

Star Bulk Carriers Corp.
Form F-3/A
November 03, 2008

Registration Statement No. 333 - 153304

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 2

FORM F-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

STAR BULK CARRIERS CORP.

(Exact name of registrant as specified in its charter)

Republic of the Marshall Islands
(State or other jurisdiction of
incorporation or organization)

N/A
(I.R.S. Employer
Identification No.)

7, Fragoklisias Street, 2nd floor
Maroussi 151 25
Athens, Greece
011-30-210-617-8400
(Address and telephone number of
Registrant's principal executive
offices)

Seward & Kissel LLP
Attention:
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Approximate date of commencement of proposed sale to the public: From time to time after this registration statement becomes effective as determined by market conditions and other factors.

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If only securities being registered on the Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please 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(c) 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 delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered (1)	Proposed Maximum Aggregate Price Per Share(2)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common Shares, par value \$ 0.01 per share	4,606,962	\$10.18	\$46,898,873.16	\$1,850

(1) Includes 3,803,481 common shares which are beneficially owned by F5 Capital and 803,481 common shares reserved for issuance to TMT Co., Ltd. or its nominee pursuant to the Master Agreement by and among TMT Co., Ltd., Star Bulk Carriers Corp. and Star Maritime Acquisition Corp.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457 under the Securities Act based upon the average high and low prices of the registrant's Common Shares on August 26, 2008 on the NASDAQ Global Market.

(3) Previously paid.

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants 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 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.

The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to completion, dated November 3, 2008

4,606,962 Common Shares

This prospectus relates to the offer and resale by the selling stockholder identified in this prospectus of up to 4,606,962 shares of our common stock, or the Common Shares.

The selling stockholder identified in this prospectus, may offer these securities or interests therein from time to time through public or private transactions at prevailing market prices, at prices related to prevailing market prices or at privately negotiated prices.

Although we will incur expenses in connection with the registration of the Common Shares, we will not receive any of the proceeds from the sale of the Common Shares by the selling stockholder.

Shares of our common stock and warrants to purchase shares of our common stock are listed on the NASDAQ Global Market under the symbols "SBLK" and "SBLKW," respectively.

An investment in these securities involves risks. See the section of this prospectus entitled "Risk Factors" beginning on page 8.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2008

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You should only rely on the information in this prospectus. We have not authorized any other person to provide you with additional or different information or to make any representations other than those contained in this prospectus. Do not rely upon any information or representations made outside of this prospectus. This prospectus is not an offer to sell, and it is not soliciting an offer to buy, (1) any securities other than our Common Shares or (2) our Common Shares in any circumstances in which our offer or solicitation is unlawful. The information contained in this prospectus may change after the date of this prospectus. Do not assume after the date of this prospectus that the information contained in this prospectus is still correct.

PROSPECTUS SUMMARY

This section summarizes some of the key information that appears later in this prospectus. You should review carefully the risk factors and the more detailed information, the financial statements included in this registration statement and the financial information that is derived from financial statements incorporated by reference. Unless otherwise indicated, all references to currency amounts in this prospectus are to U.S. dollars and financial information presented in this prospectus and the financial information that is derived from financial statements incorporated by reference is prepared in accordance with accounting principles generally accepted in the United States. Unless the context otherwise requires, when used in this registration statement, the terms “Star Bulk,” the “Company,” “we,” “our” and “us” refer to Star Bulk Carriers Corp. and its subsidiaries.

Our Company

We were incorporated in the Marshall Islands on December 13, 2006 as a wholly-owned subsidiary of Star Maritime Acquisition Corp., or Star Maritime. Our executive offices are located at 7, Fragoklisias Street, 2nd floor, Maroussi 151 25, Athens, Greece and our telephone number is 011-30-210-617-8400. We merged with Star Maritime on November 30, 2007 and commenced operations on December 3, 2007, which is the date we took delivery of our first vessel.

Star Maritime was organized under the laws of the State of Delaware on May 13, 2005 as a blank check company formed to acquire, through a merger, capital stock exchange, asset acquisition or similar business combination, one or more assets or target businesses in the shipping industry. Star Maritime’s common stock and warrants started trading on the American Stock Exchange under the symbols, SEA and SEA.WS, respectively, on December 21, 2005.

On November 27, 2007, Star Maritime obtained shareholder approval for the acquisition of the initial fleet of eight drybulk carriers and for effecting a redomiciliation merger whereby Star Maritime merged with and into Star Bulk with Star Bulk as the surviving entity, which we refer to throughout this prospectus as the Redomiciliation Merger. The Redomiciliation Merger was completed on November 30, 2007 as a result of which each outstanding share of Star Maritime common stock was converted into the right to receive one share of Star Bulk common stock and each outstanding warrant of Star Maritime was assumed by Star Bulk with the same terms and restrictions except that each became exercisable for common stock of Star Bulk. Star Bulk’s common stock and warrants are listed on the NASDAQ Global Market under the symbols “SBLK” and “SBLKW,” respectively.

As of December 31, 2007, we paid no dividends to our shareholders. On February 14, April 16, and July 29, 2008, the Company declared dividends amounting to approximately \$4.6 million (\$0.10 per share, paid on February 28, 2008 to the stockholders of record on February 25, 2008), approximately \$18.8 million (\$0.35 per share, paid on May 23, 2008 to the shareholders of record on May 16, 2008), and approximately \$19.4 million (\$0.35 per share, paid on August 18, 2008 to the shareholders of record on August 8, 2008), respectively.

For a more detailed summary of our dividend policy, we refer you to the section of this prospectus entitled “Our Dividend Policy.”

Our Fleet

We own and operate a fleet of 12 vessels consisting of four Capesize and eight Supramax drybulk carriers with an average age of 9.4 years and a combined cargo carrying capacity of approximately 1.1 million dwt.

Our fleet carries a variety of drybulk commodities including coal, iron ore, and grains, or major bulks, as well as bauxite, phosphate, fertilizers and steel products, or minor bulks. We charter all of our vessels pursuant to medium- to long-term time charters with terms of approximately one to five years other than the Star Beta, which is currently employed on a short-term time charter for a term of two to four months.

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The following table represents a list of all of the vessels in our fleet as of October 30, 2008:

Vessel Name	Vessel Type	Size (dwt.)	Year Built	Average Daily Hire Rate	Type/Remaining Term	Vessel Delivery Date
Star Alpha (ex A Duckling)	Capesize	175,075	1992	\$ 47,500	Time charter/0.9 years	January 9, 2008
Star Beta (ex B Duckling)(2)	Capesize	174,691	1993	\$ 17,803	Time charter/0.17 years	December 28, 2007
Star Gamma (ex C Duckling)	Supramax	53,098	2002	\$ 28,500	Time charter/3.4 years	January 4, 2008
Star Delta (ex F Duckling)	Supramax	52,434	2000	\$ 25,800	Time charter/0.5 year	January 2, 2008
Star Epsilon (ex G Duckling)	Supramax	52,402	2001	\$ 25,550	Time charter/5.4 year	December 3, 2007
Star Zeta (ex I Duckling)	Supramax	52,994	2003	\$ 42,500	Time charter/2.6 years	January 2, 2008
Star Theta (ex J Duckling)	Supramax	52,425	2003	\$ 32,500	Time charter/0.6 year	December 6, 2007
Star Kappa (ex E Duckling)	Supramax	52,055	2001	\$ 47,800	Time charter/2.0 years	December 14, 2007
Star Sigma (ex Sinfonia)	Capesize	184,403	1991	\$ 100,000	Time charter/3.5 years	April 15, 2008
Star Omicron (ex Nord Wave)	Supramax	53,489	2005	\$ 43,000	Time charter/2.4 years	April 17, 2008
Star Cosmo (ex Victoria)	Supramax	52,200	2005	\$ 41,900	Time charter/2.5 years	July 1, 2008
Star Ypsilon (ex Falcon Cape)	Capesize	150,940	1991	\$ 93,333	Time charter/2.9 years	September 18, 2008
Recently Sold						
Star Iota (ex Mommy Duckling)(1)	Panamax	78,585	1983	\$ 18,000	Time charter/0.1 year	March 7, 2008

(1) On April 24, 2008, we entered into an agreement to sell Star Iota for \$18.4 million. We delivered this vessel to its purchasers on October 6, 2008.

(2) On October 30, 2008, we entered into a time charter with Companhia Vale do Rio Doce (Vale) for the Star Beta for a minimum of two months and maximum of four months at the gross daily rate of \$15,500 for the first fifty days and \$25,000 for the balance of the time charter plus a repositioning fee of \$525,000.

The Star Beta had been time chartered by us to Industrial Carriers Inc. (“ICI”). Under that time charter ICI was obligated to pay us a gross daily charter hire rate of \$106,500 until February 2010. In January 2008, ICI sub-chartered the vessel for one year to Oldendorff GmbH & Co. KG of Germany (“Oldendorff”) at a gross daily charter hire rate of \$130,000 until February 2009. In October, ICI assigned its rights and obligations under the sub-charter to us in exchange for it being released from the remaining term of the ICI charter. Oldendorff notified us that it considers the assignment of the sub-charter to be an effective repudiation of the sub-charter by ICI. We believe that the assignment was valid and that Oldendorff has erroneously repudiated the sub-charter. Star Bulk intends to pursue its rights against Oldendorff under the sub-charter.

We actively manage the deployment of our fleet on time charters, which generally can last up to several years. Currently, all of our vessels are employed on medium to long-term time charters other than the Star Beta, which is currently employed on a short-term time charter for a term of two to four months. A time charter is generally a contract to charter a vessel for a fixed period of time at a set daily rate. Under time charters, the charterer pays voyage expenses such as port, canal and fuel costs. We pay for vessel operating expenses, which include crew costs, provisions, deck and engine stores, lubricating oil, insurance, maintenance and repairs, as well as for commissions. We are also responsible for the drydocking costs relating to each vessel.

Our vessels operate worldwide within the trading limits imposed by our insurance terms and do not operate in areas where United States, European Union or United Nations sanctions have been imposed.

As of October 30, 2008, we had 20 employees. Eighteen of our employees, through Star Bulk Management Inc., or Star Bulk Management, are engaged in the day to day management of the vessels in our fleet. Our wholly-owned subsidiary, Star Bulk Management performs operational and technical management services for the vessels in our fleet. Our Chief Executive Officer and our Chief Financial Officer are also the senior management of Star Bulk Management. Star Bulk Management employs such number of additional shore-based executives and employees designed to ensure the efficient performance of its activities.

We reimburse and/or advance funds as necessary to Star Bulk Management in order for it to conduct its activities and discharge its obligations, at cost. We also maintain working capital reserves as may be agreed between Star Bulk and Star Bulk Management from time to time.

Star Bulk Management is responsible for the management of the vessels. Star Bulk Management's responsibilities include, among other things, locating, purchasing, financing and selling vessels, deciding on capital expenditures for the vessels, paying vessels' taxes, negotiating charters for the vessels, managing the mix of various types of charters, developing and managing the relationships with charterers and the operational and technical management of the vessels. Technical management includes maintenance, drydocking, repairs, insurance, regulatory and classification society compliance, arranging for and managing crews, appointing technical consultants and providing technical support.

We do not intend to pay commissions to our affiliates in connection with the chartering of vessels to or from any of our affiliates or for the purchase of vessels from or sale to our affiliates.

Star Bulk Management subcontracts the technical and crew management of our vessels to Combine Marine S.A., or Combine, Bernhardt Schulte Shipmanagement Ltd., or Bernhardt, and Union Commercial Inc., or Union.

On September 17, 2008, we entered into an agreement with Bernhardt for the technical management of the Star Ypsilon. Under this agreement we pay Bernhardt an aggregate annual management fee of \$90,000. The agreement continues indefinitely unless either party terminates the agreement upon three months' written notice or a certain termination event occurs.

On June 18, 2008, we entered into an agreement with Union for the technical management of the Star Cosmo. Under the agreement, we pay a daily fee of \$450, which is reviewed two months before the beginning of each calendar year. The agreement continues indefinitely unless either party terminates the agreement after the first voyage upon two months' written notice or a certain termination event occurs.

On March 24, 2008, we entered into an agreement with Bernhardt for the technical management of Star Omicron. Under this agreement we pay Bernhardt an aggregate annual management fee of \$110,000.

On November 2 and December 5, 2007, we entered into agreements with Bernhardt for the technical management of the Star Alpha, the Star Beta, the Star Delta, the Star Epsilon and the Star Theta and the Star Kappa, respectively. Under these agreements, we pay Bernhardt an aggregate annual management fee of \$110,000 per vessel. The agreements continue indefinitely unless either party terminates the agreements upon three months' written notice or a certain termination event occurs