

Danaos Corp  
Form F-3  
August 27, 2010

As filed with the Securities and Exchange Commission on August 27, 2010.

Registration No. 333-

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

**FORM F-3**

**REGISTRATION STATEMENT**

**UNDER**

**THE SECURITIES ACT OF 1933**

**DANAOS CORPORATION**

(Exact Name of Registrant as Specified in its Charter)

**Not Applicable**

(Translation of Registrant's Name into English)

**Republic of the Marshall Islands**

(State or other Jurisdiction of

Incorporation or Organization)

**Not Required**

(I.R.S. Employer Identification No.)

Edgar Filing: Danaos Corp - Form F-3

**14 Akti Kondyli  
185 45 Piraeus  
Greece  
011 30 210 419 6480**

(Address and telephone number of Registrant's principal executive offices)

**Morgan, Lewis & Bockius LLP**

**Attn.: Stephen P. Farrell  
101 Park Avenue  
New York, New York 10178  
(212) 309-6000 (telephone)  
(212) 309-6001 (facsimile)**

(Name, address and telephone number of agent for service)

Approximate Date of Commencement of Proposed Sale of the Securities to the Public: **From time to time after the effective date of this Registration Statement, as determined by market conditions.**

If only securities being registered on this 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 this Form is a registration statement pursuant to General Instruction I.C. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.C. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

**CALCULATION OF REGISTRATION FEE**

<b>Title of each class of securities to be registered</b>	<b>Amount to be Registered</b>	<b>Proposed Maximum Offering Price Per Unit (1)</b>	<b>Proposed Maximum Aggregate Offering Price (1)</b>	<b>Amount of Registration Fee</b>
Common stock, \$0.01 par value per share	19,958,110	\$ 3.90	\$ 77,836,629	\$ 5,550
Preferred stock purchase rights (2)				

---

(1) Estimated solely for the purposes of calculating the registration fee, computed pursuant to Rules 457(c) and (h) under the Securities Act on the basis of the average of the high and low sales prices of a share of Danaos Corporation Common Stock, as reported on the New York Stock Exchange on August 25, 2010.

(2) The preferred stock purchase rights are initially attached to and trade with the shares of our common stock registered hereby. Value attributed to such rights, if any, is reflected in the market price of our common stock.

**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 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

The information in this prospectus is not complete and may be changed. The selling stockholders may not sell these securities 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 jurisdiction where the offer or sale is not permitted.

**SUBJECT TO COMPLETION, DATED AUGUST 27, 2010.**

**PROSPECTUS**

**19,958,110 Shares**

**Danaos Corporation**

**Common Stock**

This prospectus relates solely to the resale of up to an aggregate of 19,958,110 shares of common stock of Danaos Corporation ( Danaos, we, us, or our ) by the selling stockholders identified in this prospectus. These shares consist of shares of our common stock that we issued pursuant to subscription agreements between us and the selling stockholders in transactions exempt from the registration requirements of the Securities Act of 1933.

The selling stockholders identified in this prospectus or their pledgees, donees, transferees or other successors in interest may offer the shares from time to time as each selling stockholder may determine through public or private transactions or through other means described in the section entitled Plan of Distribution beginning on page 6. The holders may also sell shares under Rule 144 or Regulation S under the Securities Act of 1933, in each case, if available, rather than under this prospectus. The registration of these shares for resale does not necessarily mean that the selling stockholders will sell any of their shares.

We will not receive any of the proceeds from the sale of these shares by the selling stockholders, or by their respective pledgees, donees, transferees or other successors in interest.

Our common stock is traded on the New York Stock Exchange under the symbol DAC. The last reported sale price of our shares on August 26, 2010 was \$4.00 per share.

**Investing in our common stock involves risks that are described in Risk Factors and the Risk Factors section of our Annual Report on Form 20-F that is incorporated by reference into this prospectus. You should carefully consider the risk factors set forth therein before investing in our common stock.**

**Neither the Securities and Exchange Commission nor any state or other 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.**

Prospectus dated \_\_\_\_\_, 2010.

---

**TABLE OF CONTENTS**

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS	1
DANAOS CORPORATION	2
RISK FACTORS	2
USE OF PROCEEDS	3
CAPITALIZATION	3
SELLING STOCKHOLDERS	4
DESCRIPTION OF CAPITAL STOCK	5
PLAN OF DISTRIBUTION	6
LEGAL MATTERS	8
EXPERTS	8
WHERE YOU CAN FIND ADDITIONAL INFORMATION	8
INCORPORATION OF CERTAIN INFORMATION BY REFERENCE	8
SERVICE OF PROCESS AND ENFORCEMENT OF LIABILITIES	9

You should rely only on the information provided in this prospectus and any prospectus supplement, as well as the information incorporated by reference. We have not authorized anyone to provide you with additional or different information. These securities are not being offered in any jurisdiction or state where the offer is not permitted. You should not assume that the information in this prospectus, any prospectus supplement or any documents incorporated by reference herein or therein is accurate as of any date other than the date of the applicable document.

**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

Our disclosure and analysis in this prospectus, and the documents incorporated into this prospectus by reference, concerning our operations, cash flows, and financial position include forward-looking statements as defined in Section 27A of the Securities Act of 1933, as amended (the Securities Act ), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act ). The words anticipate, believe, estimate, expect, forecast, intend, potential, may, plan, project, predict, and should and similar expressions as they relate to us identify such forward-looking statements, but are not the exclusive means of identifying such statements. We may also from time to time make forward-looking statements in our periodic reports that we file with the U.S. Securities and Exchange Commission ( SEC ), other information sent to our security holders, and other written materials. Such statements reflect our current views and assumptions and all forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. We caution readers of this prospectus, and the documents incorporated into this prospectus by reference, not to place undue reliance on these forward-looking statements, which speak only as of their dates. We undertake no obligation to publicly update or revise any forward-looking statements.

**DANAOS CORPORATION**

Danaos Corporation is an international owner of containerships, chartering its vessels to many of the world's largest liner companies. Our fleet of containerships makes us one of the largest containership charter owners in the world, based on total TEU capacity. Our strategy is to charter our containerships under multi-year, fixed-rate period charters to a geographically diverse group of liner companies, including many of the largest such companies globally, as measured by TEU capacity.

We are a corporation domesticated in the Republic of the Marshall Islands on October 7, 2005, under the Marshall Islands Business Corporations Act, after having been incorporated as a Liberian company in 1998 in connection with the consolidation of our assets under Danaos Holdings Limited. In connection with our domestication in the Marshall Islands, we changed our name from Danaos Holdings Limited to Danaos Corporation. Our company operates through a number of subsidiaries, all of which are wholly-owned by us and either directly or indirectly own the vessels in our fleet. Our manager, Danaos Shipping Company Limited, was founded in 1972 and since that time it has continuously provided seaborne transportation services.

In October 2006, we completed an initial public offering of our common stock in the United States and our common stock began trading on the New York Stock Exchange. Our address is c/o Danaos Shipping Co. Ltd., 14 Akti Kondyli, 185 45 Piraeus, Greece. Our telephone number at that address is +30 210 419 6480. Our website address is [www.danaos.com](http://www.danaos.com). Information on, or accessible through, our website does not form part of this prospectus.

**RISK FACTORS**

Any investment in our common stock involves a high degree of risk. You should carefully consider the risk factors set forth under the heading "Risk Factors" in our most recent Annual Report on Form 20-F filed with the SEC and incorporated herein by reference, and in other documents we file from time to time with the SEC, before making an investment in our common stock.

The risks described above and in any information incorporated by reference herein are not the only ones that may exist. Additional risks not currently known by us or that we deem immaterial may also impair our business operations.



### USE OF PROCEEDS

All of the shares of common stock offered by this prospectus are being sold by the selling stockholders. For information about the selling stockholders, see Selling Stockholders. We will not receive any of the proceeds from the sale of the shares of common stock by the selling stockholders.

### CAPITALIZATION

Our capitalization is set forth in our report on Form 6-K filed with the SEC on August 27, 2010 and updates thereto will be set forth in reports on Form 6-K subsequently furnished to the SEC and specifically incorporated herein by reference, other periodic filings we make with the SEC or in a prospectus supplement to this prospectus.

3

---

### SELLING STOCKHOLDERS

On August 12, 2010, we issued in transactions exempt from the registration requirements of the Securities Act an aggregate of 54,054,055 shares of common stock to several investors, including an aggregate of 19,958,110 shares of our common stock to the selling stockholders named herein, pursuant to subscription agreements between us and such investors. Each such investor represented to us, among other things, that it was acquiring the shares in the ordinary course of business and for its own account, and that it did not have any agreement or understanding with any person or entity to distribute any of the shares so acquired.

The table below sets forth the name of each selling stockholder, the number of shares owned by such selling stockholder and the number of shares of common stock that may be offered by such selling stockholder under this prospectus. The information is based on information provided to us by or on behalf of the selling stockholders. The term selling stockholder also includes any transferees, pledgees, donees, or other successors in interest to any of the selling stockholders named in the table below. The information concerning the selling stockholders may change from time to time, and any changes and the names of any transferees, pledgees, donees, and other successors in interest will be set forth in supplements to this prospectus to the extent required.

Because the selling stockholders may offer all or less than all of our common stock covered by this prospectus, we cannot estimate the amount of our common stock that will be held by the selling stockholders upon completion of the offering. For information on the procedure for sales by selling stockholders, please read the disclosure set forth under the heading Plan of Distribution.

Name	Number of Shares Owned Prior to this Offering	Number of Shares Offered Hereby	Percentage of Outstanding Common Stock (4)
------	--	------------------------------------	---

Edgar Filing: Danaos Corp - Form F-3

Acclaim Shipping Inc.(1)	8,108,109	8,108,109	7.47%
Dimitri J. Andritsoyiannis(2)	270,271	270,271	*
Iraklis Prokopakis(2)	463,184	108,109	*
Sphinx Investments Corp.(3)	11,471,621	11,471,621	10.56%

---

\* Less than 1%.

(1) Acclaim Shipping Inc. is a Liberian company ultimately controlled by Dimitrios Koustas, who may therefore be deemed the beneficial owner of the shares being offered by Acclaim Shipping Inc. Dimitrios Koustas is the father of Dr. John Coustas, our President, Chief Executive Officer and Chairman of our Board of Directors. The address of Acclaim Shipping Inc. is 80, Broad St., Monrovia, Liberia.

(2) The address of this selling stockholder is c/o 14 Akti Kondyli, 185 45 Piraeus, Greece.

(3) Sphinx Investments Corp. is a wholly-owned subsidiary of Maryport Navigation Corp., a Liberian company controlled by George Economou, a member of our Board of Directors, who may therefore be deemed the beneficial owner of the shares being offered by Sphinx Investments Corp. The address of Sphinx Investments Corp. is c/o Mare Services Limited, 5/1 Merchants Street, Valletta, Malta.

(4) Calculated based on Rule 13d-3 of the Exchange Act using 108,610,372 shares of common stock outstanding as of August 27, 2010.

### DESCRIPTION OF CAPITAL STOCK

Under our articles of incorporation, our authorized capital stock consists of 750,000,000 shares of common stock, \$0.01 par value per share, and 100,000,000 shares of blank check preferred stock, \$0.01 par value per share, of which 1,000,000 shares have been designated Series A Participating Preferred Stock in connection with our adoption of a stockholder rights plan as described below. All of our shares of stock are in registered form. As of the date of this prospectus, we have 108,611,555 common shares issued, of which 108,610,372 common shares are outstanding and 1,183 shares are held as treasury stock. Each outstanding share of common stock entitles the holder to one vote on all matters submitted to a vote of stockholders. The rights, preferences and privileges of holders of shares of common stock are subject to the rights of the holders of any shares of preferred stock which we may issue in the future.

Each share of our common stock includes a right that entitles the holder to purchase from us a unit consisting of one-thousandth of a share of our Series A participating preferred stock at a purchase price of \$25.00 per unit, subject to specified adjustments. The rights are issued pursuant to a rights agreement between us and American Stock Transfer & Trust Company, as rights agent. Until a right is exercised, the holder of a right will have no rights to vote or receive dividends or any other stockholder rights. The material terms and conditions of the rights agreement and the rights are summarized in Item 10. Additional Information Share Capital in our Annual Report on Form 20-F for the year ended December 31, 2009 incorporated by reference herein and, for a complete description of the rights, we encourage you to read the rights agreement, which is an exhibit to the registration statement of which this prospectus is a part.

For a more complete summary of our capital stock and the provisions of our articles of incorporation and bylaws, including certain anti-takeover provisions, please read Item 10. Additional Information in our Annual Report on Form 20-F for the year ended December 31, 2009 incorporated by reference herein.

### PLAN OF DISTRIBUTION

The shares of common stock included in this prospectus may be sold from time to time by the selling stockholders and/or their respective pledgees, donees, transferees or other successors in interest. The selling stockholders may sell any or all of the shares of common stock included in this prospectus from time to time directly to purchasers, through underwriters, broker-dealers or agents, at fixed prices, which may be changed, at market prices prevailing at the time of sale, at prices related to the prevailing market prices, or at privately negotiated prices. If the shares of common stock are sold through underwriters or broker-dealers, then the selling stockholders who sell those shares will be responsible for underwriting discounts or commissions. Such sales may be effected in transactions (which may involve block transactions):

- on any national securities exchange or quotation service on which the common stock may be listed or quoted at the time of sale;
- in the over-the-counter market;
- in transactions otherwise than on such exchanges or services or in the over-the-counter market;
- in privately negotiated transactions;
- through put or call option transactions, whether such options are listed on an options exchange or otherwise;
- through the settlement of short sales;
- through a combination of any such methods of sale; or
- through any other method permitted pursuant to applicable law.

The selling stockholders may also sell shares under Rule 144 or Regulation S under the Securities Act, in each case, if available, rather than under this prospectus. There can be no assurance that any selling stockholder will sell any or all of the shares of common stock registered pursuant to the registration statement, of which this prospectus forms a part.

Broker-dealers engaged by the selling stockholders may arrange for other broker-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the selling stockholders (or, if any broker-dealer acts as agent for the purchaser of shares, from the purchaser) in amounts to be negotiated. These commissions and discounts may exceed what is customary in the types of transactions involved. Any profits on

## Edgar Filing: Danaos Corp - Form F-3

the resale of shares of common stock by a broker-dealer acting as principal might be deemed to be underwriting discounts or commissions under the Securities Act. Discounts, concessions, commissions and similar selling expenses, if any, attributable to the sale of shares will be borne by the selling stockholders. The selling stockholders may agree to indemnify any agent, dealer or broker-dealer that participates in transactions involving sales of the shares if liabilities are imposed on that person under the Securities Act.

The selling stockholders may enter into hedging, option, loan, pledge, or other types of derivative or monetization transactions with respect to the shares of common stock included in this prospectus, such as lending or pledging such shares to a broker-dealer, bank, or other third party, which may become a selling stockholder and sell such shares through this prospectus.

The selling stockholders may directly make offers to sell the shares of common stock to, or solicit offers to purchase the shares of common stock from, purchasers from time to time. If required, the prospectus supplement related to any such offering by the selling stockholders will set forth the terms of such offering.

From time to time, the selling stockholders may sell the shares of common stock included in this prospectus to one or more dealers acting as principals. If required, the prospectus supplement related to any such offering will name such dealers, and will include information about any compensation paid to the dealers, in such offering. The dealers, which may be deemed to be underwriters as that term is defined in the Securities Act, may then resell the shares to purchasers.

The selling stockholders may also designate broker-dealers as agents from time to time to solicit offers from purchasers to purchase the shares of common stock, or to sell the shares of common stock in ordinary brokerage transactions, on their behalf. If required, the prospectus supplement related to any such offering will name

## Edgar Filing: Danaos Corp - Form F-3

such agents, and will include information about any commissions paid to the agents, in such offering. Agents may be deemed to be underwriters as that term is defined in the Securities Act in such offering.

The selling stockholders and any broker-dealers or agents that are involved in selling the shares of common stock may be deemed to be underwriters within the meaning of the Securities Act in connection with those shares. In such event, any commissions received by those broker-dealers or agents and any profit on the resale of the shares of our common stock purchased by them may be deemed to be underwriting discounts or commissions under the Securities Act.

In connection with the sales of the common stock, the selling stockholder may enter into forward sale or hedging transactions with broker-dealers. These broker-dealers may in turn engage in short sales of the common stock in the course of hedging their positions. The selling stockholder may also sell short the common stock and deliver common stock to close out short positions, or loan or pledge the common stock to broker-dealers or others that, in turn, may sell the common stock.

The selling stockholders have advised us that they have not entered into any agreements or understandings with any underwriters or broker-dealers regarding the sale of their shares of our common stock. If we are notified by any selling stockholder that any material agreement or understanding has been entered into with a broker-dealer for the sale of shares of our common stock, if required, we will file a supplement to this prospectus. If the selling stockholders use this prospectus for any sale of the shares of our common stock, they will be subject to the prospectus delivery requirements of the Securities Act.

The shares of common stock were issued and sold on August 12, 2010 in transactions exempt from the registration requirements of the Securities Act. Pursuant to the several subscription agreements between us and the selling stockholders we entered into registration rights agreements pursuant to which we have agreed to indemnify such selling stockholders against certain liabilities, including certain liabilities under the Securities Act. We have agreed to pay the expenses of the registration of the shares of common stock being registered under the registration statement of which this prospectus forms a part, including, but not limited to, all registration and filing fees, and fees and expenses of our counsel and our accountants. The selling stockholders will pay any underwriting discounts, commissions and transfer taxes applicable to the shares of common stock sold by them through this prospectus.

Once sold under the registration statement of which this prospectus forms a part, the shares of common stock will be freely tradable in the hands of persons other than our affiliates.

Any person participating in the distribution of common stock covered by this prospectus will be subject to applicable provisions of the Exchange Act, and the applicable SEC rules and regulations, including, among others, Regulation M, which may limit the timing of purchases and sales of our common stock by that person.

## LEGAL MATTERS

The validity of the common stock offered by this prospectus will be passed upon for us by Watson, Farley & Williams (New York) LLP. United States legal matters will be passed upon for us by Morgan, Lewis & Bockius LLP, New York, New York.

## EXPERTS

The consolidated financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this Prospectus by reference to the Annual Report on Form 20-F for the year ended December 31, 2009 have been so incorporated in reliance on the report, which contains an explanatory paragraph relating to the Company's ability to continue as a going concern as described in Note 1 to the consolidated financial statements, of PricewaterhouseCoopers S.A., an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

## WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form F-3 under the Securities Act with respect to the common stock offered hereby. For the purposes of this section, the term registration statement means the original registration statement and any and all amendments including the schedules and exhibits to the original registration statement or any amendment. This prospectus does not contain all of the information set forth in the registration statement we filed. For further information regarding us and the common stock offered in this prospectus, you may desire to review the full registration statement, including the exhibits. The registration statement, including its exhibits and schedules, may be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, NE, Room 1580, Washington, D.C. 20549. You may obtain information on the operation of the public reference room by calling 1-202-551-8909, and you may obtain copies at prescribed rates from the Public Reference Section of the SEC at its principal office in Washington, D.C. 20549. The SEC maintains a website (<http://www.sec.gov>) that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC.

We furnish holders of common stock with annual reports containing audited financial statements and a report by our independent registered public accounting firm, and intend to make available quarterly reports containing selected unaudited financial data for the first three quarters of each fiscal year. The audited financial statements will be prepared in accordance with U.S. GAAP and those reports will include a

Management's Discussion and Analysis of Financial Condition and Results of Operations section for the relevant periods. As a foreign private issuer, we are exempt from the rules under the Exchange Act prescribing the furnishing and content of proxy statements to stockholders, but will be required to furnish those proxy statements to stockholders under New York Stock Exchange rules. Those proxy statements are not expected to conform to Schedule 14A of the proxy rules promulgated under the Exchange Act. In addition, as a foreign private issuer, we are exempt from the rules under the Exchange Act relating to short-swing profit reporting and liability.

## INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to incorporate by reference the information we file with the SEC. This means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be part of

## Edgar Filing: Danaos Corp - Form F-3

this prospectus.

This prospectus incorporates by reference the following documents:

- our Annual Report on Form 20-F for the year ended December 31, 2009, filed with the SEC on June 18, 2010;
- our Form 6-K in respect of our first quarter 2010 financial results, filed with the SEC on July 29, 2010;
- our Form 6-K filed with the SEC on August 27, 2010; and



## Edgar Filing: Danaos Corp - Form F-3

- the description of our common stock contained in our registration statement on Form 8-A (File No. 001-33060), filed with the SEC on October 2, 2006.

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

Danaos Corporation  
c/o Danaos Shipping Co. Ltd.  
14 Akti Kondyli  
185 45 Piraeus  
Greece  
Attention: Secretary  
+30 210 419 6480

The documents we file with or furnish to the SEC are available on our website at [www.danaos.com](http://www.danaos.com) under Investor Relations. Other than the Exchange Act filings listed above, no documents or other information on our website is incorporated by reference into this prospectus.

### **SERVICE OF PROCESS AND ENFORCEABILITY OF CIVIL LIABILITIES**

We are a Marshall Islands corporation and our executive offices are located outside of the United States. A majority of our directors and officers and some of the experts in this prospectus reside outside the United States. In addition, a substantial portion of our assets and the assets of our directors, officers and experts are located outside of the United States. As a result, you may have difficulty serving legal process within the United States upon us or any of these persons. You may also have difficulty enforcing, both in and outside of the United States, judgments you may obtain in U.S. 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 the Marshall Islands would enter judgments in original actions brought in those courts predicated on U.S. federal or state securities laws.

9

---

## **PART II**

### **INFORMATION NOT REQUIRED IN PROSPECTUS**

#### **EXPENSES**

## Edgar Filing: Danaos Corp - Form F-3

The following are the expenses estimated to be incurred by us in connection with registering 19,958,110 shares of common stock that may be sold by the selling stockholders under this prospectus.

SEC Registration Fee	\$	5,550
Printing		
Legal Fees and Expenses		5,000
Accountants Fees and Expenses		5,000
FINRA Fees		
Transfer Agent's Fees and Expenses		500
Miscellaneous Costs		2,500
Total	\$	18,550

### ITEM 8. INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Registrant is a Marshall Islands corporation. Section 60 of the Business Corporations Act of the Republic of the Marshall Islands (the "BCA") provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of no contest, or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe his conduct was unlawful.

A Marshall Islands corporation also has the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him or in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

To the extent that a director or officer of a Marshall Islands corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in the preceding paragraph, or in the defense of a claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid in advance of the final disposition of such action, suit or proceeding as authorized by the board of directors in the specific case upon receipt of an undertaking by or on behalf of the director or officer to

repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the corporation as authorized under Section 60 of the BCA.

Section 60 of the BCA also permits a Marshall Islands corporation to purchase and maintain insurance on behalf of any person who is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director or officer against any liability asserted against him and incurred by him in such capacity whether or not the corporation would have the power to indemnify him against such liability under the provisions of Section 60 of the BCA. In this regard, the Registrant has entered into employment agreements with its chief executive officer, chief operating officer and chief financial officer which provide that the Registrant will maintain directors' and officers' liability insurance policies during the term of such executive's employment and for five years thereafter at a level, and on terms and conditions, no less favorable than the coverage the Registrant provides other similarly-situated executives so long as such coverage is available from the carrier and does not increase the cost of such policy by more than 10% per annum.

The indemnification and advancement of expenses provided by, or granted pursuant to, Section 60 of the BCA are not exclusive of any other rights to which those seeking indemnification and advancement of expenses may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office. In this regard, the Registrant's Bylaws provide that such expenses (including attorneys' fees) incurred by former directors and officers may be so paid upon such terms and conditions, if any, as the Registrant deems appropriate, and the board of directors may authorize the Registrant's legal counsel to represent a present or former director or officer in any action, suit or proceeding, whether or not the Registrant is a party to such action, suit or proceeding. The Registrant's Bylaws further provide for indemnification of directors and officers on the basis described above as being permitted by Section 60 of the BCA and provide, to the extent authorized from time to time by the board of directors of the Registrant, rights to indemnification and to the advancement of expenses to employees and agents of the corporation similar to those conferred to directors and officers of Registrant.

The Articles of Incorporation of the Registrant provide that no director shall have personal liability to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, but the liability of a director is not limited or eliminated (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders; (ii) for acts or omissions not undertaken in good faith or which involve intentional misconduct or a knowing violation of law; or (iii) for any transaction from which the director derived an improper personal benefit.

**ITEM 9. EXHIBITS**

<b>Exhibit No.</b>	<b>Description</b>
3.1	Restated Articles of Incorporation.*
3.2	Amended and Restated Bylaws.**