

Eagle Bulk Shipping Inc.
Form SC 13D/A
July 12, 2016
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 13D/A
(Amendment No. 2)

Under the Securities Exchange Act of 1934

Eagle Bulk Shipping Inc.

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

Y2187A127
(CUSIP Number)

George Travers
GoldenTree Asset Management LP
300 Park Avenue, 21st Floor
New York, NY 10022
(212) 847-3500

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

(with copies to)
Michael A. Schwartz, Esq.
Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019
(212) 728-8000

July 1, 2016

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box:

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter

disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934 (“Act”) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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Pages

1 NAME OF REPORTING
PERSON

GOLDENTREE ASSET
MANAGEMENT LP

2 CHECK THE
APPROPRIATE BOX (a)
IF A MEMBER OF A (b)
GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
AF

5 CHECK IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS
REQUIRED
PURSUANT TO
ITEMS 2(d)
or 2(e)

6 CITIZENSHIP OR PLACE OF
ORGANIZATION
Delaware

7	SOLE VOTING POWER 0
8	SHARED VOTING POWER 69,890,003
9	SOLE DISPOSITIVE

NUMBER
OF
SHARES
BENEFICIALLY
OWNED
BY
EACH
REPORTING
PERSON
WITH

POWER
0

10 SHARED
DISPOSITIVE
POWER
69,890,003

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
EACH REPORTING PERSON
69,890,003

12 CHECK IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN
SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)
18.3%*

14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
IA

Note: All share numbers on these pages reflect delivery of the shares required to be issued pursuant to the Second Lien Loan Agreement. See Item 4 of the Schedule 13D filed by the Reporting Persons on April 11, 2016.

*Beneficial ownership based on 382,875,040 shares of Common Stock outstanding following delivery of all shares required to be issued pursuant to the Second Lien Loan

Agreement. See Items 4 and 5 of the Schedule 13D filed by the Reporting Persons on April 11, 2016.

2

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of 6
Pages

1 NAME OF REPORTING
PERSON

GOLDENTREE ASSET
MANAGEMENT LLC

2 CHECK THE
APPROPRIATE BOX (a)
IF A MEMBER OF A (b)
GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
AF

5 CHECK IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS
REQUIRED
PURSUANT TO
ITEMS 2(d)
or 2(e)

6 CITIZENSHIP OR PLACE OF
ORGANIZATION
Delaware

7	SOLE
NUMBER	VOTING
OF	POWER
SHARES	0
BENEFICIALLY	SHARED
OWNED	VOTING
BY 8	POWER
EACH	69,890,003
REPORTING	
PERSON	
WITH	

9 SOLE
DISPOSITIVE
POWER
0

10 SHARED
DISPOSITIVE
POWER
69,890,003

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
EACH REPORTING PERSON
69,890,003

12 CHECK IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN
SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)
18.3%*

14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
OO

Note: All share numbers on these pages reflect delivery of the shares required to be issued pursuant to the Second Lien Loan Agreement. See Item 4 of the Schedule 13D filed by the Reporting Persons on April 11, 2016.

*Beneficial ownership based on 382,875,040 shares of Common Stock outstanding following delivery of all shares required to be issued pursuant to the Second Lien Loan Agreement. See Items 4 and 5 of the Schedule 13D filed by the Reporting Persons on April 11, 2016.

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Pages

1 NAME OF REPORTING
PERSON

STEVEN A. TANANBAUM

2 CHECK THE
APPROPRIATE BOX (a)
IF A MEMBER OF A (b)
GROUP

3 SEC USE ONLY

4 SOURCE OF FUNDS
AF

5 CHECK IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS
REQUIRED
PURSUANT TO
ITEMS 2(d)
or 2(e)

6 CITIZENSHIP OR PLACE OF
ORGANIZATION
United States of America

7 SOLE
VOTING
POWER
1,285,632

NUMBER
OF
SHARES
BENEFICIALLY
OWNED⁸
BY

SHARED
VOTING
POWER
71,175,635

EACH
REPORTING
PERSON⁹
WITH

SOLE
DISPOSITIVE
POWER

1,285,632

10 SHARED
DISPOSITIVE
POWER
71,175,635

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED BY
EACH REPORTING PERSON
71,175,635

12 CHECK IF THE
AGGREGATE
AMOUNT IN ROW
(11) EXCLUDES
CERTAIN
SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY
AMOUNT IN ROW (11)
18.6%*

14 TYPE OF REPORTING
PERSON (SEE
INSTRUCTIONS)
IN

Note: All share numbers on these pages reflect delivery of the shares required to be issued pursuant to the Second Lien Loan Agreement. See Item 4 of the Schedule 13D filed by the Reporting Persons on April 11, 2016.

*Beneficial ownership based on 382,875,040 shares of Common Stock outstanding following delivery of all shares required to be issued pursuant to the Second Lien Loan Agreement. See Items 4 and 5 of the Schedule 13D filed by the Reporting Persons on April 11, 2016.

Introductory Statement

This Amendment No. 2 (this "Amendment") amends the Schedule 13D originally filed by the Reporting Persons with the Securities and Exchange Commission on April 11, 2016, as amended by Amendment No. 1 filed on June 1, 2016 (the "Schedule 13D"), with respect to the shares of common stock, par value \$0.01 per share (the "Common Stock"), of Eagle Bulk Shipping Inc., a Marshall Islands corporation (the "Company"). Except as otherwise provided herein, each Item of the Schedule 13D remains unchanged. Capitalized terms used herein but not otherwise defined shall have the meaning set forth in the Schedule 13D.

Item 4. Purpose of Transaction.

Item 4 is amended and supplemented by adding thereto the following:

The information contained in Item 6 of this Amendment is incorporated herein by reference.

Item 5. Interest in Securities of the Issuer.

Item 5 is amended and supplemented by adding thereto the following:

As of the date of this Amendment, each of the Reporting Persons beneficially owns shares of Common Stock in such numbers as set forth on the cover pages of this Amendment, which includes 63,994,828 shares of Common Stock and, in the case of Mr. Tananbaum, an additional 1,230,669 shares of Common Stock, to be delivered pursuant to the Second Lien Loan Agreement upon receipt of Company shareholder approval. The holders of a sufficient number of shares to secure such shareholder approval have agreed in the Second Lien Loan Agreement to vote in favor of the issuance of such shares.

Following shareholder approval and the satisfaction or waiver of the closing conditions under the Stock Purchase Agreement (as defined below), the Reporting Persons will acquire beneficial ownership of 102,000,000 shares of Common Stock, and, in the case of Mr. Tananbaum, an additional 2,013,333 shares of Common Stock, pursuant to such agreement. Each purchaser under the Stock Purchase Agreement has agreed to vote in favor of the issuance of such shares.

Pursuant to the Stock Purchase Agreement, the Company has agreed, subject to shareholder approval, to effect a reverse stock split at a ratio to be determined by the Chairman of the Company's Board of Directors, between 1-for-10 and 1-for-50. The foregoing share numbers do not take into account effectuation of the proposed reverse stock split.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Item 6 is amended and supplemented by adding thereto the following:

On July 1, 2016, the Company, the Foundation, certain Funds and certain other investors named therein entered into a Stock Purchase Agreement dated July 1, 2016 (the "Stock Purchase Agreement"), pursuant to which the Foundation and such Funds agreed to purchase an aggregate of 104,013,333 shares of Common Stock for an aggregate purchase price of \$15,602,000. The closing under the Stock Purchase Agreement is subject to the conditions specified therein. The Foundation and such Funds may terminate their obligations under the Stock Purchase Agreement if the transactions contemplated thereby fail to close on or prior to the date that is ten (10) business days following the Company's Special Meeting (as defined in the Stock Purchase Agreement).

The foregoing description of the Stock Purchase Agreement is qualified by reference to the Stock Purchase Agreement, see Exhibit 99.1 hereto.

Item 7. Material to be filed as Exhibits.

Exhibit 99.1 –Stock Purchase Agreement, dated July 1, 2016 (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed July 5, 2016).

SIGNATURES

After reasonable inquiry and to the best of each of the undersigned's knowledge and belief, each of the undersigned, severally and not jointly, certifies that the information set forth in this statement is true, complete and correct.

Dated: July 11, 2016

/s/ Steven A. Tananbaum

By:

Steven A. Tananbaum, individually and as senior managing member of GoldenTree Asset Management LLC for itself and as the general partner of GoldenTree Asset Management LP