifications in how existing sanctions are interpreted or enforced, could prevent the tankers of our affiliate from calling on ports in sanctioned countries or could limit their cargoes. If any of the risks described above materialize, it could have a material adverse impact on our business and results of operations.

We depend upon significant customers for part of our revenues. The loss of one or more of these customers or a decline in the financial capability of our customers could materially adversely affect our financial performance.

We have derived a significant part of our revenue from a small number of charterers. During the fiscal year ended December 31, 2011 and the six-month period ended June 30, 2012, we derived approximately 20% and 23%, respectively, of our gross revenues from four charterers.

If one or more of our customers is unable to perform under one or more charters with us and we are not able to find a replacement charter, or if a customer exercises certain rights to terminate the charter, or if a customer is unable to make its charter payments in whole or in part, we could suffer a loss of revenues that could materially adversely affect our business, financial condition and results of operations. We currently have nine vessels with charter party defaults.

We could lose a customer or the benefits of a time charter if, among other things:

- the customer fails to make charter payments because of its financial inability, disagreements with us or otherwise, which risk is increasing due to the current economic environment;

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the customer terminates the charter because we fail to deliver the vessel within a fixed period of time, the vessel is lost or damaged beyond repair, there are serious deficiencies in the vessel or prolonged periods of off-hire, default under the charter; or

the customer terminates the charter because the vessel has been subject to seizure for more than a specified number of days.

Furthermore, a number of our charters are at above market rates so any loss of such charter may require us to recharter the vessel at significantly lower rates and our charterers from time to time have been seeking to renegotiate their charter rates with us.

Our business is highly cyclical and our charter contracts may come up for renewal during downturns in the market. We are subject to certain credit risks with respect to our counterparties on contracts, and the failure of such counterparties to meet their obligations could cause us to suffer losses on such contracts and thereby decrease revenues.

The shipping business, including the dry cargo market, is highly cyclical experiencing severe fluctuations in charter rates and profitability. For example, during the period from January 4, 2010 to December 31, 2011, the Baltic Exchange s Panamax time charter average daily rates experienced a low of $10,372 and a high of $37,099. Additionally, during the period from January 4, 2010 to December 31, 2011, the Baltic Exchange s Capesize time charter average daily rates experienced a low of $4,567 and a high of $59,324 and the Baltic Exchange Dry Index experienced a low of 1,043 points and a high of 4,209 points. Recent adverse economic, political, social or other developments have decreased demand and prospects for growth in the shipping industry and thereby could reduce revenue significantly. Continuous declines in demand for commodities transported in drybulk carriers or an increase in supply of drybulk vessels could cause a further decline in charter rates, which could materially adversely affect our results of operations and financial condition.

We charter-out our vessels to other parties who pay us a daily rate of hire. We also enter into CoAs pursuant to which we agree to carry cargoes, typically for industrial customers, who export or import drybulk cargoes. We also enter into spot market voyage contracts, where we are paid a rate per ton to carry a specified cargo on a specified route. These contracts and arrangements subject us to counterparty credit risks at various levels. If the counterparties fail to meet their obligations, we could suffer losses on such contracts which could materially adversely affect our financial condition and results of operations. In addition, if a charterer defaults on a time charter, we may only be able to enter into new contracts at lower rates, particularly if our business is in a cyclical downturn. As described under Summary Our Fleet , we currently have nine vessels with charter party defaults and it is possible other charterers may default in the future. It is also possible that we would be unable to secure a charter at all to replace defaulted or terminated charters. If we re-charter the vessel at lower rates or not at all or if we cannot recover our losses under any insurance policy we maintain for any reason, or if we cannot obtain insurance in the future, our financial condition and results of operations could, particularly if our business is in a cyclical downturn, be materially adversely affected.

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USE OF PROCEEDS

This exchange offer is intended to satisfy certain of our obligations under the registration rights agreement entered into in connection with the issuance of the outstanding notes. We will not receive any cash proceeds from the issuance of the exchange notes and have agreed to pay the expenses of the exchange offer. In consideration for issuing the exchange notes, we will receive in exchange outstanding notes in like principal amount. The form and terms of the exchange notes are identical to the form and terms of the outstanding notes, except as otherwise described herein under The Exchange Offer Terms of the Exchange Offer.

The net proceeds from the offering of the outstanding notes was approximately $85.0 million, net of expenses. We applied these proceeds to repay indebtedness (1) with respect to our $66.5 million DNB Facility, which bears interest at a rate of Libor plus 225 basis points and matures in 2015 and (2) with respect to our $120.0 Dekabank Facility, which bears interest at a rate of Libor plus 190 basis points and matures in 2019. This indebtedness relates to two vessels which became part of the Collateral. See Capitalization.

The outstanding notes surrendered in exchange for the exchange notes will be retired and cancelled and cannot be reissued. Accordingly, issuance of the exchange notes will not result in any increase in our outstanding indebtedness.

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CAPITALIZATION

The following table sets forth our capitalization as of June 30, 2012, on a historical basis and on an as adjusted basis after giving effect to the issuance of the $88.0 million 8 7/8% First Priority Ship Mortgage Notes due 2017 and the use of proceeds thereof. Since June 30, 2012, we have repaid the outstanding amount of $20.0 million of the unsecured bond and this transaction is not reflected in the table below. The information in this table should be read in conjunction with Use of Proceeds and our consolidated financial statements and related notes thereto and the other information included in or incorporated by reference into this prospectus, including the sections entitled Operating and Financial Review and Prospects which are incorporated by reference herein from our 2011 Form 20-F and our Q2 2012 6-K.

	As of June 30, 2012	
	Historical	As Adjusted
	(In thousands of U.S. dollars)	
Existing long-term indebtedness (including current portion)		
Senior secured credit facilities[(1)]	447,383	358,833
8.875% First Priority Ship Mortgage Notes due 2017	395,831	395,831
8.125% senior notes due 2019	350,000	350,000
Unsecured bond	20,000	20,000
Additional 8.875% First Priority Ship Mortgage Notes due 2017		88,000
Total Company and guarantor subsidiaries	**1,213,214**	**1,212,664**
Navios Logistics indebtedness	200,633	200,633
Total non-guarantor subsidiaries	**200,633**	**200,633**
Total long-term debt	**1,413,847**	**1,413,297**
Total Navios Holdings stockholders equity	**1,056,643**	**1,056,643**
Total capitalization	**2,470,490**	**2,469,940**

(1) The as adjusted column reflects $3.6 million paid from the Company s cash, of which $3.0 million related to the payment of offering expenses and the remaining amount related to payment of debt as discussed in Use of Proceeds.

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THE EXCHANGE OFFER

Purpose of the Exchange Offer

We issued $88,000,000 of outstanding notes that are subject to this exchange offer on July 10, 2012 in transactions exempt from registration under the Securities Act. In connection with the issuance and sale, we entered into a registration rights agreement with the initial purchasers of the outstanding notes. All references to the notes in this section The Exchange Offer does not include the aggregate principal amount of $400,000,000 notes issued in November 2009. In the registration rights agreement we agreed to, among other things

- file with the SEC a registration statement on an appropriate form under the Securities Act (the Exchange Offer Registration Statement) not later than 30 days after the original issuance of the outstanding notes;
- use our commercially reasonable efforts to have the Exchange Offer Registration Statement declared effective by the SEC not later than 90 days (150 days if the registration statement is subject to SEC review) after the original issuance of the outstanding notes;
- use our commercially reasonable efforts to keep the Exchange Offer Registration Statement effective until the closing of the Exchange Offer;
- keep the Exchange Offer open for acceptance for a period of not less than 20 business days; and use our commercially reasonable efforts to cause the Exchange Offer to be consummated not later than 120 days (180 days if the registration statement is subject to SEC review) after original issuance of the outstanding notes.

If:

- we are not permitted to file the Exchange Offer Registration Statement or to consummate the Exchange Offer because of any changes in law, SEC rules or regulations or applicable interpretations thereof by the staff of the SEC;
- for any other reason the Exchange Offer Registration Statement is not declared effective on or prior to the 90th day (150th day if the registration statement is subject to SEC review) after the original issuance of the outstanding notes, or the Exchange Offer is not consummated on or prior to the 120th day (180th day if the registration statement is subject to SEC review) after the original issuance of the outstanding notes (unless the Exchange Offer is subsequently consummated);
- any initial purchaser that holds notes so requests;
- or any holder of notes is not permitted to participate in the Exchange Offer or does not receive fully tradeable Exchange Notes pursuant to the Exchange Offer;

we agree to file with the SEC a shelf registration statement (the Shelf Registration Statement) to cover resale of the Registrable Securities (as defined in the Registration Rights Agreement) by the holders thereof. We will use our commercially reasonable efforts to cause the applicable registration statement to be declared effective within the time periods specified in the Registration Rights Agreement. We will use our commercially reasonable efforts to keep such Shelf Registration Statement continuously effective, supplemented and amended until the first anniversary of the effective date of the Shelf Registration Statement or such shorter period that will terminate when all the registrable securities covered by the Shelf Registration Statement have been sold pursuant thereto or cease to be outstanding.

If (i) the Exchange Offer Registration Statement is not filed with the SEC on or prior to the 30th day after the issue date of the notes, (ii) the Exchange Offer Registration Statement has not been declared effective on or prior to the 90th day (150th day if the registration statement is

subject to SEC review) after the issue date of the notes, or (iii) the Exchange Offer is not consummated on or prior to the 120th day (180th day if the registration

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statement is subject to SEC review) after the issue date of the notes or the (iv) Shelf Registration Statement is not declared effective within the time periods specified in the Registration Rights Agreement (each such event referred to in clauses (i) through (iv) above, a Registration Default), the rate of interest on the notes shall be increased by 0.25% per annum of the principal amount of the notes offered hereby, and will further increase by an additional 0.25% per annum of the principal amount of the notes for each subsequent 90-day period (or portion thereof) while a Registration Default is continuing up to a maximum of 1.0% per annum. Following the cure of all Registration Defaults, the accrual of Additional Interest with respect to Registration Defaults will cease.

If the Shelf Registration Statement is not usable for any reason for more than 45 days in any consecutive 12-month period then, beginning on the 45th day that the Shelf Registration Statement ceases to be usable, subject to certain limited exceptions, the rate of interest on the notes shall be increased by 0.25% per annum of the principal amount of the notes, and will further increase by an additional 0.25% per annum of the principal amount of the notes for each subsequent 90-day period (or portion thereof), up to a maximum amount of 1.0% per annum. Upon the Shelf Registration Statement once again becoming usable, the accrual of such Additional Interest will cease.

Once the exchange offer is complete, we will have no further obligation to register any of the outstanding notes not tendered to us in the exchange offer. See Risk Factors Risks Relating to Our Indebtedness and the Exchange Notes Your Failure to Tender Outstanding Notes in the Exchange Offer May Affect Their Marketability.

Effect of the Exchange Offer

Based on interpretations of the staff of the SEC, as set forth in no-action letters to third parties, we believe that the notes issued in the exchange offer may be offered for resale, resold or otherwise transferred by holders of such notes, other than by any holder that is a broker-dealer who acquired outstanding notes for its own account as a result of market-making or other trading activities or by any holder which is an affiliate of us within the meaning of Rule 405 under the Securities Act. The exchange notes may be offered for resale, resold or otherwise transferred without compliance with the registration and prospectus delivery provisions of the Securities Act, if:

- the holder is acquiring the exchange notes in the ordinary course of its business;
- the holder is not engaging in and does not intend to engage in a distribution of the exchange notes;
- the holder does not have any arrangement or understanding with any person to participate in the exchange offer for the purpose of distributing the exchange notes; and
- the holder is not an affiliate of ours or any of the guarantors of the exchange notes, within the meaning of Rule 405 under the Securities Act.

However, the SEC has not considered the exchange offer in the context of a no-action letter, and we cannot guarantee that the staff of the SEC would make a similar determination with respect to the exchange offer as in these other circumstances.

Each holder must furnish a written representation, at our request, that:

- it is not an affiliate of us or, if an affiliate, that it will comply with registration and prospectus delivery requirements of the Securities Act to the extent applicable;
- it is not engaged in, and does not intend to engage in, a distribution of the notes issued in the exchange offer and has no arrangement or understanding to participate in a distribution of notes issued in the exchange offer; and

it is acquiring the exchange notes in the ordinary course of its business.

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Each holder who cannot make such representations:

- will not be able to rely on the interpretations of the staff of the SEC in the above-mentioned interpretive letters;
- will not be permitted or entitled to tender outstanding notes in the exchange offer; and
- must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any sale or other transfer of outstanding notes, unless the sale is made under an exemption from such requirements.

In addition, each broker-dealer that receives exchange notes for its own account in exchange for outstanding notes, where such outstanding notes were acquired by that broker-dealer as a result of market-making or other trading activities, must acknowledge that it will deliver this prospectus in connection with any resale of such notes issued in the exchange offer. See Plan of Distribution for a discussion of the exchange and resale obligations of broker-dealers in connection with the exchange offer.

In addition, to comply with state securities laws of certain jurisdictions, the exchange notes may not be offered or sold in any state unless they have been registered or qualified for sale in such state or an exemption from registration or qualification is available and complied with by the holders selling the exchange notes. We have not agreed to register or qualify the exchange notes for offer or sale under state securities laws.

Terms of the Exchange Offer

Upon the terms and subject to the conditions of the exchange offer described in this prospectus and in the accompanying letter of transmittal, we will accept for exchange all outstanding notes validly tendered and not withdrawn before 5:00 p.m., New York City time, on the expiration date. We will issue U.S.$1,000 principal amount of exchange notes in exchange for each U.S.$1,000 principal amount of outstanding notes accepted in the exchange offer. You may tender some or all of your outstanding notes pursuant to the exchange offer. However, outstanding notes may be tendered only in a minimum principal amount of U.S. $2,000 and in integral multiples of U.S. $1,000 in excess thereof.

The exchange notes will be substantially identical to the outstanding notes, except that:

- the offering of the exchange notes has been registered under the Securities Act;
- the exchange notes will not be subject to transfer restrictions; and
- the exchange notes will be issued free of any covenants regarding registration rights and free of any provision for additional interest.

The exchange notes will evidence the same debt as the outstanding notes and will be issued under and be entitled to the benefits of the same indenture under which the outstanding notes were issued. The outstanding notes and the exchange notes will be treated as a single series of debt securities under the indenture. For a description of the terms of the indenture and the exchange notes, see Description of Notes.

The exchange offer is not conditioned upon any minimum aggregate principal amount of outstanding notes being tendered for exchange. As of the date of this prospectus, we have an aggregate of U.S. $88,000,000 principal amount of outstanding notes (not including the aggregate principal amount of $400,000,000 notes issued in November 2009).

We intend to conduct the exchange offer in accordance with the applicable requirements of the Securities Act and the Securities Exchange Act and the rules and regulations of the SEC. Holders of outstanding notes do not have any appraisal or dissenters rights under law or under the indenture in connection with the exchange offer. Outstanding notes that are not tendered will remain outstanding and continue to accrue interest, but will not retain any rights under the registration rights agreement (except in the case of the Initial Purchasers and Participating Broker-Dealers as provided herein).

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We will be deemed to have accepted for exchange validly tendered outstanding notes when we have given oral or written notice of the acceptance to the exchange agent. The exchange agent will act as agent for the tendering holders of outstanding notes for the purposes of receiving the exchange notes from us and delivering the exchange notes to the tendering holders. Subject to the terms of the registration rights agreement, we expressly reserve the right to amend or terminate the exchange offer, and not to accept for exchange any outstanding notes not previously accepted for exchange, upon the occurrence of any of the conditions specified below under Conditions. All outstanding notes accepted for exchange will be exchanged for exchange notes promptly following the expiration date. If we decide for any reason to delay for any period our acceptance of any outstanding notes for exchange, we will extend the expiration date for the same period.

If we do not accept for exchange any tendered outstanding notes because of an invalid tender, the occurrence of certain other events described in this prospectus or otherwise, such unaccepted outstanding notes will be returned, without expense, to the holder tendering them or the appropriate book-entry will be made, in each case, as promptly as practicable after the expiration date.

We are not making, nor is our Board of Directors making, any recommendation to you as to whether to tender or refrain from tendering all or any portion of your outstanding notes in the exchange offer. No one has been authorized to make any such recommendation. You must make your own decision whether to tender in the exchange offer and, if you decide to do so, you must also make your own decision as to the aggregate amount of outstanding notes to tender after reading this prospectus and the letter of transmittal and consulting with your advisers, if any, based on your own financial position and requirements.

Expiration Date; Extensions; Amendments

The term expiration date means 5:00 p.m., New York City time, on , 2012 unless we, in our sole discretion, extend the exchange offer, in which case the term expiration date shall mean the latest date and time to which the exchange offer is extended.

If we determine to extend the exchange offer, we will notify the exchange agent of any extension by oral or written notice. We will notify the registered holders of outstanding notes of the extension no later than 9:00 a.m., New York City time, on the business day immediately following the previously scheduled expiration date.

We reserve the right, in our sole discretion:

- to delay accepting for exchange any outstanding notes;
- to extend the exchange offer or to terminate the exchange offer and to refuse to accept outstanding notes not previously accepted if any of the conditions set forth below under Conditions have not been satisfied by the expiration date; or
- subject to the terms of the registration rights agreement, to amend the terms of the exchange offer in any manner.

Any such delay in acceptance, extension, termination or amendment will be followed as promptly as practicable by oral or written notice to the registered holders of outstanding notes. If we amend the exchange offer in a manner that we determine to constitute a material change, we will promptly disclose the amendment in a manner reasonably calculated to inform the holders of the outstanding notes of the amendment.

Without limiting the manner in which we may choose to make public announcements of any delay in acceptance, extension, termination or amendment of the exchange offer, we will have no obligation to publish, advertise or otherwise communicate any public announcement, other than by making a timely release to a financial news service.

During any extension of the exchange offer, all outstanding notes previously tendered will remain subject to the exchange offer, and we may accept them for exchange. We will return any outstanding notes that we do not

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accept for exchange for any reason without expense to the tendering holder as promptly as practicable after the expiration or earlier termination of the exchange offer.

Interest on the Exchange Notes and the Outstanding Notes

Any outstanding notes not tendered or accepted for exchange will continue to accrue interest at the rate of 8 $^{7}/_{8}$% per annum in accordance with their terms. The exchange notes will accrue interest at the rate of 8 $^{7}/_{8}$% per annum from the date of the last periodic payment of interest on the outstanding notes or, if no interest has been paid, from the date of original issuance of the outstanding notes. Interest on the exchange notes and any outstanding notes not tendered or accepted for exchange will be payable semi-annually in arrears on May 1 and November 1 of each year, commencing on November 1, 2012.

Procedures for Tendering

Only a registered holder of outstanding notes may tender those notes in the exchange offer. To tender in the exchange offer, a holder must properly complete, sign and date the letter of transmittal, have the signatures thereon guaranteed if required by the letter of transmittal, and mail or otherwise deliver such letter of transmittal, together with all other documents required by the letter of transmittal, to the exchange agent at one of the addresses set forth below under Exchange Agent, before 5:00 p.m., New York City time, on the expiration date. In addition, either:

- the exchange agent must receive, before the expiration date, a timely confirmation of a book-entry transfer of the tendered outstanding notes into the exchange agent s account at The Depository Trust Company (DTC), or the depositary, according to the procedure for book-entry transfer described below; or

- the holder must comply with the guaranteed delivery procedures described below.

A tender of outstanding notes by a holder that is not withdrawn prior to the expiration date will constitute an agreement between that holder and us in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal.

The method of delivery of letters of transmittal and all other required documents to the exchange agent, including delivery through DTC, is at the holder s election and risk. Instead of delivery by mail, we recommend that holders use an overnight or hand delivery service. If delivery is by mail, we recommend that holders use certified or registered mail, properly insured, with return receipt requested. In all cases, holders should allow sufficient time to assure delivery to the exchange agent before the expiration date. Holders should not send letters of transmittal or other required documents to us. Holders may request their respective brokers, dealers, commercial banks, trust companies or other nominees to effect the above transactions for them.

Any beneficial owner whose outstanding notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender those notes should contact the registered holder promptly and instruct it to tender on the beneficial owner s behalf.

We will determine, in our sole discretion, all questions as to the validity, form, eligibility (including time of receipt), acceptance of tendered outstanding notes and withdrawal of tendered outstanding notes, and our determination will be final and binding. We reserve the absolute right to reject any and all outstanding notes not properly tendered or any outstanding notes the acceptance of which would, in the opinion of us or our counsel, be unlawful. We also reserve the absolute right to waive any defects or irregularities or conditions of the exchange offer as to any particular outstanding notes either before or after the expiration date. Our interpretation of the terms and conditions of the exchange offer as to any particular outstanding notes either before or after the expiration date, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of outstanding notes for exchange must be

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cured within such time as we shall determine. Although we intend to notify holders of any defects or irregularities with respect to tenders of outstanding notes for exchange, neither we nor the exchange agent nor any other person shall be under any duty to give such notification, nor shall any of them incur any liability for failure to give such notification. Tenders of outstanding notes will not be deemed to have been made until all defects or irregularities have been cured or waived. Any outstanding notes delivered by book-entry transfer within DTC, will be credited to the account maintained within DTC by the participant in DTC which delivered such outstanding notes, unless otherwise provided in the letter of transmittal, as soon as practicable following the expiration date.

In addition, we reserve the right in our sole discretion (a) to purchase or make offers for any outstanding notes that remain outstanding after the expiration date, (b) as set forth below under Conditions, to terminate the exchange offer and (c) to the extent permitted by applicable law, purchase outstanding notes in the open market, in privately negotiated transactions or otherwise. The terms of any such purchases or offers could differ from the terms of the exchange offer.

By signing, or otherwise becoming bound by, the letter of transmittal, each tendering holder of outstanding notes (other than certain specified holders) will represent to us that:

- it is acquiring the exchange notes in the exchange offer in the ordinary course of its business;
- it is not engaging in and does not intend to engage in a distribution of the exchange notes;
- it is not participating, does not intend to participate, and has no arrangements or understandings with any person to participate in the exchange offer for the purpose of distributing the exchange notes; and
- it is not an affiliate of ours or any of the guarantors of the exchange notes, within the meaning of Rule 405 under the Securities Act, or, if it is our affiliate, it will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable.

If the tendering holder is a broker-dealer that will receive exchange notes for its own account in exchange for outstanding notes that were acquired as a result of market-making activities or other trading activities, it may be deemed to be an underwriter within the meaning of the Securities Act. Any such holder will be required to acknowledge in the letter of transmittal that it will deliver a prospectus in connection with any resale or transfer of these exchange notes. However, by so acknowledging and by delivering a prospectus, the holder will not be deemed to admit that it is an underwriter within the meaning of the Securities Act.

Book-Entry Transfer

The exchange agent will establish a new account or utilize an existing account with respect to the outstanding notes at DTC promptly after the date of this prospectus, and any financial institution that is a participant in DTC s systems may make book-entry delivery of outstanding notes by causing DTC to transfer these outstanding notes into the exchange agent s account in accordance with DTC s procedures for transfer. However, the exchange for the outstanding notes so tendered will only be made after timely confirmation of this book-entry transfer of outstanding notes into the exchange agent s account, and timely receipt by the exchange agent of an agent s message and any other documents required by the letter of transmittal. The term agent s message means a message transmitted by DTC to, and received by, the exchange agent and forming a part of a book-entry confirmation, that states that DTC has received an express acknowledgment from a participant in DTC tendering outstanding notes that are the subject of the book-entry confirmation stating (1) the aggregate principal amount of outstanding notes that have been tendered by such participant, (2) that such participant has received and agrees to be bound by the terms of the letter of transmittal and (3) that we may enforce such agreement against the participant.

Although delivery of outstanding notes must be effected through book-entry transfer into the exchange agent s account at DTC, the letter of transmittal, properly completely and validly executed, with any required

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signature guarantees, or an agent s message in lieu of the letter of transmittal, and any other required documents, must be delivered to and received by the exchange agent at one of its addresses listed below under Exchange Agent, before 5:00 p.m., New York City time, on the expiration date, or the guaranteed delivery procedure described below must be complied with.

Delivery of documents to DTC in accordance with its procedures does not constitute delivery to the exchange agent.

All references in this prospectus to deposit or delivery of outstanding notes shall be deemed to also refer to DTC s book-entry delivery method.

Guaranteed Delivery Procedures

Holders who wish to tender their outstanding notes and (1) who cannot deliver a confirmation of book-entry transfer of outstanding notes into the exchange agent s account at DTC, the letter of transmittal or any other required documents to the exchange agent prior to the expiration date or (2) who cannot complete the procedure for book-entry transfer on a timely basis, may effect a tender if:

- the tender is made through an eligible institution;
- before the expiration date, the exchange agent receives from the eligible institution a properly completed and duly executed notice of guaranteed delivery, by facsimile transmission, mail or hand delivery, listing the principal amount of outstanding notes tendered, stating that the tender is being made thereby and guaranteeing that, within three New York Stock Exchange, Inc. trading days after the expiration date, a duly executed letter of transmittal together with a confirmation of book-entry transfer of such outstanding notes into the exchange agent s account at DTC, and any other documents required by the letter of transmittal and the instructions thereto, will be deposited by such eligible institution with the exchange agent; and
- the properly completed and executed letter of transmittal and a confirmation of book-entry transfer of all tendered outstanding notes into the exchange agent s account at DTC and all other documents required by the letter of transmittal are received by the exchange agent within three New York Stock Exchange, Inc. trading days after the expiration date.

Upon request to the exchange agent, a notice of guaranteed delivery will be sent to holders who wish to tender their outstanding notes according to the guaranteed delivery procedures described above.

Withdrawal of Tenders

Except as otherwise provided in this prospectus, tenders of outstanding notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the expiration date.

For a withdrawal to be effective, the exchange agent must receive a written or facsimile transmission notice of withdrawal at one of its addresses set forth below under Exchange Agent. Any notice of withdrawal must:

- specify the name of the person who tendered the outstanding notes to be withdrawn;
- identify the outstanding notes to be withdrawn, including the principal amount of such outstanding notes;
- be signed by the holder in the same manner as the original signature on the letter of transmittal by which the outstanding notes were tendered and include any required signature guarantees; and

specify the name and number of the account at DTC to be credited with the withdrawn outstanding notes and otherwise comply with the procedures of DTC.

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We will determine, in our sole discretion, all questions as to the validity, form and eligibility (including time of receipt) of any notice of withdrawal, and our determination shall be final and binding on all parties. Any outstanding notes so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the exchange offer and no exchange notes will be issued with respect thereto unless the outstanding notes so withdrawn are validly retendered. Properly withdrawn outstanding notes may be retendered by following one of the procedures described above under Procedures for Tendering at any time prior to the expiration date.

Any outstanding notes that are tendered for exchange through the facilities of DTC but that are not exchanged for any reason will be credited to an account maintained with DTC for the outstanding notes as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer.

Conditions

Despite any other term of the exchange offer, we will not be required to accept for exchange, or to issue exchange notes in exchange for, any outstanding notes, and we may terminate the exchange offer as provided in this prospectus prior to the expiration date, if:

- the exchange offer, or the making of any exchange by a holder of outstanding notes, would violate applicable law or any applicable interpretation of the SEC staff;
- the outstanding notes are not tendered in accordance with the exchange offer;
- you do not represent that you are acquiring the exchange notes in the ordinary course, that you are not engaging in and do not intend to engage in a distribution of the exchange notes, of your business and that you have no arrangement or understanding with any person to participate in a distribution of the exchange notes and you do not make any other representations as may be reasonably necessary under applicable SEC rules, regulations or interpretations to render available the use of an appropriate form for registration of the exchange notes under the Securities Act; or
- any action or proceeding is instituted or threatened in any court or by or before any governmental agency with respect to the exchange offer which, in our judgment, would reasonably be expected to impair our ability to proceed with the exchange offer.

These conditions are for our sole benefit and may be asserted by us regardless of the circumstances giving rise to any of these conditions or may be waived by us, in whole or in part, at any time and from time to time in our reasonable discretion. Our failure at any time to exercise any of the foregoing rights shall not be deemed a waiver of the right and each right shall be deemed an ongoing right which may be asserted at any time and from time to time.

If we determine in our reasonable judgment that any of the conditions are not satisfied, we may:

- refuse to accept and return to the tendering holder any outstanding notes or credit any tendered outstanding notes to the account maintained within DTC by the participant in DTC which delivered the outstanding notes; or
- extend the exchange offer and retain all outstanding notes tendered before the expiration date, subject to the rights of holders to withdraw the tenders of outstanding notes (see Withdrawal of Tenders above); or
- waive the unsatisfied conditions with respect to the exchange offer prior to the expiration date and accept all properly tendered outstanding notes that have not been withdrawn or otherwise amend the terms of the exchange offer in any respect as provided under Expiration Date; Extensions; Amendments. If a waiver constitutes a material change to the exchange offer, we will promptly disclose the waiver by means of a prospectus supplement that will be distributed to the registered holders, and we will extend the exchange

offer as required in our judgment by law, depending upon the significance of the waiver and the manner of disclosure to the registered holders, if the exchange offer would otherwise expire during such extended period.

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In addition, we will not accept for exchange any outstanding notes tendered, and we will not issue exchange notes in exchange for any of the outstanding notes, if at that time any stop order is threatened or in effect with respect to the registration statement of which this prospectus constitutes a part or the qualification of the indenture under the Trust Indenture Act of 1939.

Exchange Agent

Wells Fargo Bank, National Association has been appointed as the exchange agent for the exchange offer. All signed letters of transmittal and other documents required for a valid tender of your outstanding notes should be directed to the exchange agent at one of the addresses set forth below. Questions and requests for assistance, requests for additional copies of this prospectus or of the letter of transmittal and requests for notices of guaranteed delivery should be directed to the exchange agent addressed as follows:

By Registered or Certified Mail:

WELLS FARGO BANK, N.A.
Corporate Trust Operations
MAC N9303-121
PO Box 1517
Minneapolis, MN 55480

By Regular Mail or Overnight Courier:

WELLS FARGO BANK, N.A.
Corporate Trust Operations
MAC N9303-121
Sixth & Marquette Avenue
Minneapolis, MN 55479

In Person by Hand Only:

WELLS FARGO BANK, N.A.
12th Floor Northstar East Building
Corporate Trust Operations
608 Second Avenue South
Minneapolis, MN 55479

By Facsimile:

(For Eligible Institutions only):
fax. (612) 667-6282
Attn. Bondholder Communications

For Information or Confirmation by
Telephone: (800) 344-5128, Option 0
Attn. Bondholder Communications

Delivery to other than the above addresses or facsimile number will not constitute a valid delivery.

Fees and Expenses

We will bear the expenses of soliciting tenders. We have not retained any dealer-manager in connection with the exchange offer and will not make any payments to brokers, dealers or others soliciting acceptance of the exchange offer. The principal solicitation is being made by mail; however, additional solicitation may be made by facsimile, telephone or in person by our officers and employees.

We will pay the expenses to be incurred in connection with the exchange offer. These expenses include fees and expenses of the exchange agent and the trustee, accounting and legal fees, printing costs, and related fees and expenses.

Transfer Taxes

Holders who tender their outstanding notes for exchange will not be obligated to pay any transfer taxes in connection with the exchange offer. If, however, exchange notes issued in the exchange offer, or outstanding notes for principal amounts not tendered or accepted for exchange, are to be delivered to, or are to be issued in the name of, any person other than the registered holder of the outstanding notes tendered, or if a transfer tax is imposed for any reason other than the exchange of outstanding notes for exchange notes in connection with the

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exchange offer, then the holder must pay any applicable transfer taxes, whether imposed on the registered holder or on any other person. If satisfactory evidence of payment of, or exemption from, transfer taxes is not submitted with the letter of transmittal, the amount of the transfer taxes will be billed directly to the tendering holder.

Accounting Treatment

We will record the exchange notes in our accounting records at the same carrying values as the outstanding notes on the date of the exchange. Accordingly, we will recognize no gain or loss, for accounting purposes, as a result of the exchange offer. The expenses of the exchange offer will be amortized over the term of the exchange notes.

Consequences of Failure to Exchange

Holders of outstanding notes who do not exchange their outstanding notes for exchange notes pursuant to the exchange offer will continue to be subject to the restrictions on transfer of the outstanding notes as set forth in the legend printed thereon as a consequence of the issuance of the outstanding notes pursuant to an exemption from the Securities Act and applicable state securities laws. Outstanding notes not exchanged pursuant to the exchange offer will continue to accrue interest at $8\ ^{7}/_{8}\%$ per annum, and the outstanding notes will otherwise remain outstanding in accordance with their terms.

In general, the outstanding notes may not be offered or sold unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Upon completion of the exchange offer, holders of outstanding notes will not be entitled to any rights to have the resale of outstanding notes registered under the Securities Act, and we currently do not intend to register under the Securities Act the resale of any outstanding notes that remain outstanding after completion of the exchange offer.

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DESCRIPTION OF NOTES

You can find the definitions of certain terms used in this description under the subheading Certain Definitions. In this description, the term Company refers only to Navios Maritime Holdings Inc. and not to any of its subsidiaries or affiliates and the term Navios Finance, or Co-Issuer refers only to Navios Maritime Finance (US) Inc. and not to any of its subsidiaries or affiliates. References herein to the Co-Issuers are to the Company and Navios Finance as joint and several co-issuers of the notes.

The 8 7/8% First Priority Ship Mortgage Notes due 2017 that were issued on November 2, 2009 and July 10, 2012 (collectively, the outstanding notes) were issued and the exchange notes will be issued under an indenture dated November 2, 2009, among the Co-Issuers, the Guarantors and Wells Fargo Bank, National Association, as trustee and as collateral agent (collectively, the trustee). The terms of the notes include those stated in the indenture and following the qualification of the indenture under the Trust Indenture Act of 1939, as amended (the Trust Indenture Act), when the notes are registered under the Securities Act, those made part of the indenture by reference to the Trust Indenture Act. As used in this Description of Notes, except as otherwise specified or the context otherwise requires, the term notes means the exchange notes offered hereby and the outstanding notes, which includes $400.0 million of 8 7/8% First Priority Ship Mortgage Notes due 2017 issued on November 2, 2009 under the same indenture.

The notes offered hereby and the outstanding notes:

- will be *pari passu* in right of payment;
- will be secured equally and ratably;
- will vote together on any matter submitted to holders for a vote, including waivers and amendments; and
- will otherwise have the same terms and ranking, and will be treated as a single class for all purposes under the indenture (including, without limitation, waivers, amendments, redemptions and other offers to purchase).

Following the consummation of the exchange offer for the notes offered hereby, it is expected that the notes offered hereby exchanged in the exchange offer and the Existing Notes will have the same CUSIP number, as the Existing Notes are now unrestricted.

Navios Finance is a Delaware corporation and a Wholly-Owned Restricted Subsidiary of the Company. Navios Finance was formed solely for the purpose of serving as the Co-Issuer of the notes. Navios Finance co-issued the notes as an accommodation to the Company, and received no remuneration for so acting. Navios Finance is capitalized only with a minimal amount of common equity. Other than as the Co-Issuer of the notes, Navios Finance does not have (and is not permitted to have) any assets (other than its equity capital), operations, revenues or debt (other than the notes and other indebtedness permitted to be incurred by the terms of the indenture). As a result, prospective purchasers of the notes offered hereby should not expect Navios Finance to participate in servicing the interest and principal obligations on the notes.

The following description is a summary of the material provisions of the indenture. It does not restate that agreement in its entirety. We urge you to read the indenture because it, and not this description, defines your rights as holders of these notes. A copy of the indenture and the registration rights agreement are available as set forth below under Where You Can Find More Information.

The registered holder of a note will be treated as the owner of it for all purposes. Only registered holders will have rights under the indenture

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Brief Description of the Notes and the Guarantees

The notes are:

- general joint and several senior obligations of the Co-Issuers;
- effectively senior to all existing and future obligations of the Co-Issuers to the extent of the value of Collateral owned by the Co-Issuers and securing the notes;
- senior in right of payment to all existing and future obligations of the Co-Issuers that are, by their terms, expressly subordinated in right of payment to the notes; and
- effectively junior to any existing and future obligations of the Co-Issuers that are secured by assets other than Collateral owned by the Co-Issuers to the extent of the value of any such assets securing such other obligations.

The notes are guaranteed by all existing Restricted Subsidiaries of the Company (other than Navios Finance) and by future Wholly Owned Restricted Subsidiaries of the Co-Issuers (other than by any Securitization Subsidiary) as described below under Certain Covenants Subsidiary Guarantees.

Each Guarantee is:

- a general senior obligation of the applicable Guarantor;
- effectively senior to all existing and future obligations of a Mortgaged Vessel Guarantor to the extent of the value of any Collateral securing the Guarantee of such Guarantor;
- senior in right of payment to all existing and future obligations of such Guarantor that are, by their terms, expressly subordinated in right of payment to such Guarantee; and
- effectively junior to (1) any and all existing and future secured obligations of all Guarantors that do not own Mortgaged Vessels and (2) any and all existing and future secured obligations of Mortgaged Vessel Guarantors that are secured by assets other than the Collateral to the extent of the value of any such assets securing such other obligations.

The Co-Issuers and the Guarantors are permitted to incur additional Indebtedness, including secured Indebtedness, subject to the limitations described below under Certain Covenants Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock and Certain Covenants Liens. As of June 30, 2012, on an as adjusted basis, after giving effect to the July Offering and the use of proceeds thereof, the Co-Issuers and the Guarantors would have had approximately $1,212.7 million of indebtedness outstanding, including $358.8 million of secured indebtedness (other than the outstanding notes), which would have been effectively senior to the notes, and the non-guarantor Subsidiaries would have had approximately $200.6 million of indebtedness outstanding, which would have been structurally senior to the notes. Our non-guarantor subsidiaries accounted for approximately $280.6 million, or 41%, of total revenue, approximately $765.9 million, or 26%, of our total assets, and approximately $370.9 million, or 21%, of our total liabilities, in each case for the year ended and as of December 31, 2011. Our non-guarantor subsidiaries accounted for approximately $128.5 million, or 40%, of total revenue, approximately $700.0 million, or 24%, of our total assets, and approximately $302.2 million, or 18%, of our total liabilities, in each case for the six months ended and as of June 30, 2012.

As of the date of this prospectus, all of Company s Subsidiaries (including Navios Finance) are Restricted Subsidiaries, with the exception of Navios South American Logistics Inc. and its subsidiaries and Navios GP L.L.C., which are Unrestricted Subsidiaries. The Unrestricted

Subsidiaries accounted for approximately $280.6 million, or 41%, of the Company and its Subsidiaries consolidated total revenue, and approximately $765.9 million or 26% of the Company and its Subsidiaries consolidated total assets and $231.7 million or 16% of total long term debt, in each case for the year ended and as of December 31, 2011. The Unrestricted Subsidiaries accounted for approximately $128.5 million, or 40%, of the Company and its Subsidiaries consolidated total

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revenue, approximately $700.0 million, or 24%, of the Company and its Subsidiaries consolidated total assets, and $200.6 million, or 14%, of total long-term debt, in each case for the six months ended and as of June 30, 2012. Under the circumstances described below under Certain Covenants Designation of Restricted and Unrestricted Subsidiaries, the Company is permitted to designate additional Subsidiaries (other than Navios Finance) as Unrestricted Subsidiaries. Unrestricted Subsidiaries are not Guarantors and are not subject to the restrictive covenants in the indenture, but transactions between the Company and/or any of its Restricted Subsidiaries, on the one hand, and any of the Unrestricted Subsidiaries, on the other hand, will be subject to certain restrictive covenants. Navios Partners and Navios Acquisition are not Subsidiaries of the Company (because the Company does not own the majority of their outstanding equity) and accordingly did not guarantee the notes. In the event these entities became Subsidiaries of the Company in the future, the Company will be entitled to designate them as Unrestricted Subsidiaries and as a consequence they would not become Guarantors. See Certain Covenants Restricted Payments .

The Company s Unrestricted Subsidiaries and any Securitization Subsidiary will not guarantee the notes. The notes are structurally subordinated to the Indebtedness and other obligations (including trade payables) of the Company s Unrestricted Subsidiaries and non-Guarantor Restricted Subsidiaries. The guarantees of the notes may be released under certain circumstances. See Certain Covenants Subsidiary Guarantees.

Principal, Maturity and Interest

The indenture provides that the Co-Issuers may issue additional notes from time to time after the offering (in addition to the outstanding notes). Any issuance of additional notes is subject to all of the covenants in the indenture, including the covenant described below under the caption Certain Covenants Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock and Certain Covenants Liens ; *provided* that, on each date of issuance of additional notes, if any, and as a condition precedent to such issuance, the Company shall cause to be secured by the Lien of the Indenture and the Security Documents (subject only to Permitted Liens) (i) one or more Qualified Vessels (together with any Related Assets) that will become Mortgaged Vessels on the date of incurrence of such additional notes, (ii) cash and/or (iii) any combination of clauses (i) and (ii), such that on each such date of issuance of additional notes the requirements of clause (15) of the definition of Permitted Liens shall be satisfied. The Existing Notes, the notes offered hereby and any additional notes subsequently issued under the indenture will be treated as a single class for all purposes under the indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. The Co-Issuers will issue the notes offered hereby in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The notes will mature on November 1, 2017.

Interest on the notes will accrue at the rate of $8\ ^{7}/_{8}\%$ per annum and will be payable semiannually in arrears on each May 1 and November 1, commencing on November 1, 2012. Interest on overdue principal and interest and Additional Interest, if any, will accrue at the then applicable interest rate on the notes. The Co-Issuers will make each interest payment to the holders of record on the immediately preceding April 15 and October 15.

Interest on the notes will accrue from May 1, 2012. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Additional Amounts

All payments made by the Co-Issuers under or with respect to the notes or by a Guarantor under or with respect to its Guarantee will be made free and clear of and without withholding or deduction for or on account of any present or future Taxes imposed or levied by or on behalf of any Taxing Authority in any jurisdiction in which a Co-Issuer or any Guarantor is organized or is otherwise resident for tax purposes or any jurisdiction from or through which payment is made (each a Relevant Taxing Jurisdiction), unless such Co-Issuer or Guarantor is required to withhold or deduct Taxes by law or by the official interpretation or administration thereof. If a Co-Issuer or any Guarantor is required to withhold or deduct any amount for or on account of Taxes imposed by

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a Relevant Taxing Jurisdiction, from any payment made under or with respect to the notes or the Guarantee of such Guarantor, the Co-Issuers or the relevant Guarantor, as applicable, will pay such additional amounts (Additional Amounts) as may be necessary so that the net amount received by each holder of notes (including Additional Amounts) after such withholding or deduction will equal the amount the holder would have received if such Taxes had not been withheld or deducted; *provided*, *however*, that no Additional Amounts will be payable with respect to any Tax:

(1) that would not have been imposed, payable or due but for the existence of any present or former connection between the holder (or the beneficial owner of, or person ultimately entitled to obtain an interest in, such notes) and the Relevant Taxing Jurisdiction (including being a citizen or resident or national of, or carrying on a business or maintaining a permanent establishment in, or being physically present in, the Relevant Taxing Jurisdiction) other than the mere holding of the notes or enforcement of rights under such note or under a Guarantee or the receipt of payments in respect of such note or a Guarantee;

(2) that would not have been imposed, payable or due but for the failure to satisfy any certification, identification or other reporting requirements whether imposed by statute, treaty, regulation or administrative practice; provided, however, that the Co-Issuers have delivered a request to the holder to comply with such requirements at least 30 days prior to the date by which such compliance is required;

(3) that would not have been imposed, payable or due if the presentation of notes (where presentation is required) for payment has occurred within 30 days after the date such payment was due and payable or was duly provided for, whichever is later;

(4) subject to the last paragraph of this section, that is an estate, inheritance, gift, sales, excise, transfer or personal property tax, assessment or charge; or

(5) as a result of a combination of the foregoing.

In addition, Additional Amounts will not be payable if the beneficial owner of, or person ultimately entitled to obtain an interest in, such notes had been the holder of the notes and such beneficial owner would not be entitled to the payment of Additional Amounts by reason of clause (1), (2), (3), (4) or (5) above. In addition, Additional Amounts will not be payable with respect to any Tax which is payable otherwise than by withholding from any payment under or in respect of the notes or any Guarantee.

Whenever in the indenture or in this Description of Notes there is mentioned, in any context, the payment of amounts based upon the principal amount of the notes or of principal, interest or of any other amount payable under or with respect to any of the notes, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect to thereof.

Upon request, the Co-Issuers will provide the trustee with documentation satisfactory to the trustee evidencing the payment of Additional Amounts.

The Co-Issuers and the Guarantors will pay any present or future stamp, court or documentary taxes, or any similar taxes, charges or levies which arise in any Relevant Taxing Jurisdiction from the execution, delivery or registration of the notes or any other document or instrument referred to therein, or the receipt of any payments with respect to or enforcement of, the notes or any Guarantee.

Methods of Receiving Payments on the Notes

If a holder of notes has given wire transfer instructions to the Co-Issuers, the Co-Issuers will pay all principal, interest and premium and Additional Interest, if any, on that holder s notes in accordance with those instructions so long as such holder holds at least $100,000 aggregate principal amount of notes. All other payments on the notes will be made at the office or agency of the paying agent and registrar within the United States unless the Co-Issuers elect to make interest payments by check mailed to the holders of notes at their respective addresses set forth in the register of holders.

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Paying Agent and Registrar for the Notes

The trustee acts as paying agent and registrar. The Co-Issuers may change the paying agent or registrar without prior notice to the holders of the notes, and the Company or any of its Subsidiaries may act as paying agent or registrar other than in connection with the discharge or defeasance provisions of the indenture.

Transfer and Exchange

A holder may transfer or exchange notes in accordance with the provisions of the indenture. The registrar and the trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents in connection with a transfer of notes. Holders will be required to pay all taxes due on transfer. The Co-Issuers are not required to transfer or exchange any note selected for redemption. Also, the Co-Issuers are not required to transfer or exchange any note for a period of 15 days before a selection of notes to be redeemed.

Guarantees

The Guarantors have jointly and severally, fully and unconditionally, guaranteed the Co-Issuers Obligations under the notes. The Obligations of each Guarantor under its Guarantee will be limited as necessary to prevent that Guarantee from constituting a fraudulent conveyance under applicable law.

Security

General

Pursuant to the Security Documents, (i) the Co-Issuers and the Mortgaged Vessel Guarantors have assigned and pledged or will assign and pledge, as applicable, to the trustee on a first-priority basis, subject only to Permitted Liens, for its benefit and the benefit of the holders of the notes, each of the following assets owned or acquired from time to time by a Co-Issuer or any Mortgaged Vessel Guarantor: (a) all cash, securities and other property held by the trustee as Trust Monies from time to time and (b) all proceeds of any of the foregoing and (ii) the Co-Issuers and each Mortgaged Vessel Guarantor have assigned, pledged and/or mortgaged or will assign, pledge and/or mortgage to the trustee on a first-priority basis, subject only to Permitted Liens, for its benefit and the benefit of the holders of the notes, each of the following assets owned by a Co-Issuer or such Mortgaged Vessel Guarantor on the issue date of the notes or acquired by a Co-Issuer or such Mortgaged Vessel Guarantor thereafter: (a) the Mortgaged Vessel owned by such Co-Issuer or Mortgaged Vessel Guarantor; (b) such Co-Issuer and Mortgaged Vessel Guarantor s right, title and interest in any Charters related to such Mortgaged Vessel, including the right to receive, following the occurrence of an Event of Default, all monies that become due thereunder or in respect of each such Mortgaged Vessel and all claims for damages arising under any such Charter or relating to each such Mortgaged Vessel; (c) the earnings arising from freights, hires and other earnings from the operation and use of or relating to each such Mortgaged Vessel, including the right to receive, following the occurrence of an Event of Default, such freights, hires and earnings; (d) all policies and contracts of insurance in effect from time to time in respect of each such Mortgaged Vessel; and (e)&nb