

Overseas Shipholding Group, Inc.

OSG International, Inc.

OIN Delaware LLC

**Statement Required by Treas. Reg. §1.1273-2(f)(9) as to
Determination of Issue Price for Federal Income Tax Purposes**

On September 20, 2016, Overseas Shipholding Group, Inc., OSG International, Inc., and OIN Delaware LLC, together with the other Loan Parties entered into the Third Amendment to Credit Agreement which amended the Credit Agreement dated as of August 5, 2014 (and as previously amended) in the original principal amount of \$628,375,000 (“Old International Loan”) for which a fee was paid to the lenders.

For federal income tax purposes, the amendment resulted in a “significant modification” under Treas. Reg. §1.1001-3 and thus a deemed issuance of a new debt instrument (“New International Loan”) in exchange for the Old International Loan.

Treas. Reg. §1.1273-2(f)(9) requires this statement to be provided to the holders of the New International Loan as to the determination of the issue price for federal income tax purposes.

The Markit loan pricing service reported quotes for the New International Loan for each business day in the period ending 15-calendar days after the amendment date. As such, the New International Loan was “publicly traded” for purposes of determining the issue price under the rules in Treas. Reg. §1.1273-2(f).

For September 20, 2016 the Markit loan pricing service reported a bid/offer quote of 100.000 / 101.000 for the New Loan. Based on mid-point of these quotes, the Company has determined the issue price of the New International Loan to be \$100.50 per \$100.00 principal amount.