

GENCO SHIPPING & TRADING LTD

Form 8-K

December 22, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

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): December 21, 2011

GENCO SHIPPING & TRADING LIMITED
(Exact Name of Registrant as Specified in Charter)

Republic of the Marshall Islands (State or Other Jurisdiction of Incorporation)	001-33393 (Commission File Number)	98-043-9758 (I.R.S. Employer Identification No.)
299 Park Avenue 20th Floor (Address of Principal Executive Offices)		10171 (Zip Code)

Registrant's telephone number, including area code: (646) 443-8550

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 (see General Instruction A.2. below):

- 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))

Item 1.01. Entry into a Material Definitive Agreement.

Credit Facility Amendments

On December 21, 2011, Genco Shipping & Trading Limited (“Genco”), entered into agreements to amend or waive provisions of the agreements for (i) its \$1.4 billion senior secured credit facility with DnB Nor Bank ASA, as administrative agent, collateral agent, mandated lead arranger, bookrunner and lender, and other lenders party thereto (the “2007 Credit Facility”), (ii) its \$253 million senior secured term loan facility with Deutsche Bank AG Filiale Deutschlandgeschäft, as Security Agent and Bookrunner, and other lenders party thereto (the “\$253 Million Term Loan Facility”), and (iii) its \$100 million senior secured term loan facility with Crédit Agricole Corporate and Investment Bank, as Agent and Security Trustee, and other lenders party thereto (the “\$100 Million Term Loan Facility”). The agreements implement, among other things, the following:

- Genco’s compliance with its existing maximum leverage ratio covenant is waived for a period starting on October 1, 2011 and ending on (and including) March 31, 2011, or the waiver period. This covenant governs the ratio of Genco’s net debt to EBITDA (as such term is defined in the credit agreements).
- Genco’s compliance with its existing minimum permitted consolidated interest ratio covenant is also waived for the waiver period. This covenant governs the ratio of Genco’s EBITDA to consolidated interest expense.
- A new gross interest-bearing debt to total capital covenant applies to Genco for the duration of the waiver period. This covenant limits the ratio of Genco’s interest-bearing indebtedness to the sum of its interest-bearing indebtedness and its consolidated net worth in accordance with GAAP to 62.5% on the last day of any fiscal quarter of Genco during the waiver period.
- Consenting lenders under the facilities received an upfront fee of 25 basis points on the amount of outstanding loans.

As contemplated under these agreements, Genco prepaid \$52.5 million under its 2007 Credit Facility, \$7.0 million under its \$253 Million Term Loan Facility, and \$3.0 million under its \$100 Million Term Loan Facility. All such prepayments were applied in inverse order of maturity under each credit facility. In addition, the 2007 Credit Facility is subject to a facility fee of 200 basis points per annum on the average daily outstanding principal amount of the loans thereunder, payable quarterly in arrears. The other two credit facilities are not subject to a new facility fee.

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

The disclosure contained in Item 1.01 of this Current Report on Form 8-K is incorporated by reference in its entirety into this Item 2.03.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits:

The following exhibits are filed herewith:

Exhibit No.	Description
10.1	Amendment and Supplement No. 5 to Senior Secured Credit Agreement, dated as of December 21, 2011, among Genco Shipping & Trading Limited, the lenders party thereto, DNB NOR Bank ASA, New York Branch, as Administrative Agent, mandated lead arranger, bookrunner, security trustee and collateral agent, and Bank of Scotland PLC, as mandated lead arranger.
10.2	First Side Letter to \$253,000,000 Secured Loan Facility Agreement dated August 20, 2010, by and among Genco Shipping & Trading Limited as Borrower; BNP Paribas, Crédit Agricole Corporate and Investment Bank, DVB Bank SE, Deutsche Bank AG Filiale Deutschlandgeschäft, and Skandinaviska Enskilda Banken AB (publ), as Lenders; Deutsche Bank Luxembourg S.A., as Agent; BNP Paribas, Crédit Agricole Corporate and Investment Bank, DVB Bank SE; Deutsche Bank AG Filiale Deutschlandgeschäft, and Skandinaviska Enskilda Banken Ab (publ), as Mandated Lead Arrangers; BNP Paribas, Crédit Agricole Corporate and Investment Bank, DVB Bank SE, Deutsche Bank AG, and Skandinaviska Enskilda Banken AB (publ), as Swap Providers; Deutsche Bank AG Filiale Deutschlandgeschäft, as Security Agent and Bookrunner; and the subsidiaries of Genco listed therein as Guarantors.
10.3	Waiver Letter Agreement, dated as of December 21, 2011, regarding \$253,000,000 Secured Loan Facility Agreement dated August 20, 2010, by and among Genco Shipping & Trading Limited as Borrower; BNP Paribas, Crédit Agricole Corporate and Investment Bank, DVB Bank SE, Deutsche Bank AG Filiale Deutschlandgeschäft, and Skandinaviska Enskilda Banken AB (publ), as Lenders; Deutsche Bank Luxembourg S.A., as Agent; BNP Paribas, Crédit Agricole Corporate and Investment Bank, DVB Bank SE; Deutsche Bank AG Filiale Deutschlandgeschäft, and Skandinaviska Enskilda Banken Ab (publ), as Mandated Lead Arrangers; BNP Paribas, Crédit Agricole Corporate and Investment Bank, DVB Bank SE, Deutsche Bank AG, and Skandinaviska Enskilda Banken AB (publ), as Swap Providers; Deutsche Bank AG Filiale Deutschlandgeschäft, as Security Agent and Bookrunner; and the subsidiaries of Genco listed therein as Guarantors.
10.4	First Amendment to Loan Agreement, dated as of December 21, 2011, to the Loan Agreement, dated as of August 12, 2010, by and among Genco Shipping & Trading Limited as Borrower, the banks and financial institutions listed in Schedule 1 thereto as Lenders, the companies listed in Schedule 2 thereto as Guarantors on a joint and several basis and Crédit Agricole Corporate and Investment Bank, as Agent and Security Trustee.

SIGNATURE

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

GENCO SHIPPING & TRADING LIMITED

DATE: December 22, 2011

/s/ John C. Wobensmith
John C. Wobensmith
Chief Financial Officer and Secretary
(Principal Financial and Accounting Officer)

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