Form **8937** (December 2011)

(December 2011)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

➤ See separate instructions.

OMB No. 1545-2224

Part I Reporting Issuer			,		
1 Issuer's name		2 Issuer's employer identification number (EIN)			
Overseas Shipholding Group, Inc. 8	& Subs	13-2637623			
Name of contact for additional information			5 Email address of contact		
			·		
Tax Manager		Form8937@osg.com			
6 Number and street (or P.O. box if	mail is not delivered to	7 City, town, or post office, state, and Zip code of contact			
4004 8 64 4 1 10					
1301 Avenue of the Americas, 42nd 8 Date of action		New York, NY 10019			
5 Date of action	9 Glass	sification and description			
December 30, 2015	Rond te	nder and consent navment f	for 7.5% Senior Notes II due 2021		
	ial number(s)	12 Ticker symbol	13 Account number(s)		
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69036RAB9					
			e back of form for additional questions.		
	ion and, if applicable, the	e date of the action or the date	e against which shareholders' ownership is measured for		
the action See attached			U-14-11-11-11-11-11-11-11-11-11-11-11-11-		
					
15 Describe the quantitative effect	of the organizational ac	tion on the basis of the securi	ty in the hands of a U.S. taxpayer as an adjustment per		
share or as a percentage of old					
•					
16 Describe the calculation of the	ohanao in honio and tho	data that aupports the colouls	ation, such as the market values of securities and the		
valuation dates ► See attached		data trat supports trie calcula	ation, such as the market values of securities and the		
See attached					

fee concerne	~		. 12-2011)			Page 2
Par	t II		Organizational Action (continued)			
17	List		applicable Internal Revenue Code section(s) and subsection(s) upon which the tax tre	eatment is based ▶	See attached	
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18	Can	any	resulting loss be recognized? ► See attached			<u>.</u>
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			1.10-10-10-1			
19	Dro	uido e	any other information necessary to implement the adjustment, such as the reportable	n tau yaan 🕨 tii/A		
15	FIO	viu e a	any other intormation necessary to implement the adjustment, such as the reportable	e tax year ► <u>IV/A</u>		
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-	Ti	Inder	r penalties of perjury, I declare that I have examined this return, including accompanying schedu	ulae and etatamente s	and to the hest of my	knowledge and
		belief,	, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all inform	nation of which prepar	er has any knowledge).
Sign	า		P/A	/ /	/	
Her	e s	Signat	ature > 15 fW	Date > ///3//	6	
	<u> </u> -	Print y	your name ► Rick Oricchio	Title ► SVP & CFC)	
Pai	d	Ī	Print/Type preparer's name Preparer's six sture		Check if PTIN	
Pre		er	P. O'Grady			200752199
Use			Firm's name ➤ Deloitte Tax LLP			6-1065772
			Firm's address ➤ 695 East Main Street, Stamford, €1, 06902			708 - 4536
Seno	ı Fori	m 89(337 (including accompanying statements) to: Department of the Treasury, Internal Rev	venue Service, Ogde	en, UT 84201-0054	,

7.5% Notes II Bond Tender and Consent Payment

14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

On December 2, 2015, Overseas Shipholding Group, Inc. (the "Company") offered (the "Tender Offer") to purchase for cash any and all of its outstanding 7.5% Senior Notes II due 2021 (the "Notes") from the holders of such Notes (the "Holders"). The Company also solicited (the "Consent Solicitation") consents ("Consents") from the Holders of the Notes to a proposed amendment with respect to the Notes. Holders were given the option to participate in both the Tender Offer and Consent Solicitation or solely the Consent Solicitation. Holders who validly tendered his or her Notes received the total compensation amount, which was the sum of (i) the Tender Offer consideration, (ii) an early tender payment of \$30.00 per \$1,000 principal amount of Notes that are accepted for purchase and (iii) a consent payment of \$30.00 per \$1,000 principal amount of Notes with respect to which Consents are accepted for payment (the "Consent Payment").

15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

The Company intends to treat the receipt of the Consent Payment as resulting in a deemed exchange of the original debt instrument for a new debt instrument. The deemed exchange qualified as a tax-free recapitalization for U.S. federal income tax purposes. The deemed exchange did not result in the recognition of gain or loss, except that gain may be recognized up to the amount of the Consent Payment. A U.S. Holder's tax basis in the new debt instrument will be the same as the U.S. Holder's tax basis in the old debt instruments, decreased by the amount of the Consent Payment received and increased by the amount of gain recognized by the U.S. Holder in respect of the deemed exchange.

16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.

A U.S. Holder's tax basis in the new debt instruments will be the same as the U.S. Holder's tax basis in the old debt instruments, decreased by the amount of the Consent Payment received and increased by the amount of gain recognized by the U.S. Holder in respect of the deemed exchange.

The new debt instrument may be treated as issued with Original Issue Discount ("OID") if the "stated redemption price at maturity ("SRPM") of the debt instrument is more than the issue price of the new debt instrument, The SPRM of the new debt instrument will equal their stated principal amount. The issue price of the new debt instrument will be its fair market value on the date of the deemed exchange. Based upon trades of the debt instrument on an established market, the Company does not believe that the new debt instruments will be treated as having been issued with OID.

Each Holder should consult with his or her tax advisor with respect to the basis in this transaction based on his or her specific facts.

17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

Section 1001.1(g) Section 368 Section 356

18. Can any resulting loss be recognized?

The deemed exchange will not result in the recognition of gain or loss, except that gain may be recognized up to the amount of the Consent Payment.

19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.

See "OVERSEAS SHIPHOLDING GROUP, INC. Offer to Purchase Any and All of its Outstanding 7.50% Senior Notes II due 2021 (the "Notes") (CUSIP: 69036RAB9; ISIN: US69036RAB96) and Solicitation of Consents to Proposed Amendments to the Indenture Governing the Notes" provided to Holders of the Notes for additional information.