

KELSO INVESTMENT ASSOCIATES VII LP  
 Form 4  
 November 23, 2005

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**KELSO INVESTMENT ASSOCIATES VII LP**  
 (Last) (First) (Middle)  
 (Street)  
 (City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**Eagle Bulk Shipping Inc. [EGLE]**  
 3. Date of Earliest Transaction (Month/Day/Year)  
**11/22/2005**  
 4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)  
 \_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
 \_\_\_ Officer (give title below) \_\_\_ Other (specify below)  
 6. Individual or Joint/Group Filing(Check Applicable Line)  
 \_\_\_ Form filed by One Reporting Person  
 \_\_\_X\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock, par value \$0.01  | 11/22/2005                           |  | S                              | 301,039 (1)   | \$ 14.5 (8) 10,755,864 (1) (2) (3) (4) (5) (6) (7)  | I (1) (2) (3) (4) (5) (6) (7)                            | By Eagle Ventures LLC (1) (2) (3) (4) (5) (6) (7)               |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| KELSO INVESTMENT ASSOCIATES VII LP                                      |               | X         |         |       |
| KEP VI LLC<br>320 PARK AVENUE 24TH FLOOR<br>NEW YORK, NY 10022          |               | X         |         |       |
| Kelso GP VII, L.P.<br>320 PARK AVENUE, 24TH FLOOR<br>NEW YORK, NY 10022 |               | X         |         |       |

## Signatures

|   |            |
|---|------------|
| KELSO INVESTMENT ASSOCIATES VII, L.P. By: /s/ Howard A. Matlin,<br>Attorney-In-Fact | 11/23/2005 |
| __Signature of Reporting Person   | Date       |
| KEP VI, LLC By: /s/ Howard A. Matlin, Attorney-In-Fact                              | 11/23/2005 |
| __Signature of Reporting Person   | Date       |
| KELSO GP VII, L.P. By: /s/ Howard A. Matlin, Attorney-In-Fact                       | 11/23/2005 |
| __Signature of Reporting Person   | Date       |

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Numbers are reflective of beneficial ownership of Eagle Ventures LLC common interests.
- (2)

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Kelso Investment Associates VII, L.P. (KIA VII) may be deemed to share beneficial ownership of shares of Common Stock owned of record by Eagle Ventures LLC by virtue of its status as a member of Eagle Ventures LLC. KIA VII shares investment and voting power along with the other members of Eagle Ventures LLC with respect to securities owned by Eagle Ventures LLC, but disclaims beneficial ownership of such securities except to the extent of its pecuniary interest therein, if any, and the inclusion of these securities in this report shall not be deemed to be an admission that KIA VII has beneficial ownership of such securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended (Exchange Act), or for any other purposes.

(3) KEP VI, LLC (KEP VI) may be deemed to share beneficial ownership of shares of Common Stock owned of record by Eagle Ventures LLC by virtue of its status as a member of Eagle Ventures LLC. KEP VI shares investment and voting power along with the other members of Eagle Ventures LLC with respect to securities owned by Eagle Ventures LLC, but disclaims beneficial ownership of such securities except to the extent of its pecuniary interest therein, if any, and the inclusion of these securities in this report shall not be deemed to be an admission that KEP VI has beneficial ownership of such securities for purposes of Section 16 of the Exchange Act or for any other purposes.

(4) KIA VII and KEP VI, due to their common control, could be deemed to beneficially own each of the other's securities. KIA VII and KEP VI each disclaim such beneficial ownership and the inclusion of these securities in this report shall not be deemed to be an admission of beneficial ownership of such securities for purposes of Section 16 of the Exchange Act or for any other purposes.

(5) Kelso GP VII, LLC (GP VII, LLC) is the general partner of Kelso GP VII, L.P. (GP VII, L.P.). GP VII, L.P. is the general partner of KIA VII. GP VII, LLC and GP VII, L.P. disclaim beneficial ownership of all of the securities reported herein except to the extent of its pecuniary interest therein, if any, and the inclusion of these securities in this report shall not be deemed to be an admission of beneficial ownership of such securities for purposes of Section 16 of the Exchange Act or for any other purposes.

(6) GP VII, LLC and GP VII, L.P., due to their common control, could be deemed to beneficially own each of the other's securities. GP VII, LLC and GP VII, L.P. each disclaim beneficial ownership of all of the securities beneficially owned by the other or directly by Eagle Ventures LLC and the inclusion of these securities in this report shall not be deemed to be an admission of beneficial ownership of such securities for purposes of Section 16 of the Exchange Act or for any other purposes.

(7) Messrs. Nickell, Wall, Matelich, Goldberg, Warhaftig, Bynum, Berney, Loverro and Connors may be deemed to share beneficial ownership of securities owned of record by Eagle Ventures LLC or indirectly by KIA VII and KEP VI, by virtue of their status as managing members of KEP VI and of GP VII, LLC, but disclaim beneficial ownership of such securities, and this report shall not be deemed to be an admission that any of Messrs. Nickell, Wall, Matelich, Goldberg, Warhaftig, Bynum, Berney, Loverro and Connors is the beneficial owner of these securities for purposes of Section 16 of the Exchange Act or for any other purpose.

(8) Before underwriting discounts and commissions of \$0.725.

### Remarks:

Because an electronically filed joint filing is limited to a maximum of ten reporting persons, this Form 4 is one of two filed today reporting on the same securities by the following joint filers: Kelso GP VII, LLC; Kelso Investment Associates VII, L.P.; KEP VI, LLC; Kelso GP VII, L.P.; Philip E. Berney; Frank K. Bynum, Jr.; Michael B. Goldberg; Frank J. Loverro; George E. Matelich; Frank T. Nickell; David I. Wahrhaftig; Thomas R. Wall, IV; and James J. Connors, II.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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