



Overseas Shipholding Group, Inc.

## Instructions to Exercise Class A Warrants

*The following is an executive summary of the process to exercise Class A Warrants. You should refer to the full text of the Warrant Agreement, dated as of August 5, 2014, between OSG and Computershare, Inc. and Computershare Trust Company, N.A., filed with the SEC on August 8, 2014 as an exhibit to OSG's Current Report on Form 8-K.*

### About the Warrants

The exercise price of the Class A Warrants is \$0.01 per share of Class A Common Stock. Each Class A Warrant is exercisable for 0.190 shares of Class A Common Stock (subject to certain adjustments). All or a portion of the Class A Warrants may be exercised in whole or in part at any time or from time to time on or before 5:00 p.m., New York City time, on August 5, 2039, subject to certain citizenship rules and limitations and to OSG's consent, as further described below.

Please note that, effective May 27, 2016, all Class B Warrants were automatically converted to Class A Warrants.

### Exercise Process

The Class A Warrants are exercisable, at the option of each holder, by delivering a duly completed and executed exercise notice. You should note that, as an owner of a beneficial interest in a global warrant, you are not entitled to receive physical delivery of warrants in certificated form and are not considered a holder of warrants for any purpose. Accordingly, you must rely on the procedures of DTC and the DTC participant (i.e., your bank or broker) through which you own your interest to exercise any rights of a holder under the global warrant, including exercising the warrant.

The Class A Warrants are exercisable only through a cashless exercise procedure whereby OSG withholds, from the number of shares of Class A Common Stock that would otherwise be delivered to the warrant holder upon exercise of the warrant, the number of shares of Class A Common Stock equal in value to the aggregate exercise price as to all shares required to be delivered pursuant to such exercise, based on the Market Price (as defined in the Warrant Agreement) of the Class A Common Stock on the trading day on which the Class A Warrant is exercised and the notice of exercise is delivered.

Upon exercise of the Class A Warrants, the shares of Class A Common Stock issuable upon exercise will be issued in such name or names as the exercising warrant holder designates and be delivered by the transfer agent to the warrant holder or its nominee or nominees via book entry transfer crediting the account of such warrant holder (or the relevant participants of DTC for the benefit of such warrant holder or its nominee) through DTC's DWAC system.



Overseas Shipholding Group, Inc.

## **Restrictive Legends**

If your Class A Warrants carry a restrictive legend, that legend can be removed so that upon exercise of your Class A Warrants you will receive unrestricted shares of Class A Common Stock. The process to remove these legends will differ depending on whether or not you are an affiliate of OSG. An “affiliate” is a person that has a relationship of control with OSG (which may include having control over or being under common control with OSG), such as an executive officer, a director or large stockholder. Please refer to the document entitled “Process to Remove Legends from Restricted Shares of Class A Common Stock and Restricted Class A Warrants” under the Investor Relations tab of OSG’s website for further information.

## **Compliance with Citizenship Rules and Limitations on Exercise, Sale, Transfer or Other Disposition**

To facilitate OSG’s compliance with the requirements of the Jones Act, in connection with any exercise of a Class A Warrant, a warrant holder or the person that the warrant holder has designated to receive the shares of Class A Common Stock issuable upon the exercise of the Class A Warrant, must advise OSG whether or not it satisfies the requirements to be a U.S. Citizen (as defined by the Jones Act). A warrant holder who cannot establish to OSG’s reasonable satisfaction that it or the person that the warrant holder has designated to receive the shares of Class A Common Stock upon the exercise of the Class A Warrant is a U.S. Citizen may not exercise any Class A Warrant to the extent the shares of the Class A Common Stock deliverable upon exercise would constitute Non-Complying Shares (as defined in OSG’s Amended and Restated Certificate of Incorporation) if they were issued. In addition, any sale, transfer or other disposition of a Class A Warrant by a warrant holder that does not satisfy the definition of U.S. Citizen to a person who is a U.S. Citizen must be a complete transfer to such person of such warrant holder’s interests in the Class A Warrant and the Class A Common Stock issuable upon exercise thereof with no ability to direct or control such person. Please refer to the document entitled “Citizenship Policies” on the Corporate Governance section of OSG’s website for further information.