

Seaspan CORP
Form 424B7
May 09, 2018
Table of Contents

Filed Pursuant to Rule 424(b)(7)

Registration No. 333-224288

PROSPECTUS SUPPLEMENT NO. 1

(To Prospectus Dated May 8, 2018)

Seaspan Corporation

40,976,535 Class A Common Shares

Offered by Selling Security-holders

This supplement no. 1 supplements our prospectus dated May 7, 2018, relating to the offer and sale from time to time (i) by Seaspan Corporation of common shares, preferred stock, debt securities, convertible debt, warrants or units, in one or more transactions, with a maximum aggregate offering price of \$2,000,000,000; and (ii) by the selling security-holders identified in the prospectus, as supplemented by this and any other prospectus supplement, under the heading Selling Security-holders, or their transferees, pledgees, donees or other successors, of up to an aggregate of 40,976,535 shares of our Class A common shares.

The selling security-holders identified in this prospectus supplement may offer and sell up to (i) an aggregate of 38,461,539 Class A common shares issuable upon the exercise of currently outstanding warrants and (ii) 2,514,996 currently outstanding Class A common shares. We will not receive any proceeds from the sale of our Class A common shares by the selling security-holders; however, we will receive the exercise price of any warrants exercised for cash.

You should read this supplement no. 1 in conjunction with the accompanying prospectus. This supplement no. 1 is qualified by reference to the accompanying prospectus, except to the extent that the information in this supplement no. 1 supersedes that information.

Investing in our Class A common shares involves a high degree of risk. You should carefully consider each of the factors described under Risk Factors beginning on page S-5 of this prospectus supplement, page 5 of the accompanying prospectus and in the documents incorporated by reference into this prospectus supplement before you make an investment in our securities.

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

The date of this prospectus supplement is May 9, 2018.

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement

<u>SELLING SECURITY-HOLDERS</u>	S-3
<u>RISK FACTORS</u>	S-5
<u>CAPITALIZATION</u>	S-5
<u>WHERE YOU CAN FIND ADDITIONAL INFORMATION</u>	S-6
<u>INCORPORATION OF CERTAIN INFORMATION BY REFERENCE</u>	S-7
<u>EXPENSES</u>	S-8

S-2

Table of Contents**SELLING SECURITY-HOLDERS**

The following supplements, and should be read in conjunction with, the information appearing under the heading Selling Security-holders in the accompanying prospectus.

The table below provides information about the ownership of the selling security-holders of our Class A common shares that may be offered from time to time by each selling security-holder under this prospectus supplement and accompanying prospectus. The selling security-holders currently hold, as applicable, outstanding Class A common shares and outstanding warrants exercisable for Class A common shares. The outstanding Class A common shares may be, and the Class A common shares underlying the warrants may upon exercise be, offered and sold from time to time by the applicable selling security-holders under this prospectus supplement and the accompanying prospectus. We have assumed for purposes of the table below that the selling security-holders will (i) exercise all of their warrants for cash and sell all of the Class A common shares issuable upon exercise of the warrants pursuant to this prospectus supplement and the accompanying prospectus, and (ii) sell any other Class A common shares they beneficially own that are registered pursuant to this prospectus supplement and accompanying prospectus.

The selling security-holders may currently hold or acquire at any time Class A common shares in addition to those registered pursuant to this prospectus supplement and accompanying prospectus. In addition, the selling security-holders identified below may sell, transfer or otherwise dispose of some or all of their Class A common shares or warrants in private placement transactions exempt from, or not subject to, the registration requirements of the Securities Act. Accordingly, we cannot be certain as to the number or percentage of Class A common shares that will be held by the selling security-holders upon termination of this offering. Information concerning the selling security-holders may change from time to time. Except as set forth below, none of the selling security-holders has, or within the past three years has had, any position, office or other material relationship with us or any of our predecessors or affiliates. For information on the methods of sale that may be used by the selling security-holders, please see Plan of Distribution.

The information in the following table and the related notes is based on information filed with the SEC or supplied to us by the selling security-holders. We have not sought to verify such information. Any changed or new information given to us by the selling security-holders will be set forth in supplements to this prospectus supplement and the underlying prospectus or amendments to the registration statement of which the accompanying prospectus is a part, if and when necessary.

Selling Security-holders	Class A Common Shares Beneficially Owned Prior to Offering		Number of Class A Common Shares to be Offered		Class A Common Shares Beneficially Owned After Offering	
	Number	Percent*	Number	Percent	Number	Percent
	Deep Water Holdings, LLC ⁽¹⁾	44,047,087	32.4%	2,514,996	1.8%	41,532,091
Wentworth Insurance Company Ltd. ⁽²⁾	38,461,539	28.3%	38,461,539	28.3%		

* Based on a total of 136,028,797 Class A common shares issued and outstanding on March 31, 2018.

(1) On March 13, 2018, we issued an aggregate of 2,514,996 Class A common shares to Deep Water Holdings, LLC, or Deep Water, pursuant to a share subscription agreement, dated as of that date, among us, Blue Water

Commerce, LLC and Deep Water. Deep Water's sole member is The Roy Dennis Washington Revocable Living Trust created under Agreement dated November 16, 1987, including all subsequent amendments, modifications and restatements, or the Dennis Washington Trust, may be deemed to be beneficially owned by the Dennis Washington Trust and by Dennis R. Washington, as trustee of the Dennis Washington Trust. Lawrence R. Simkins, the manager of Deep Water and one of our directors, has voting and investment power with respect to the Class A common shares held by Deep Water. Mr. Simkins disclaims any beneficial ownership of the Class A common shares beneficially owned by Deep Water, the Dennis Washington Trust and Dennis R. Washington. Dennis R. Washington is the father of Kyle Washington, a member of our board of directors. The address of Deep Water Holdings, LLC is 101 International Drive, Missoula, Montana, 59808.

S-3

Table of Contents

- (2) Represents up to 38,461,539 Class A common shares issuable upon exercise of the warrants (assuming a cash exercise) held by Wentworth Insurance Company Ltd., an indirect wholly-owned subsidiary of Fairfax Financial Holdings Limited (Fairfax Financial). V. Prem Watsa, Chief Executive Officer and Chairman of the board of directors of Fairfax Financial, controls The Sixty Two Investment Company Limited (Sixty Two) and himself beneficially owns an additional 258,686 subordinate voting shares and exercises control or direction over an additional 2,100 subordinate voting shares of Fairfax Financial. These shares, together with the shares owned directly by Sixty Two, represent 42.5% of the total votes attached to all classes of Fairfax Financial shares (100% of the total votes attached to the multiple voting shares and 1.2% of the total votes attached to the subordinate voting shares).

Wentworth Insurance Company Ltd. is affiliated with the holders of our 5.50% senior notes due 2025 (the 2025 Notes) issued pursuant to a second supplemental indenture dated February 14, 2018 (the Supplemental Indenture). Pursuant to the Supplemental Indenture, the holders of the 2025 Notes have the right to designate (a) two members to our board of directors if at least \$125 million aggregate principal amount of the 2025 Notes remain outstanding, and (ii) one member to our board of directors if less than \$125 million aggregate principal amount of the 2025 Notes remain outstanding but greater than \$50 million aggregate principal amount of the 2025 Notes remain outstanding, on the terms and conditions set forth in the Supplemental Indenture. The address of Fairfax Financial is 95 Wellington Street West, Suite 800, Toronto, Ontario, Canada, M5J2N7.

Table of Contents

RISK FACTORS

An investment in our securities involves a high degree of risk. Before making an investment in our securities, you should carefully consider the risk factors and all of the other information included in this prospectus supplement, the accompanying prospectus and the documents incorporated into each by reference, including those in Item 3 Key Information D. Risk Factors in our Annual Report on Form 20-F for the year ended December 31, 2017, filed with the Commission on March 6, 2018, as updated by annual and other reports and documents we file with the SEC after the date of this prospectus supplement and that are incorporated by reference herein. Please see Incorporation of Certain Information by Reference. The occurrence of one or more of those risk factors could adversely impact our business, financial condition or results of operations.

CAPITALIZATION

Our capitalization is set forth in the accompanying base prospectus and incorporated by reference herein.

S-5

Table of Contents

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form F-3 regarding the securities covered by this prospectus supplement. This prospectus supplement does not contain all of the information found in the registration statement. This prospectus supplement and the accompanying prospectus are parts of that registration statement, which includes additional information. For further information regarding us and the securities offered in this prospectus supplement, you may wish to review the full registration statement, including its exhibits. In addition, we file annual, quarterly and other reports with and furnish information to the SEC. You may inspect and copy any document we file with or furnish to the SEC at the public reference facilities maintained by the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549-2736. Copies of this material can also be obtained upon written request from the Public Reference Section of the SEC at that address, at prescribed rates, or from the SEC's web site at www.sec.gov free of charge. Please call the SEC at 1-800-SEC-0330 for further information on public reference rooms. You can also obtain information about us at the offices of The New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005.

As a foreign private issuer, we are exempt under the Securities Exchange Act of 1934, or the Exchange Act, from, among other things, certain rules prescribing the furnishing and content of proxy statements, and our executive officers, directors and principal security-holders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act. In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act, including the filing of quarterly reports on Form 10-Q or current reports on Form 8-K. However, we intend to make available quarterly reports containing our unaudited interim financial information for the first three fiscal quarters of each fiscal year.

Table of Contents

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to incorporate by reference into this prospectus supplement information that we file with the SEC. This means that we can disclose important information to you without actually including the specific information in this prospectus supplement by referring you to other documents filed separately with the SEC. The information incorporated by reference is an important part of this prospectus supplement. Information that we later provide to the SEC, and which is deemed to be filed with the SEC, automatically will update information previously filed with the SEC, and may replace information in this prospectus supplement.

We incorporate by reference into this prospectus supplement the documents listed below:

our Annual Report on Form 20-F for the fiscal year ended December 31, 2017, filed with the SEC on March 6, 2018;

all subsequent Annual Reports on Form 20-F filed after effectiveness of the registration statement and prior to the time that all of the securities offered by this prospectus supplement have been sold or de-registered;

Reports of Foreign Private Issuer on Form 6-K furnished to the SEC on March 6, 2018, March 14, 2018, March 30, 2018, April 9, 2018, April 20, 2018 and May 4, 2018;

any subsequent Reports of Foreign Private Issuer on Form 6-K furnished to the SEC after the date of the initial registration statement and prior to effectiveness of the registration statement, and after effectiveness of the registration statement and prior to the time that all of the securities offered by this prospectus supplement have been sold or de-registered, in each case, that we identify in such Reports as being incorporated by reference into the registration statement of which this prospectus supplement is a part; and

the description of our Class A common shares contained in our Registration Statement on Form 8-A filed on August 2, 2005, and amended on March 31, 2011, including any subsequent amendments or reports filed for the purpose of updating such description.

These reports contain important information about us, our financial condition and our results of operations.

You may obtain any of the documents incorporated by reference into this prospectus supplement from the SEC through its public reference facilities or its website at the addresses provided above. You also may request a copy of any document incorporated by reference into this prospectus supplement (excluding any exhibits to those documents, unless the exhibit is specifically incorporated by reference into this document), at no cost, by visiting our website at www.seaspancorp.com, or by writing or calling us at the following address:

Seaspan Corporation

Unit 2, 2nd Floor

Bupa Centre

Edgar Filing: Seaspam CORP - Form 424B7

141 Connaught Road West

Hong Kong

China

(852) 2540-1686

You should rely only on the information incorporated by reference or provided in this prospectus supplement or the accompanying prospectus. We have not authorized anyone else to provide you with any information. You should not assume that the information incorporated by reference or provided in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front of each document.

S-7

Table of Contents

EXPENSES

The following are the expenses incurred by us in connection with registering the 40,976,535 common shares offered by the selling shareholders under this registration statement.

SEC Registration Fee ⁽¹⁾	\$ 34,792
Legal Fees and Expenses	50,000
Accountants Fees and Expenses	10,000
Miscellaneous Costs	10,000
Total	\$ 104,792

(1) Previously paid.

Table of Contents

PROSPECTUS

\$2,000,000,000 of
Class A Common Shares,
Preferred Shares, Convertible Preferred Shares,
Debt Securities, Convertible Debt Securities,
Warrants and Units Offered by the Company
and
40,976,535 Class A Common Shares
Offered by Selling Security-holders

Seaspan Corporation

We may offer to the public from time to time in one or more series or issuances Class A common shares, or common shares, preferred shares, convertible preferred shares, debt securities, convertible debt securities, warrants or units.

In addition, the selling security-holders identified in this prospectus may offer and resell up to 40,976,535 common shares. These common shares were issued pursuant to transactions exempt from the registration requirements of the Securities Act of 1933, as amended, or the Securities Act. We will not receive any of the proceeds from the sale of these common shares by the selling security-holders.

We may, from time to time, offer to sell the securities and the selling security-holders identified in this prospectus, or their donees, pledgees, transferees or other successors-in-interest, may from time to time offer to sell the common shares at various times and in various types of transactions, including sales in the open market, sales in negotiated transactions and sales by a combination of these methods. We may sell the securities and the selling security-holders may sell the common shares to or through underwriters, broker-dealers or agents, who may receive compensation in the form of discounts, concessions or commissions. For additional information on the methods of sale that may be used by us or the selling security-holders, please see Plan of Distribution.

Each time we or a selling security-holder sells securities pursuant to this prospectus, we will provide a supplement to this prospectus that contains specific information about the offering and the specific terms of the securities offered. You should read this prospectus and the applicable prospectus supplement carefully before you invest in our

securities.

You should read this prospectus and any prospectus supplement carefully before you invest in any of our securities.

Our common shares trade on The New York Stock Exchange under the symbol SSW.

You should carefully consider each of the factors described under Risk Factors beginning on page 5 of this prospectus before you make an investment in our securities.

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 May 8, 2018.

Table of Contents

TABLE OF CONTENTS

<u>About This Prospectus</u>	1
<u>Seaspan Corporation</u>	1
<u>Where You Can Find More Information</u>	2
<u>Incorporation of Documents by Reference</u>	3
<u>Forward-Looking Statements</u>	4
<u>Risk Factors</u>	5
<u>Use of Proceeds</u>	8
<u>Capitalization</u>	9
<u>Price Range of Common Shares and Dividends</u>	10
<u>Selling Security-holders</u>	11
<u>Ratio of Earnings to Fixed Charges and to Fixed Charges and Preference Dividends</u>	12
<u>Description of Capital Stock</u>	13
<u>Description of Debt Securities</u>	17
<u>Description of Warrants</u>	25
<u>Description of Units</u>	27
<u>Material United States Federal Income Tax Consequences</u>	28
<u>Material Non-United States Tax Considerations</u>	34
<u>Plan of Distribution</u>	36
<u>Enforceability of Civil Liabilities</u>	40
<u>Legal Matters</u>	41
<u>Experts</u>	41
<u>Expenses</u>	41

You should rely only on the information contained in this prospectus, any prospectus supplement, any related free writing prospectus and the documents incorporated by reference into this prospectus. We have not authorized anyone else to give you different information. If anyone provides you with additional, different or inconsistent information, you should not rely on it. We are not offering these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information in this prospectus, any prospectus supplement or any related free writing prospectus, as well as the information we file with the U.S. Securities and Exchange Commission, or SEC, that is incorporated by reference into this prospectus, is accurate as of any date other than its respective date. We will disclose material changes in our affairs in an amendment to this prospectus, a prospectus supplement, a free writing prospectus or a future filing with the SEC incorporated by reference into this prospectus.

Table of Contents

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the SEC utilizing a shelf registration process. Under this process, we may offer and sell our securities under this prospectus and the selling security-holders referred to in the prospectus and identified in supplements to this prospectus may offer and resell from time to time our common shares under this prospectus.

This prospectus does not cover the issuance of any of our common shares by us to the selling security-holders, and we will not receive any of the proceeds from any sale of common shares by the selling security-holders. Except for any underwriting discounts, selling commissions, transfer taxes and fees, which are to be paid by the selling security-holders, we have agreed to pay the expenses incurred in connection with the registration of the common shares owned by the selling security-holders covered by this prospectus.

This prospectus provides you with a general description of the securities we may offer. Each time we or the selling shareholders sell securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus, and may also contain information about any material U.S. federal income tax and Non-United States tax considerations relating to the securities covered by the prospectus supplement. The information in this prospectus is accurate as of its date. You should read both this prospectus and any prospectus supplement together with additional information under the headings **Where You Can Find More Information** and **Incorporation of Documents by Reference**.

Unless otherwise indicated, the term **selling security-holders** as used in this prospectus means the selling security-holders referred to in this prospectus and their donees, pledgees, transferees and other successors-in-interest. Unless otherwise indicated, references in this prospectus to **Seaspan**, the **Company**, **we**, **us** and **our** and similar terms refer to Seaspan Corporation and/or one or more of its subsidiaries, except that those terms, when used in this prospectus in connection with the common shares described herein, shall mean Seaspan Corporation. Unless otherwise indicated, all references in this prospectus to **dollars** and **\$** are to, and amounts are presented in, U.S. Dollars, and financial information presented in this prospectus is prepared in accordance with accounting principles generally accepted in the United States.

SEASPAN CORPORATION

We are a leading independent charter owner and manager of containerships, which we charter primarily pursuant to long-term, fixed-rate time charters with major container liner companies. As of April 1, 2018, we operated a fleet of 108 containerships and have entered into contracts for the purchase of an additional four newbuilding containerships which have scheduled delivery dates through the second quarter of 2018. Our four newbuilding containerships will commence operation under long-term, fixed-rate charters upon delivery. As of April 1, 2018, the average age of the 108 vessels in our operating fleet was approximately five years, on a TEU weighted basis.

On March 13, 2018, we acquired (the **GCI Acquisition**) the remaining 89% equity interest of Great China Intermodal Investments LLC (**GCI**) we did not already own from affiliates of The Carlyle Group and the minority owners of GCI. Through the GCI Acquisition, we increased our fleet by 18 modern containerships, two of which are newbuild vessels scheduled for delivery during the second quarter of 2018. We managed each of the 16 operating vessels pursuant to charters prior to the GCI Acquisition.

We are a Marshall Islands corporation incorporated on May 3, 2005. We maintain our principal executive offices at Unit 2, 2nd Floor, Bupa Centre, 141 Connaught Road West, Hong Kong, China. Our telephone number is (852)

2540-1686. We maintain a website at www.seaspancorp.com. The information on our website is not part of this prospectus, and you should rely only on the information contained in this prospectus, any prospectus supplement and the documents incorporated by reference herein or therein when making a decision whether to invest in our securities.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form F-3 regarding the securities covered by this prospectus. This prospectus does not contain all of the information found in the registration statement. For further information regarding us and the securities offered in this prospectus, you may wish to review the full registration statement, including its exhibits. In addition, we file annual, quarterly and other reports with and furnish information to the SEC. You may inspect and copy any document we file with or furnish to the SEC at the public reference facilities maintained by the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549-2736. Copies of this material can also be obtained upon written request from the Public Reference Section of the SEC at that address, at prescribed rates, or from the SEC's web site at www.sec.gov free of charge. Please call the SEC at 1-800-SEC-0330 for further information on public reference rooms. You can also obtain information about us at the offices of The New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005.

As a foreign private issuer, we are exempt under the Securities Exchange Act of 1934, or the Exchange Act, from, among other things, certain rules prescribing the furnishing and content of proxy statements, and our executive officers, directors and principal security-holders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act. In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act, including the filing of quarterly reports on Form 10-Q or current reports on Form 8-K. However, we intend to make available quarterly reports containing our unaudited interim financial information for the first three fiscal quarters of each fiscal year.

Table of Contents

INCORPORATION OF DOCUMENTS BY REFERENCE

The SEC allows us to incorporate by reference into this prospectus information that we file with the SEC. This means that we can disclose important information to you without actually including the specific information in this prospectus by referring you to other documents filed separately with the SEC. The information incorporated by reference is an important part of this prospectus. Information that we later provide to the SEC, and which is deemed to be filed with the SEC, automatically will update information previously filed with the SEC, and may replace information in this prospectus.

We incorporate by reference into this prospectus the documents listed below:

our Annual Report on Form 20-F for the fiscal year ended December 31, 2017, filed with the SEC on March 6, 2018;

all subsequent Annual Reports on Form 20-F filed after effectiveness of the registration statement and prior to the time that all of the securities offered by this prospectus have been sold or de-registered;

Reports of Foreign Private Issuer on Form 6-K furnished to the SEC on March 6, 2018, March 14, 2018, March 30, 2018, April 9, 2018, April 20, 2018 and May 4, 2018;

any subsequent Reports of Foreign Private Issuer on Form 6-K furnished to the SEC after the date of the initial registration statement and prior to effectiveness of the registration statement, and after effectiveness of the registration statement and prior to the time that all of the securities offered by this prospectus have been sold or de-registered, in each case, that we identify in such Reports as being incorporated by reference into the registration statement of which this prospectus is a part; and

the description of our Class A common shares contained in our Registration Statement on Form 8-A filed on August 2, 2005, and amended on March 31, 2011, including any subsequent amendments or reports filed for the purpose of updating such description.

These reports contain important information about us, our financial condition and our results of operations.

You may obtain any of the documents incorporated by reference into this prospectus from the SEC through its public reference facilities or its website at the addresses provided above. You also may request a copy of any document incorporated by reference into this prospectus (excluding any exhibits to those documents, unless the exhibit is specifically incorporated by reference into this document), at no cost, by visiting our website at www.seaspancorp.com, or by writing or calling us at the following address:

Seaspan Corporation

Unit 2, 2nd Floor

Bupa Centre

Edgar Filing: Seaspam CORP - Form 424B7

141 Connaught Road West

Hong Kong

China

(852) 2540-1686

You should rely only on the information incorporated by reference or provided in this prospectus or any prospectus supplement. We have not authorized anyone else to provide you with any information. You should not assume that the information incorporated by reference or provided in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front of each document.

3

Table of Contents

FORWARD-LOOKING STATEMENTS

All statements, other than statements of historical fact, included in or incorporated by reference into this prospectus and any prospectus supplements are forward-looking statements. In addition, we and our representatives may from time to time make other oral or written statements that are also forward-looking statements. Such statements include, in particular, statements about our plans, strategies, business prospects, changes and trends in our business, and the markets in which we operate. In some cases, you can identify the forward-looking statements by the use of words such as may, will, could, should, would, expect, plan, anticipate, intend, forecast, believe, estimate, potential, continue or the negative of these terms or other comparable terminology.

Forward-looking statements are made based upon management's current plans, expectations, estimates, assumptions and beliefs concerning future events affecting us. Forward-looking statements are subject to risks, uncertainties and assumptions, including those risks discussed in Risk Factors set forth in this prospectus and those risks discussed in other reports we file with the SEC and that are incorporated into this prospectus by reference, including, without limitation, our Annual Report on Form 20-F. The risks, uncertainties and assumptions involve known and unknown risks and are inherently subject to significant uncertainties and contingencies, many of which are beyond our control. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements.

We undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for us to predict all of these factors. In addition, we cannot assess the effect of each such factor on our business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement.

Table of Contents

RISK FACTORS

Before investing in our securities, you should carefully consider all of the information included or incorporated by reference into this prospectus. When evaluating an investment in our securities, you should carefully consider the following risk factor together with all information included in this prospectus, including those risks discussed under the caption "Risk Factors" in our latest Annual Report on Form 20-F filed with the SEC, which are incorporated by reference into this prospectus, and information included in any applicable prospectus supplement. If any of such risks were to occur, our business, financial condition, operating results or cash flows could be materially adversely affected.

Our substantial debt levels and vessel lease obligations may limit our flexibility in obtaining additional financing and in pursuing other business opportunities.

As of March 31, 2018, we had approximately \$3.8 billion in aggregate principal amount of debt outstanding under our credit facilities, our 6.375% senior unsecured notes due 2019, our 7.125% senior unsecured notes due 2027 and our 5.50% senior notes due 2025 (collectively, our Notes), and capital lease obligations of approximately \$684.8 million.

On March 13, 2018, we also entered into a subscription agreement with Odyssey Reinsurance Company, Allied World Assurance Company, Ltd., Northbridge General Insurance Corporation, United States Fire Insurance Company, Zenith Insurance Company and Riverstone Insurance Limited (collectively, the Fairfax Investors) for an additional investment of \$250 million in our 5.50% senior notes due 2026 to be issued in January 2019 in a private placement with the Fairfax Investors.

Our level of debt and vessel lease obligations could have important consequences to us, including the following:

our ability to obtain additional financing, if necessary, for working capital, capital expenditures, acquisitions or other purposes may be impaired or such financing may not be available on favorable terms, or at all;

we may need to use a substantial portion of our cash from operations to make principal and interest payments on our debt or make our lease payments, reducing the funds that would otherwise be available for operation and future business opportunities;

our debt level could make us more vulnerable to competitive pressures, a downturn in our business or the economy generally than our competitors with less debt; and

our debt level may limit our flexibility in responding to changing business and economic conditions. Our ability to service our debt and vessel lease obligations will depend upon, among other things, our financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond our control. If our results of operations are not sufficient to service our current or future indebtedness and vessel lease obligations, we will be forced to take actions such as reducing or delaying our business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing our debt, or seeking additional equity capital or bankruptcy protection. We may not be able to effect any of these remedies on satisfactory terms, or at all.

We may not be able to timely repay or be able to refinance amounts incurred under our credit facilities, Notes and capital and operating lease arrangements.

We have financed a substantial portion of our fleet and acquisitions with indebtedness incurred under our existing credit facilities, Notes and capital and operating lease arrangements. We have significant normal course payment obligations under our credit facilities, our Notes and capital and vessel operating lease arrangements,

Table of Contents

both prior to and at maturity, including as of March 31, 2018 and including the assumption of debt in connection with the acquisition of GCI, approximately \$432.9 million in the remainder of 2018 and an additional \$5.2 billion through 2027. In addition, under our credit facilities and capital and operating lease arrangements, a payment may be required in certain circumstances as a result of events such as the sale or loss of a vessel, a termination or expiration of a charter (where we do not enter into a replacement charter acceptable to the lenders within a required period of time) or termination of a shipbuilding contract. The amount that must be paid may be calculated based on the loan to market value ratio or some other ratio that takes into account the market value of the relevant vessel (with the repayment amount increasing if vessel values decrease), or may be the entire amount of the financing in regard to a credit facility or a pre-determined termination sum in the case of a capital or operating lease.

If we are not able to refinance outstanding amounts at an interest rate or on terms acceptable to us, or at all, we will have to dedicate a significant portion of our cash flow from operations to repay such amounts, which could reduce our ability to satisfy payment obligations related to our securities, our credit facilities, Notes and capital and operating lease arrangements or may require us to delay certain business activities or capital expenditures or cease paying dividends. If we are not able to satisfy these obligations (whether or not refinanced) under our credit facilities, Notes or capital or operating lease arrangements with cash flow from operations, we may have to seek to restructure our indebtedness and lease arrangements, undertake alternative financing plans (such as additional debt or equity capital) or sell assets, which may not be available on terms attractive to us or at all. If we are unable to meet our debt or lease obligations, or if we otherwise default under our credit facilities, Notes or capital or operating lease arrangements, the holders of such debt or lessors could declare all outstanding indebtedness to be immediately due and payable and in the case of (i) our credit facilities and capital or operating lease arrangements, foreclose on the vessels securing such indebtedness and (ii) in the 2025 Notes, foreclose on the equity of GCI, which entity is an intermediate holding company that owns the equity of a number of our indirect vessel owning subsidiaries. Additionally, most of our debt instruments contain cross-default provisions, which generally cause a default or event of default under each instrument upon a qualifying default or event of default under any other debt instrument. If we are unable to repay outstanding borrowings when due, holders of our secured debt also have the right to proceed against the collateral granted to them that secures the indebtedness. The market values of our vessels, which fluctuate with market conditions, will also affect our ability to obtain financing or refinancing, as our vessels serve as collateral for loans. Lower vessel values at the time of any financing or refinancing may reduce the amounts of funds we may borrow.

A decrease in the level of export of goods or an increase in trade protectionism will harm our customers' business and, in turn, harm our business, results of operations and financial condition.

Most of our customers' containership business revenue is derived from the shipment of goods from the Asia Pacific region, primarily China, to various overseas export markets, including the United States and Europe. Any reduction in or hindrance to the output of China-based exporters could negatively affect the growth rate of China's exports and our customers' business. For instance, the government of China has implemented economic policies aimed at increasing domestic consumption of Chinese-made goods. This may reduce the supply of goods available for export and may, in turn, result in a decrease in shipping demand.

Our international operations expose us to the risk that increased trade protectionism will harm our business. If global economic challenges exist, governments may turn to trade barriers to protect their domestic industries against foreign imports, thereby depressing shipping demand. In particular, the current U.S. administration recently proposed tariffs on a variety of products exported by China. China has responded in kind which has resulted in further proposals by the current administration to impose tariffs on other Chinese products. In addition, the current U.S. administration has stated that it may seek to implement more protective trade measures not just with respect to China but with respect to other countries in the Asia Pacific region as well. Increasing trade protectionism in the markets that our customers serve has caused and may continue to cause an increase in (a) the cost of goods exported from Asia Pacific, (b) the

length of time required to deliver goods from the region and (c) the risks associated with exporting goods from the region. Such increases may also affect the quantity of goods to be shipped, shipping time schedules, voyage costs and other associated costs.

Table of Contents

Any increased trade barriers or restrictions on global trade, especially trade with China, would harm our customers business, results of operations and financial condition and could thereby affect their ability to make timely charter hire payments to us and to renew and increase the number of their time charters with us. This could harm our business, results of operations and financial condition.

Our continuing compliance with the requirements of the Sarbanes-Oxley Act of 2002 will depend, in part, on our ability to integrate effectively the internal controls and procedures of GCI with our own.

In connection with the GCI Acquisition, we may assess and make any necessary adjustments to GCI's internal controls and procedures in order to maintain the overall effectiveness of our internal controls and procedures, to ensure that we continue to deliver accurate and timely financial information and to ensure ongoing compliance with Section 404 of the Sarbanes-Oxley Act of 2002. We have not yet completed our evaluation of GCI's internal controls. Our failure to accomplish this on a timely basis or at all could compromise our compliance with the Sarbanes-Oxley Act of 2002 and the timeliness and accuracy of our financial reporting, which could reduce investor confidence in our publicly reported consolidated financial statements.

We may experience disruption as a result of the recent and pending departures of a number of members of our senior management.

We have recently experienced a number of changes in our senior management.

Our former chief executive officer, Gerry Wang, retired on November 3, 2017 and formally ceased employment on December 31, 2017. Our new president and chief executive officer, Bing Chen, commenced employment in January 2018.

Our current chief financial officer, Mr. David Spivak, provided notice that he is exercising his right to terminate his employment with us effective June 29, 2018 to pursue other opportunities. Mr. Spivak will continue in his current role until May 5, 2018, after which Mr. Ryan Courson will be appointed chief financial officer. Mr. Spivak will continue with us as special advisor to the president and chief executive officer through the end of June 2018.

Our general counsel and chief operating officer, Mark Chu, provided notice he is exercise his right to terminate his employment with us effective August 31, 2018. Mr. Chu will continue in his current roles until that date.

We may experience disruption as a result of these departures.

Table of Contents

USE OF PROCEEDS

Unless we state otherwise in a prospectus supplement, we will use the net proceeds from the sale of securities we offer pursuant to this prospectus for general corporate purposes, including capital expenditures (such as vessel acquisitions), repayment of indebtedness and working capital.

We will not receive any of the proceeds from the sale of common shares by the selling security-holders under this prospectus and any related prospectus supplement. Please see [Selling Security-holders](#).

Table of Contents**CAPITALIZATION**

The following table sets forth our consolidated cash and cash equivalents and our capitalization as of March 31, 2018.

The information in this table should be read in conjunction with the financial statements and the notes thereto incorporated by reference into this prospectus.

(Dollars in thousands)	ACTUAL
Cash and cash equivalents	\$ 333,156
Long-term debt:	
Long-term debt (including current portion) ⁽¹⁾	\$ 3,695,550
Long-term obligations under capital lease (including current portion) ⁽¹⁾	675,311
Puttable preferred shares ⁽²⁾	46,820
Shareholders' equity ⁽³⁾	
Share capital	
Series D preferred shares, \$0.01 par value; 20,000,000 shares authorized; 7,017,313 shares issued and outstanding	
Series E preferred shares, \$0.01 par value; 15,000,000 shares authorized; 5,415,937 shares issued and outstanding	
Series F preferred shares, \$0.01 par value; 20,000,000 shares authorized; 5,600,000 shares issued and outstanding	
Series G preferred shares, \$0.01 par value; 15,000,000 shares authorized; 7,800,800 shares issued and outstanding	
Series H preferred shares, \$0.01 par value; 15,000,000 shares authorized; 9,025,105 shares issued and outstanding	
Class A common shares, \$0.01 par value; 200,000,000 shares authorized; 135,999,343 shares issued and outstanding	1,689
Treasury shares (Class A common shares)	(371)
Additional paid-in capital	2,852,749
Deficit	(746,759)
Accumulated other comprehensive loss	(23,388)
Total shareholders' equity	2,083,920
Total capitalization	\$ 6,501,601

- (1) Debt issuance costs related to a recognized liability, including long-term obligations under capital lease, are presented as a direct deduction from the carrying amount of the debt liability in the consolidated balance sheet. As at March 31, 2018, \$19.4 million and \$9.4 million have been deducted from the carrying amount of long-term debt and long-term obligations under capital lease, respectively.
- (2) 1,986,449 additional series D preferred shares were issued on March 13, 2018 at an agreed upon price of \$24.84 per share, totaling \$49.3 million as partial consideration for the GCI Acquisition. Such securities are being offered pursuant to this prospectus. These series D preferred shares were recorded at fair value being the closing

price as of March 13, 2018. As these series D preferred shares are subject to a put right agreement dated March 13, 2018, between the Company and each of Blue Water Commerce, LLC, Greater China Industrial Investments LLC and Tiger Management Limited, by which the initial holders can put these shares back to us for repurchase at a price of \$24.84 per share commencing 18 months after March 13, 2018 for a period of one month, these series D preferred shares were recorded as temporary equity on our financial statements in accordance with ASC 480.

- (3) Does not include our series A preferred shares, series B preferred shares, series C preferred shares, series R preferred shares, Class B common shares and Class C common shares, none of which are issued or outstanding.

Table of Contents**PRICE RANGE OF COMMON SHARES AND DIVIDENDS**

Our common shares are traded on the NYSE under the symbol SSW. The following table sets forth, for the periods indicated, the high and low sales price per common share, as reported on The New York Stock Exchange, and the amount of quarterly cash dividends declared per share. The closing sales price of our common shares on The New York Stock Exchange on May 2, 2018 was \$8.26 per share.

	Price Ranges		Quarterly Cash Dividends ⁽¹⁾
	High	Low	
Years Ended			
December 31, 2013	\$ 25.10	\$ 16.46	
December 31, 2014	24.36	16.81	
December 31, 2015	20.87	14.02	
December 31, 2016	20.00	8.08	
December 31, 2017	11.76	5.02	
Quarters Ended			
March 31, 2016	\$ 20.00	\$ 13.67	\$ 0.3750
June 30, 2016	18.36	13.53	0.3750
September 30, 2016	15.49	13.16	0.3750
December 31, 2016	13.67	8.08	0.3750
March 31, 2017	11.76	6.05	0.1250
June 30, 2017	7.50	5.02	0.1250
September 30, 2017	7.91	6.22	0.1250
December 31, 2017	7.70	5.63	0.1250
March 31, 2018	7.71	5.53	0.1250
Months Ended			
September 30, 2017	\$ 7.49	\$ 6.68	
October 31, 2017	7.70	6.72	
November 30, 2017	7.12	5.64	
December 31, 2017	7.18	5.63	
January 31, 2018			