

## OVERSEAS SHIPHOLDING GROUP, INC.

### CITIZENSHIP POLICIES

1. Pursuant to Section C of Article FOURTH of the Amended and Restated Certificate of Incorporation of Overseas Shipholding Group, Inc. (the "Corporation" and such certificate, the "Certificate of Incorporation"), the Board of Directors has duly adopted the following Citizenship Policies to remain in effect until such times as they are amended, restated or supplemented as authorized by the Certificate of Incorporation. Capitalized terms used herein without definition are used as they are defined in the Certificate of Incorporation.

2. *Minimum U.S. Citizen Ownership of Capital Stock.*

The outstanding shares of each class of the Capital Stock of the Corporation shall at all times be owned by citizens of the United States to such extent as will, in the judgment of the Board of Directors, reasonably assure the preservation of the Corporation's status as a United States citizen within the meaning of the Citizenship Rules, or any successor rules or statutes applicable to the business being conducted by the Corporation. The Board of Directors may restrict any original issuance of shares of the Corporation to citizens of the United States as defined in the Certificate of Incorporation ("U.S. Citizens"), and, in any event, shall from time to time establish, as a condition to the issuance or transfer of shares of the Corporation to non-U.S. Citizens, the minimum percentage of the total outstanding shares of each class of the Capital Stock of the Corporation which shall be owned by U.S. Citizens (the "Minimum U.S. Ownership"), which minimum percentage may, in the discretion of the Board of Directors, exceed the minimum percentage required by law. The Board of Directors hereby ratifies and confirms its prior resolution that 77% is and shall be the percentage of Minimum U.S. Ownership that shall apply to each class of the Capital Stock of the Corporation until further action by the Board of Directors. Nothing herein shall be deemed to preclude ownership by U.S. Citizens of shares of the Corporation in excess of the Minimum U.S. Ownership.

3. *Dual Stock Certificates and Other Monitoring Systems*

- Certificates evidencing shares of the same class of Capital Stock shall be issued in separate series, denominated respectively "Domestic Share Certificates" and "Foreign Share Certificates." Domestic Share Certificates shall be issued in respect of shares whose owner of record and Beneficial Owner is a U.S. Citizen; Foreign Share Certificates shall be issued in respect of shares whose owner of record or Beneficial Owner is a non-U.S. Citizen. Holders of Domestic Shares Certificates and of Foreign Share Certificates shall have in all respects the same corporate status and corporate rights, share for share, except that transfers of Domestic Share Certificates to non-U.S. Citizens shall be restricted as herein provided.
- If any shares evidenced by Domestic Share Certificates or by Foreign Share Certificates shall be transferred to U.S. Citizens, the share certificates issued to the transferee in respect of the shares transferred shall be Domestic Share Certificates. Any purported transfer to non-U.S. Citizens of shares evidenced by Domestic Share Certificates which, at the time of presentation to the transfer agent of the Corporation, would result in reducing the ownership of shares by U.S. Citizens below the Minimum U.S. Ownership shall not be recorded on the books of the Corporation and shall be ineffective to transfer the shares or any voting or other rights in respect thereof, and the Corporation may regard the Certificate, whether or not validly issued, as having been invalidly issued. The chief executive officer may establish reasonable procedures with respect to the order in which and terms upon which such transfers may be given effect when the transfer to non-U.S. Citizens of shares evidenced by Domestic Share Certificates will not result in reducing the ownership of shares by U.S. Citizens below the Minimum U.S. Ownership. In the case of any permitted transfer to non-U.S. Citizens of shares evidenced by Domestic Shares Certificates, and in the case of any transfer to non-U.S. Citizens of shares evidenced by Foreign Share Certificates, the share certificates issued to the transferee in respect of the shares transferred shall be Foreign Share Certificates.
- An application to transfer shares may be set forth on the back of each Domestic Share Certificate or Foreign Share Certificate, in which a Person seeking to take title to the shares represented by

such certificate shall apply to the Corporation to transfer the number of shares indicated therein and shall certify as to its citizenship and the citizenship of any Beneficial Owner for whom or for whose account such Person will hold such shares.

- The stock transfer records of the Corporation shall be maintained in such manner as to enable the shares of each class or series of the Capital Stock that are represented by Domestic Share Certificates and Foreign Share Certificates to be readily determined.
- For so long as any class or series of Capital Stock is represented by a global certificate registered in the name of the Depository Trust Company ("DTC") or its nominee, the Corporation shall take such steps as are necessary or advisable so that the shares represented by such global certificate and Beneficially Owned by Non-U.S. Citizens are placed in DTC's SEG-100 account and shall monitor the shares in such account. The provisions of Sections C and D of Article FOURTH of the Certificate of Incorporation and these Citizenship Policies shall apply to any such shares in the SEG-100 account that are or become Non-Complying Shares.
- The chief executive officer of the Corporation shall implement a compliance program aimed at preserving the status of the Corporation as a U.S. Citizen in accordance with applicable legal and regulatory requirements, so as to enable the Corporation to monitor and report any changes in the information relevant to such citizenship as required by such law or regulations. As part of the compliance program, the chief executive officer of the Corporation shall advise the Board of Directors of any changes in these Citizenship Policies that may be necessary or desirable in order to maintain the status of the Corporation as a U.S. Citizen or in order to improve the Corporation's compliance program.

4. *Certifications.*

- The Corporation may require any Person that receives a transfer of shares of Capital Stock to provide the Corporation with sufficient information, in accordance with the Certificate of Incorporation and these Board Policies, to enable the Corporation to establish to its reasonable satisfaction whether such Person is or is not a U.S. Citizen.
- Promptly upon becoming aware of any Person becoming a Beneficial Owner of 5% or more of the then outstanding shares of Capital Stock, whether through the filing of a report with the Securities Exchange Commission under Regulation 13D-G of the Securities Exchange Act of 1934, as amended, or otherwise, and prior to February 15, May 15, August 15 and November 15 of each year thereafter, the Corporation shall provide to each such Beneficial Owner a form of affidavit of U.S. citizenship, requesting the name and address of such Beneficial Owner, the number of shares of Capital Stock Beneficially Owned by such Beneficial Owner as of the date of the affidavit, the legal structure of such Beneficial Owner, and a statement as to whether such Beneficial Owner is a U.S. Citizen. Each such Beneficial Owner must return to the Corporation such duly executed affidavit following its receipt promptly, but, with respect to quarterly affidavits, in no event later than each March 1, June 1, September 1 and December 1 of each year for so long as such Beneficial Owner holds 5% or more of the outstanding shares of Capital Stock.
- The Corporation shall request from each Beneficial Owner of Capital Stock (or from such Beneficial Owner's broker, dealer, custodian, depository, nominee or similar agent) such Beneficial Owner's physical address or confirmation thereof not less than annually. Each Beneficial Owner of Capital Stock must provide, or authorize such Beneficial Owner's broker, dealer, custodian, depository, nominee or similar agent to provide, such information to the Corporation promptly.
- Each Person who is or becomes the Chief Executive Officer or the Chairman of the Board of the Corporation must certify to the Corporation, as a condition to taking such office, that such Person is a U.S. Citizen. Any Chief Executive Officer or Chairman of the Board of the Corporation who

ceases to be a U.S. Citizen shall be deemed to have resigned immediately before he or she ceased to be a U.S. Citizen.

- Each director of the Corporation must certify to the Corporation, as a condition to being accepted as nominee to the Board of Directors and submitted to the shareholders of the Corporation for approval, whether such Person is a U.S. Citizen and thereafter promptly report to the Corporation any change in such director's citizenship. If any change in the citizenship of any director shall cause the Corporation to have less than the number of U.S. citizen directors required by the Citizenship Rules, such director shall be deemed to have resigned immediately before he or she ceased to be a U.S. Citizen.

5. *Remedies.*

- The Corporation shall take such steps as the chief executive officer deems necessary in his sole discretion for the Corporation to satisfy the requirements set forth in the Citizenship Rules, in Sections C and D of Article FOURTH of the Certificate of Incorporation, and in these Citizenship Policies.
- In the event the Corporation exercises its right to redeem, in accordance with the Certificate of Incorporation, such Non-Complying Shares as any executive officer of the Corporation deems necessary or desirable, in his or her sole discretion, in order for the Corporation to maintain compliance with the Citizenship Rules, such redemption shall be on a "last in, first out" basis and otherwise in accordance with the terms of the Certificate of Incorporation (including following notice periods provided therein) and applicable law.

6. *Presumptions.*

- Any Person who is or purports to be the Beneficial Owner of shares of Capital Stock and who does not comply with the Citizenship Rules, with the provisions relating thereto set forth in the Certificate of Incorporation, or with the Citizenship Policies set forth herein, shall be deemed to be a Prohibited Owner and all of the shares Beneficially Owned by such Person shall be deemed to be Non-Complying Shares for purposes of the calculations required by the Citizenship Rules, by the Certificate of Incorporation, or by these Citizenship Policies.
- For purposes of determining percentages of ownership of Capital Stock, the Corporation may use the number of outstanding shares of Capital Stock included on the Corporation's quarterly or annual report most recently filed with the Securities Exchange Commission on Form 10-Q or 10-K or such other number that the Corporation deems to be more recent.
- Absent actual knowledge to the contrary in the possession of any executive officer of the Corporation, the Corporation may presume that DTC's direct and indirect participants comply with DTC's rules and procedures with respect to Capital Stock and the SEG-100 account.