

ROYAL CARIBBEAN CRUISES LTD

Form 8-K

July 28, 2017

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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FORM 8-K

CURRENT REPORT

Pursuant To Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of report (Date of earliest event reported): July 24, 2017

ROYAL CARIBBEAN CRUISES LTD.

(Exact Name of  
Registrant as Specified  
in Charter)

Republic of Liberia

(State or Other Jurisdiction of Incorporation)

1-11884

98-0081645

(Commission File Number) (IRS Employer Identification No.)

1050 Caribbean Way, Miami, Florida 33132

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: 305-539-6000

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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Item 1.01 Entry into a Material Definitive Agreement.

On July 24, 2017, we entered into credit agreements for the financing of:

- the fifth Oasis-class ship for Royal Caribbean International which is scheduled for delivery in the spring of 2021;
- the third Edge-class ship for Celebrity Cruises which is scheduled for delivery in the fall of 2021; and
- the fourth Edge-class ship for Celebrity Cruises which is scheduled for delivery in the fall of 2022.

Each agreement makes available to Royal Caribbean Cruises Ltd., upon acceptance and delivery of the relevant ship, an unsecured term loan guaranteed 100% by Bpifrance Assurance Export (“BpiFAE”), the official export credit agency of France. The loans for the fifth Oasis-class ship and the fourth Edge-class ship will be denominated in US dollars while the loan for the third Edge-class ship will be denominated in Euro. The maximum amount of each facility is equal to 80% of the vessel purchase price plus 100% of the premium payable to BpiFAE or, in the case of Oasis 5 and Edge 4, the US dollar equivalent thereof.

Each loan, once assigned to us upon delivery of the ship, will amortize semi-annually and will mature twelve years thereafter. Interest on the US dollar denominated loans will accrue at a fixed rate of 3.18% (inclusive of margin) while interest on the Euro denominated loan will accrue at a fixed rate of 1.28%. The credit agreements contain customary events of default and prepayment events for, among other things, non-payment, breach of covenants, default on certain other indebtedness, certain large judgments and a change of control of the Company.

Certain of the lenders participating in the facility, and affiliates of those parties, provide banking, investment banking and other financial services to us from time to time for which they have received, and will in the future receive, customary fees.

The foregoing description of the provisions of the credit agreements is summary in nature and is qualified in its entirety by reference to the full and complete terms of the credit agreements, copies of which are filed herewith as Exhibit 10.1, Exhibit 10.2 and Exhibit 10.3 and incorporated herein by reference.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

The disclosure required by this item is included in Item 1.01 of this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

10.1 Novation Agreement, dated as of July 24, 2017, between Hibisyeu Finance Ltd., Royal Caribbean Cruises Ltd., Citibank Europe Plc, UK Branch, Citicorp Trustee Company Limited, Citibank N.A., London Branch, HSBC France, Sumitomo Mitsui Banking Corporation Europe Limited, Paris Branch and the banks and financial institutions as lender parties thereto.

10.2 Novation Agreement, dated as of July 24, 2017, between Hoediscus Finance Ltd., Royal Caribbean Cruises Ltd., Citibank Europe Plc, UK Branch, Citicorp Trustee Company Limited, Citibank N.A., London Branch, HSBC France, Sumitomo Mitsui Banking Corporation Europe Limited, Paris Branch and the banks and financial institutions as lender parties thereto.

10.3 Novation Agreement, dated as of July 24, 2017, between Houatorris Finance Ltd., Royal Caribbean Cruises Ltd., Citibank Europe Plc, UK Branch, Citicorp Trustee Company Limited, Citibank N.A., London Branch, HSBC France, Sumitomo Mitsui Banking Corporation Europe Limited, Paris Branch and the banks and financial institutions as lender parties thereto.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ROYAL CARIBBEAN CRUISES LTD.

Date: July 28, 2017 By: /s/ Bradley H. Stein  
Name: Bradley H. Stein  
Title: Senior Vice President, General Counsel & Secretary

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