

Diana Containerships Inc.
Form SC 13D/A
July 31, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13D/A
Under The Securities Exchange Act of 1934
(Amendment No. 5)*

Diana Containerships Inc.
(Name of Issuer)

Common stock, par value \$0.01 per share (including related preferred stock purchase rights)
(Title of Class of Securities)

Y2069P309
(CUSIP Number)

Attn: Ioannis Zafirakis
Pendelis 16, 175 64 Palaio Faliro
Athens, Greece
011 30 210 947 0000
(Name, Address and Telephone Number of Person Authorized to Receive
Notices and Communications)

July 7, 2017
(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of ss.240.13D-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box ☐.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

*The
remainder
of this cover
page shall
be filled out
for a
reporting
person's
initial filing
on this form
with respect
to the
subject class

of
securities,
and for any
subsequent
amendment
containing
information
which
would alter
disclosures
provided in
a prior
cover page.

The
information
required on
the
remainder
of this cover
page shall
not be
deemed to
be "filed"
for the
purpose of
Section 18
of the
Securities
Exchange
Act of 1934
("Act") or
otherwise
subject to
the
liabilities of
that section
of the Act
but shall be
subject to
all other
provisions
of the Act
(however,
see the
Notes).

CUSIP No. Y2069P309

1. NAME OF REPORTING PERSONS
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Diana Shipping Inc.

CHECK THE
APPROPRIATE

2. BOX IF A
MEMBER OF A
GROUP

- (a) ☐
(b) ☒

3. SEC USE ONLY

4. SOURCE OF FUNDS

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d)
OR 2(e) ☐

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Republic of the Marshall Islands

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

7. SOLE VOTING POWER

22,792 (1)(2)

8. SHARED VOTING POWER

-0-

SOLE

9. DISPOSITIVE
POWER

22,792 (1)(2)

10. SHARES DISPOSITIVE POWER []

-0-

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING
PERSON

22,792 (1)(2)

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES []
CERTAIN SHARES*

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.8%

14. TYPE OF REPORTING PERSON

CO

(1) Represents 22,792 Common Shares (defined below) currently held by the Reporting Person (defined below).

(2) On May 30, 2017, the Issuer (defined below) issued 100 shares of Series C Preferred Stock to the Reporting Person. The Series C Preferred Stock is entitled to vote with the Common Shares of the Issuer, and each share of the Series C Preferred Stock entitles the holder thereof to up to 250,000 votes, subject to a cap such that the aggregate voting power of any holder of Series C Preferred Stock together with its affiliates does not exceed 49.0%. See Item 6.

Explanatory Note

The purpose of this Amendment No. 5 to the Schedule 13D originally filed with the U.S. Securities and Exchange Commission (the "Commission") on June 27, 2011, as subsequently amended, is to report a decrease in the percentage of Common Shares (defined below) of the Issuer (defined below) beneficially owned by the Reporting Person (defined below), due to the change in the number of Common Shares outstanding as a result of the issuance and sale of Common Shares by the Issuer. In addition, share numbers reported in this Amendment No. 5 reflect the one-for-seven reverse stock split effected by the Issuer on July 5, 2017 and the one-for-six reverse stock split effected by the Issuer on July 27, 2017, unless otherwise indicated.

Item 1. Security and Issuer.

This Amendment No. 5 to Schedule 13D relates to shares of common stock, par value \$0.01 per share (including related preferred stock purchase rights) (the "Common Shares") of Diana Containerships Inc., a Marshall Islands corporation (the "Issuer"). The principal executive office and mailing address of the Issuer is Pendelis 18, 175 64 Palaio Faliro, Athens, Greece.

Item 2. Identity and Background.

This Amendment No. 5 to the Schedule 13D is being filed on behalf of Diana Shipping Inc. (the "Reporting Person").

The name, citizenship, residence or business address, present principal occupation and the name, principal business and address of any corporation or other organization in which such employment is conducted of each executive officer and director of the Reporting Person is set forth below. Unless otherwise indicated, the present principal occupation of each person is with the Reporting Person. If no business address is given, the director's or executive officer's business address is Pendelis 16, 175 64 Palaio Faliro, Athens, Greece.

Simeon Palios	Director, Chief Executive Officer and Chairman	Mr. Palios is also the Chairman, Chief Executive Officer and a Director of the Issuer. Mr. Palios is a citizen of Greece.
Anastasios Margaronis	Director and President	Mr. Margaronis is also the President and a Director of the Issuer. Mr. Margaronis is a Greek citizen.
Ioannis Zafirakis	Director, Chief Operating Officer and Secretary	Mr. Zafirakis is also the Director, Chief Operating Officer and Secretary of the Issuer. Mr. Zafirakis is a citizen of Greece.
Andreas Michalopoulos	Chief Financial Officer and Treasurer	Mr. Michalopoulos is also the Chief Financial Officer and Treasurer of the Issuer. He is a citizen of Greece.
Maria Dede	Chief Accounting Officer	Ms. Dede is a citizen of Greece.
William Lawes	Director	Mr. Lawes is a citizen of the United Kingdom.
Konstantinos Psaltis	Director	Mr. Psaltis is a citizen of Greece.
Kyriacos Riris	Director	Mr. Riris is a citizen of Cyprus.
Apostolos	Director	Mr. Kontoyannis is a citizen of Greece.

Kontoyannis

Semiramis Paliou Director

Ms. Paliou is Managing Director and Head of the Technical, Operations, Crew and Supply department of Unitized Ocean Transport Limited. She is a citizen of Greece.

Konstantinos
Fotiadis Director

Mr. Fotiadis is a citizen of Greece.

To the best of the Reporting Person's knowledge, none of the persons listed in Item 2 have, during the last five years, (i) been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violations with respect to such laws.

Other than as described above, there are no material changes to Item 2 from the Schedule 13D/A filed with the Commission on April 20, 2017.

Item 3. Source and Amount of Funds or Other Consideration.

There are no material changes to Item 3 from the Schedule 13D/A filed with the Commission on April 20, 2017.

Item 4. Purpose of Transaction.

There are no material changes to Item 4 from the Schedule 13D/A filed with the Commission on April 20, 2017.

Item 5. Interest in Securities of the Issuer.

(a. and b.) According to information provided by the Issuer, as of July 28, 2017 the Issuer had 2,861,985 Common Shares outstanding. Based on the foregoing, the following persons report beneficial ownership of the following Common Shares:

The Reporting Person may be deemed to beneficially own 22,792 Common Shares, representing approximately 0.8% of the outstanding Common Shares. The Reporting Person has the sole power to vote 22,792 Common Shares and the shared power to vote 0 Common Shares. The Reporting Person has the sole power to dispose of 22,792 Common Shares and the shared power to dispose of 0 Common Shares. The Reporting Person also beneficially owns 100 shares of Series C Preferred Stock of the Issuer. The Series C Preferred Stock is entitled to vote with the Common Shares of the Issuer, and each share of the Series C Preferred Stock entitles the holder thereof to up to 250,000 votes, subject to a cap such that the aggregate voting power of any holder of Series C Preferred Stock together with its affiliates does not exceed 49.0%. See Item 6.

None of the other persons named in response to Item 2 have the sole power to vote or to direct the vote, the shared power to vote or direct the vote, the sole power to dispose or to direct the disposition of the Common Shares that are the subject of this Schedule 13D.

(c.) The following transactions in the Common Shares were effected by the person named in response to paragraph (a) above during the past 60 days.

Trade Date	Shares Sold (1)(2)	Avg. Price per Share	Total Shares Sale Amount	Commissions & Stamp Duties	Total Transaction Amount
7-Jul-2017	47,549	\$0.86300	\$41,034.79	-\$328.25	\$40,706.54
10-Jul-2017	50,530	\$0.75891	\$38,347.64	-\$250.18	\$38,097.46
11-Jul-2017	25,762	\$0.65324	\$16,828.71	-\$109.79	\$16,718.92
12-Jul-2017	44,454	\$0.59636	\$26,510.42	-\$172.90	\$26,337.52
13-Jul-2017	18,203	\$0.51397	\$9,355.75	-\$61.02	\$9,294.73
14-Jul-2017	20,850	\$0.50605	\$10,551.09	-\$68.82	\$10,482.27
Total	207,348	\$0.6879	\$142,628.39	-\$990.96	\$141,637.43

(1) Share numbers presented in the above table do not reflect the one-for-six reverse stock split effected by the Issuer on July 27, 2017.

(2) Shares were sold in open market transactions.

(d.) No other person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, any of the Common Shares beneficially owned by the Reporting Person.

(e.) The Reporting Person ceased to be the beneficial owner of more than five percent of the Common Shares on July 14, 2017.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

On May 30, 2017, the Issuer issued 100 shares of its newly-designated Series C Preferred Stock, par value \$0.01 per share, to the Reporting Person in exchange for a reduction of \$3.0 million in the principal amount of the Issuer's outstanding loan with the Reporting Person. The Series C Preferred Stock has no dividend or liquidation rights. The Series C Preferred Stock is entitled to vote with the Common Shares of the Issuer, and each share of the Series C Preferred Stock entitles the holder thereof to up to 250,000 votes, subject to a cap such that the aggregate voting power of any holder of Series C Preferred Stock together with its affiliates does not exceed 49.0%, on all matters submitted to a vote of the stockholders of the Issuer. The issuance of shares of Series C Preferred Stock to the Reporting Person was approved by an independent committee of the Board of Directors of the Issuer, which received a fairness opinion from independent third parties that the transaction was fair from a financial point of view to the Issuer, and the acquisition of shares of Series C Preferred Stock was approved by an independent committee of the Board of Directors of the Reporting Person.

Except as described above, there are no material changes to Item 6 from the Schedule 13D/A filed with the Commission on April 20, 2017.

Item 7. Material to be Filed as Exhibits.

Exhibit A Statement of Designation of Rights, Preferences and Privileges of the Series C Preferred Stock (incorporated herein by reference to Exhibit 3.1 to the Issuer's Report on Form 6-K, filed with the Commission on June 6, 2017).

SIGNATURE

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated: July 31, 2017

DIANA SHIPPING INC.

By: /s/ Simeon Palios

Name: Simeon Palios

Title: Chief Executive Officer