

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

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<i>In re</i>	:	Chapter 11
Overseas Shipholding Group, Inc., <i>et al.</i> , <sup>1</sup>	:	Case No. 12-20000 (PJW)
Debtors.	:	Jointly Administered
	:	<b>Re: D.I. 2593, 3107</b>

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**CERTIFICATION OF COUNSEL REGARDING PROPOSED ORDER APPROVING  
STIPULATION RESOLVING ANTICIPATED  
OBJECTIONS TO THE DEBTORS’ PROPOSED PLAN OF REORGANIZATION**

I, William M. Alleman, Jr., counsel to the above-captioned debtors and debtors in possession (the “Debtors”), hereby certify as follows regarding the proposed *Order Approving Stipulation Resolving Anticipated Objections to the Debtors’ Proposed Plan of Reorganization* (the “Proposed Order”), attached hereto as **Exhibit 1**.

1. On February 5, 2013, the Bankruptcy Court entered the *Final Order Pursuant to Debtors’ Motion for Interim and Final Orders Under 11 U.S.C. §§ 105, 361, 363 and Fed. R. Bankr. P. 4001 (I) Authorizing Debtors to Use Cash Collateral, and (II) Granting Adequate Protection* (D.I. 459) (the “CEXIM Adequate Protection Order”), providing for post-petition adequate protection payments to CEXIM equal to payments of interest at the non-default contractual rate of interest set forth in the CEXIM Facility and certain expense reimbursements.

2. The Debtors have been making adequate protection payments pursuant to the CEXIM Adequate Protection Order.

3. On April 10, 2013, the Bankruptcy Court entered an order (D.I. 1146) establishing the bar date of May 31, 2013, for filing proofs of claim in the Debtors’ cases.

4. On May 23, 2013, CEXIM filed seven Proofs of Claim against Overseas Shipholding Group, Inc. (“OSG”), OSG International, Inc. (“OIN”), and five Debtor subsidiaries,<sup>1</sup> asserting joint and several Claims (the “CEXIM Claims”) for at least \$311,751,114.08 in principal, plus interest and additional fees, costs and expenses under the various loan and security and related documents and instruments giving rise to the CEXIM Claims (the “CEXIM Loan Documents”).

5. On March 7, 2014, the Debtors filed the Joint Plan of Reorganization of OSG, filed March 7, 2014 (D.I. 2593) (the “First Proposed Plan”), which provided, among other things, that CEXIM would receive, (i) for its Allowed Class B2 Secured Vessel Claims, (x) cash equal to the allowed amount of such Claims, (y) such other less favorable treatment as shall have been agreed upon in writing; or (z) such other treatment so as to render the Allowed Class B2 Claims Unimpaired pursuant to section 1124 of the Bankruptcy Code, and (ii) for its Allowed Class D5 unsecured Claims, (x) cash equal to the allowed amount of such Claims, (y) such other less favorable treatment as shall have been agreed upon in writing; or (z) such other treatment so as to render the Allowed Class D5 Claims Unimpaired pursuant to section 1124 of the Bankruptcy Code.

6. Subsequently, CEXIM sent the Debtors notices of objections it intended to file (the “Anticipated Objections”) against the First Proposed Plan on the grounds that the First Proposed Plan did not propose to pay default interest, breakage costs, prepayment losses, and other fees and expenses provided for in the CEXIM Loan Agreement, did not allow the CEXIM Claims, and bifurcated the CEXIM Claims into secured and unsecured claims.

7. On May 2, 2014, the Debtors filed the First Amended Joint Plan of Reorganization of OSG (D.I. 3107) (as may be amended, revised, or supplemented, the “First

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<sup>1</sup> The CEXIM Claims are 435, 436, 437, 438, 439, 440 and 441.

Amended Plan”), which provided, among other things, that CEXIM would receive, (i) for its Allowed Class B2 Secured Vessel Claims, cash equal to the allowed amount of such Claims, and (ii) for its Allowed Class D5 unsecured Claims, (x) cash equal to the allowed amount of such Claims, with post-petition interest, (y) such other less favorable treatment as shall have been agreed upon in writing; or (z) such other treatment so as to render the Allowed Class D5 Claims Unimpaired pursuant to section 1124 of the Bankruptcy Code.

8. CEXIM has indicated to the Debtors that the First Amended Plan does not resolve all of its Anticipated Objections.

9. CEXIM and the Debtors have engaged in arms'-length negotiations and, in order to avoid the costs and risks inherent in litigating the Anticipated Objections, CEXIM and the Debtors have agreed to the *Stipulation Resolving Anticipated Objections to the Debtors' Proposed Plan of Reorganization* (the "Stipulation")<sup>2</sup> to resolve the Anticipated Objections and to amend the Plan to allow the CEXIM Claims for all purposes in accordance with the Plan.

10. The Proposed Order attached hereto as **Exhibit 1** approves the Stipulation.

11. Counsel for CEXIM has reviewed the Proposed Order and consents to its entry.

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<sup>2</sup> Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Stipulation.

WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Order at its earliest convenience and grant such other relief as may be just and proper.

Dated: May 21, 2014  
Wilmington, Delaware

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

*/s/ William M. Alleman, Jr.*

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*Counsel for the Debtors  
and Debtors in Possession*

**EXHIBIT 1**

[Proposed Order]

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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<i>In re</i>	:	Chapter 11
Overseas Shipholding Group, Inc., <i>et al.</i> , <sup>1</sup>	:	Case No. 12-20000 (PJW)
	:	Jointly Administered
Debtors.	:	<b>Re: D.I. 2593, 3107</b>
	:	
	:	

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**ORDER APPROVING STIPULATION RESOLVING ANTICIPATED  
OBJECTIONS TO THE DEBTORS' PROPOSED PLAN OF REORGANIZATION**

Upon the *Certification of Counsel Regarding Proposed Order Approving Stipulation*

*Resolving Anticipated Objections To The Debtors' Proposed Plan Of Reorganization*, filed by

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<sup>1</sup> The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's tax identification number, are: Overseas Shipholding Group, Inc. (7623); OSG International, Inc. (7117); OSG Bulk Ships, Inc. (2600); 1372 Tanker Corporation (4526); Africa Tanker Corporation (9119); Alcesmar Limited (5306); Alcmar Limited (5307); Alpha Suezmax Corporation (1684); Alpha Tanker Corporation (6063); Amalia Product Corporation (3808); Ambermar Product Carrier Corporation (8898); Ambermar Tanker Corporation (7100); Andromar Limited (5312); Antigmar Limited (5303); Aqua Tanker Corporation (7408); Aquarius Tanker Corporation (9161); Ariadmar Limited (5301); Aspro Tanker Corporation (4152); Atalmar Limited (5314); Athens Product Tanker Corporation (9565); Atlas Chartering Corporation (8720); Aurora Shipping Corporation (5649); Avila Tanker Corporation (4155); Batangas Tanker Corporation (8208); Beta Aframax Corporation (9893); Brooklyn Product Tanker Corporation (2097); Cabo Hellas Limited (5299); Cabo Sounion Limited (5296); Caribbean Tanker Corporation (6614); Carina Tanker Corporation (9568); Carl Product Corporation (3807); Concept Tanker Corporation (9150); Crown Tanker Corporation (6059); Delphina Tanker Corporation (3859); Delta Aframax Corporation (9892); DHT Ania Aframax Corp. (9134); DHT Ann VLCC Corp. (9120); DHT Cathy Aframax Corp. (9142); DHT Chris VLCC Corp. (9122); DHT Rebecca Aframax Corp. (9143); DHT Regal Unity VLCC Corp. (9127); DHT Sophie Aframax Corp. (9138); Dignity Chartering Corporation (6961); Edindun Shipping Corporation (6412); Eighth Aframax Tanker Corporation (8100); Epsilon Aframax Corporation (9895); First Chemical Carrier Corporation (2955); First LPG Tanker Corporation (9757); First Union Tanker Corporation (4555); Fourth Aframax Tanker Corporation (3887); Front President Inc. (1687); Goldmar Limited (0772); GPC Aframax Corporation (6064); Grace Chartering Corporation (2876); International Seaways, Inc. (5624); Jademar Limited (7939); Joyce Car Carrier Corporation (1737); Juneau Tanker Corporation (2863); Kimolos Tanker Corporation (3005); Kythnos Chartering Corporation (3263); Leo Tanker Corporation (9159); Leyte Product Tanker Corporation (9564); Limar Charter Corporation (9567); Luxmar Product Tanker Corporation (3136); Luxmar Tanker LLC (4675); Majestic Tankers Corporation (6635); Maple Tanker Corporation (5229); Maremar Product Tanker Corporation (3097); Maremar Tanker LLC (4702); Marilyn Vessel Corporation (9927); Maritrans General Partner Inc. (8169); Maritrans Operating Company L.P. (0496); Milos Product Tanker Corporation (9563); Mindanao Tanker Corporation (8192); Mykonos Tanker LLC (8649); Nedimar Charter Corporation (9566); Oak Tanker Corporation (5234); Ocean Bulk Ships, Inc. (6064); Oceania Tanker Corporation (9164); OSG 192 LLC (7638); OSG 209 LLC (7521); OSG 214 LLC (7645); OSG 215 Corporation (7807); OSG 242 LLC (8002); OSG 243 LLC (7647); OSG 244 LLC (3601); OSG 252 LLC (7501); OSG 254 LLC (7495); OSG 300 LLC (3602); OSG

Overseas Shipholding Group, Inc. (“OSG”), and certain of its affiliates; and the Court having jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this being a core proceeding pursuant to 28 U.S.C. § 157(b); and the Court having reviewed the Stipulation, attached hereto as Exhibit A; and the Court having determined that the Stipulation is in the best interests of the Debtors, their estates, their creditors, their equity security holders, and parties in interest; and upon the record in these proceedings; and after due deliberation;

**IT IS HEREBY ORDERED, ADJUGED AND DECREED THAT**

1. The stipulation attached hereto as Exhibit A (the “Stipulation”)<sup>2</sup> is approved in its entirety *nunc pro tunc* to the date of the Stipulation.

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400 LLC (7499); OSG America LLC (2935); OSG America L.P. (2936); OSG America Operating Company LLC (5493); OSG Car Carriers, Inc. (1608); OSG Clean Products International, Inc. (6056); OSG Columbia LLC (7528); OSG Constitution LLC (8003); OSG Courageous LLC (2871); OSG Delaware Bay Lightering LLC (4998); OSG Discovery LLC (8902); OSG Endeavor LLC (5138); OSG Endurance LLC (2876); OSG Enterprise LLC (3604); OSG Financial Corp. (8639); OSG Freedom LLC (3599); OSG Honour LLC (7641); OSG Independence LLC (7296); OSG Intrepid LLC (7294); OSG Liberty LLC (7530); OSG Lightering Acquisition Corporation (N/A); OSG Lightering LLC (0553); OSG Lightering Solutions LLC (5698); OSG Mariner LLC (0509); OSG Maritrans Parent LLC (3903); OSG Navigator LLC (7524); OSG New York, Inc. (4493); OSG Product Tankers AVTC, LLC (0001); OSG Product Tankers I, LLC (8236); OSG Product Tankers II, LLC (8114); OSG Product Tankers, LLC (8347); OSG Product Tankers Member LLC (4705); OSG Quest LLC (1964); OSG Seafarer LLC (7498); OSG Ship Management, Inc. (9004); OSG Valour Inc. (7765); Overseas Allegiance Corporation (7820); Overseas Anacortes LLC (5515); Overseas Boston LLC (3665); Overseas Diligence LLC (6681); Overseas Galena Bay LLC (6676); Overseas Houston LLC (3662); Overseas Integrity LLC (6682); Overseas Long Beach LLC (0724); Overseas Los Angeles LLC (5448); Overseas Martinez LLC (0729); Overseas New Orleans LLC (6680); Overseas New York LLC (0728); Overseas Nikiski LLC (5519); Overseas Perseverance Corporation (7817); Overseas Philadelphia LLC (7993); Overseas Puget Sound LLC (7998); Overseas Sea Swift Corporation (2868); Overseas Shipping (GR) Ltd. (5454); Overseas ST Holding LLC (0011); Overseas Tampa LLC (3656); Overseas Texas City LLC (5520); Pearlmar Limited (7140); Petromar Limited (7138); Pisces Tanker Corporation (6060); Polaris Tanker Corporation (6062); Queens Product Tanker Corporation (2093); Reymar Limited (7131); Rich Tanker Corporation (9147); Rimar Chartering Corporation (9346); Rosalyn Tanker Corporation (4557); Rosemar Limited (7974); Rubymar Limited (0767); Sakura Transport Corp. (5625); Samar Product Tanker Corporation (9570); Santorini Tanker LLC (0791); Serifos Tanker Corporation (3004); Seventh Aframax Tanker Corporation (4558); Shirley Tanker SRL (3551); Sifnos Tanker Corporation (3006); Silvermar Limited (0766); Sixth Aframax Tanker Corporation (4523); Skopelos Product Tanker Corporation (9762); Star Chartering Corporation (2877); Suezmax International Agencies, Inc. (4053); Talara Chartering Corporation (3744); Third United Shipping Corporation (5622); Tokyo Transport Corp. (5626); Transbulk Carriers, Inc. (6070); Troy Chartering Corporation (3742); Troy Product Corporation (6969); Urban Tanker Corporation (9153); Vega Tanker Corporation (3860); View Tanker Corporation (9156); Vivian Tankships Corporation (7542); Vulpecula Chartering Corporation (8718); Wind Aframax Tanker Corporation (9562). The mailing address of the Debtors is: 1301 Avenue of the Americas, 42nd Floor, New York, NY 10019.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Stipulation.

2. The Debtors are authorized to perform any actions required in order to consummate the Stipulation in accordance with its terms.
3. Pursuant to the terms of the Stipulation, CEXIM is authorized and directed to reasonably cooperate in the release of liens or other security interests in connection with any exit financing contemplated by the Plan, at the sole cost and expense of the Debtors.
4. Nothing in this Order or the Stipulation constitutes an admission or concession of any legal issue raised in or relating to the CEXIM Claims.
5. Notwithstanding any provision in the Federal Rules of Bankruptcy Procedure to the contrary, (i) the terms of this Order shall be immediately effective and enforceable upon its entry, and (ii) the Debtors may, in their discretion and without further delay, take any action and perform any act authorized under this Order.
6. The Debtors' claims agent, Kurtzman Carson Consultants, LLC, and the Clerk of the Court are authorized and directed to take all necessary and appropriate actions to give effect to the Stipulation.
7. This Order binds any and all successors or assigns of the Debtors and CEXIM.
8. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: \_\_\_\_\_, 2014  
Wilmington, Delaware

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THE HONORABLE PETER J. WALSH  
UNITED STATES BANKRUPTCY JUDGE



**Exhibit A**

**Stipulation**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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<i>In re</i>	:	Chapter 11
Overseas Shipholding Group, Inc., <i>et al.</i> , <sup>1</sup>	:	Case No. 12-20000 (PJW)
	:	Jointly Administered
Debtors.	:	

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**STIPULATION RESOLVING ANTICIPATED OBJECTIONS  
TO THE DEBTORS' PROPOSED PLAN OF REORGANIZATION**

The above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), along with the Export-Import Bank of China (“CEXIM”), by and through their undersigned attorneys, hereby stipulate and agree that:

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<sup>1</sup> The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor’s tax identification number, are: Overseas Shipholding Group, Inc. (7623); OSG International, Inc. (7117); OSG Bulk Ships, Inc. (2600); 1372 Tanker Corporation (4526); Africa Tanker Corporation (9119); Alcesmar Limited (5306); Alemar Limited (5307); Alpha Suezmax Corporation (1684); Alpha Tanker Corporation (6063); Amalia Product Corporation (3808); Ambermar Product Carrier Corporation (8898); Ambermar Tanker Corporation (7100); Andromar Limited (5312); Antigmar Limited (5303); Aqua Tanker Corporation (7408); Aquarius Tanker Corporation (9161); Ariadmar Limited (5301); Aspro Tanker Corporation (4152); Atalmar Limited (5314); Athens Product Tanker Corporation (9565); Atlas Chartering Corporation (8720); Aurora Shipping Corporation (5649); Avila Tanker Corporation (4155); Batangas Tanker Corporation (8208); Beta Aframax Corporation (9893); Brooklyn Product Tanker Corporation (2097); Cabo Hellas Limited (5299); Cabo Sounion Limited (5296); Caribbean Tanker Corporation (6614); Carina Tanker Corporation (9568); Carl Product Corporation (3807); Concept Tanker Corporation (9150); Crown Tanker Corporation (6059); Delphina Tanker Corporation (3859); Delta Aframax Corporation (9892); DHT Ania Aframax Corp. (9134); DHT Ann VLCC Corp. (9120); DHT Cathy Aframax Corp. (9142); DHT Chris VLCC Corp. (9122); DHT Rebecca Aframax Corp. (9143); DHT Regal Unity VLCC Corp. (9127); DHT Sophie Aframax Corp. (9138); Dignity Chartering Corporation (6961); Edindun Shipping Corporation (6412); Eighth Aframax Tanker Corporation (8100); Epsilon Aframax Corporation (9895); First Chemical Carrier Corporation (2955); First LPG Tanker Corporation (9757); First Union Tanker Corporation (4555); Fourth Aframax Tanker Corporation (3887); Front President Inc. (1687); Goldmar Limited (0772); GPC Aframax Corporation (6064); Grace Chartering Corporation (2876); International Seaways, Inc. (5624); Jademar Limited (7939); Joyce Car Carrier Corporation (1737); Juneau Tanker Corporation (2863); Kimolos Tanker Corporation (3005); Kythnos Chartering Corporation (3263); Leo Tanker Corporation (9159); Leyte Product Tanker Corporation (9564); Limar Charter Corporation (9567); Luxmar Product Tanker Corporation (3136); Luxmar Tanker LLC (4675); Majestic Tankers Corporation (6635); Maple Tanker Corporation (5229); Maremar Product Tanker Corporation (3097); Maremar Tanker LLC (4702); Marilyn Vessel Corporation (9927); Maritrans General Partner Inc. (8169); Maritrans Operating Company L.P. (0496); Milos Product Tanker Corporation (9563); Mindanao Tanker Corporation (8192); Mykonos Tanker LLC (8649); Nedimar Charter Corporation (9566); Oak Tanker Corporation (5234); Ocean Bulk Ships, Inc. (6064); Oceania Tanker Corporation (9164); OSG 192 LLC (7638); OSG 209 LLC (7521); OSG 214 LLC (7645); OSG 215 Corporation (7807); OSG 242 LLC (8002); OSG

**RECITALS**

WHEREAS, the Debtors filed for protection under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”)<sup>2</sup> on November 14, 2012 (the “Petition Date”), in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) (Case No. 12-20000 (PJW) (Jointly Administered)); and

WHEREAS, the Bankruptcy Court entered the CEXIM Adequate Protection Order providing for post-petition adequate protection payments to CEXIM equal to payments of

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243 LLC (7647); OSG 244 LLC (3601); OSG 252 LLC (7501); OSG 254 LLC (7495); OSG 300 LLC (3602); OSG 400 LLC (7499); OSG America LLC (2935); OSG America L.P. (2936); OSG America Operating Company LLC (5493); OSG Car Carriers, Inc. (1608); OSG Clean Products International, Inc. (6056); OSG Columbia LLC (7528); OSG Constitution LLC (8003); OSG Courageous LLC (2871); OSG Delaware Bay Lightering LLC (4998); OSG Discovery LLC (8902); OSG Endeavor LLC (5138); OSG Endurance LLC (2876); OSG Enterprise LLC (3604); OSG Financial Corp. (8639); OSG Freedom LLC (3599); OSG Honour LLC (7641); OSG Independence LLC (7296); OSG Intrepid LLC (7294); OSG Liberty LLC (7530); OSG Lightering Acquisition Corporation (N/A); OSG Lightering LLC (0553); OSG Lightering Solutions LLC (5698); OSG Mariner LLC (0509); OSG Maritrans Parent LLC (3903); OSG Navigator LLC (7524); OSG New York, Inc. (4493); OSG Product Tankers AVTC, LLC (0001); OSG Product Tankers I, LLC (8236); OSG Product Tankers II, LLC (8114); OSG Product Tankers, LLC (8347); OSG Product Tankers Member LLC (4705); OSG Quest LLC (1964); OSG Seafarer LLC (7498); OSG Ship Management, Inc. (9004); OSG Valour Inc. (7765); Overseas Allegiance Corporation (7820); Overseas Anacortes LLC (5515); Overseas Boston LLC (3665); Overseas Diligence LLC (6681); Overseas Galena Bay LLC (6676); Overseas Houston LLC (3662); Overseas Integrity LLC (6682); Overseas Long Beach LLC (0724); Overseas Los Angeles LLC (5448); Overseas Martinez LLC (0729); Overseas New Orleans LLC (6680); Overseas New York LLC (0728); Overseas Nikiski LLC (5519); Overseas Perseverance Corporation (7817); Overseas Philadelphia LLC (7993); Overseas Puget Sound LLC (7998); Overseas Sea Swift Corporation (2868); Overseas Shipping (GR) Ltd. (5454); Overseas ST Holding LLC (0011); Overseas Tampa LLC (3656); Overseas Texas City LLC (5520); Pearlmar Limited (7140); Petromar Limited (7138); Pisces Tanker Corporation (6060); Polaris Tanker Corporation (6062); Queens Product Tanker Corporation (2093); Reymar Limited (7131); Rich Tanker Corporation (9147); Rimar Chartering Corporation (9346); Rosalyn Tanker Corporation (4557); Rosemar Limited (7974); Rubymar Limited (0767); Sakura Transport Corp. (5625); Samar Product Tanker Corporation (9570); Santorini Tanker LLC (0791); Serifos Tanker Corporation (3004); Seventh Aframax Tanker Corporation (4558); Shirley Tanker SRL (3551); Sifnos Tanker Corporation (3006); Silvermar Limited (0766); Sixth Aframax Tanker Corporation (4523); Skopelos Product Tanker Corporation (9762); Star Chartering Corporation (2877); Suezmax International Agencies, Inc. (4053); Talara Chartering Corporation (3744); Third United Shipping Corporation (5622); Tokyo Transport Corp. (5626); Transbulk Carriers, Inc. (6070); Troy Chartering Corporation (3742); Troy Product Corporation (6969); Urban Tanker Corporation (9153); Vega Tanker Corporation (3860); View Tanker Corporation (9156); Vivian Tankships Corporation (7542); Vulpecula Chartering Corporation (8718); Wind Aframax Tanker Corporation (9562). The mailing address of the Debtors is: 1301 Avenue of the Americas, 42nd Floor, New York, NY 10019.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meaning ascribed to them in the *Final Order Pursuant To Debtors’ Motion For Interim And Final Orders Under 11 U.S.C. §§ 105, 361, 363 And Fed. R. Bankr. P. 4001 (I) Authorizing Debtors To Use Cash Collateral, And (II) Granting Adequate Protection* (the “CEXIM Adequate Protection Order”).

interest at the non-default contractual rate of interest set forth in the CEXIM Facility and certain expense reimbursements (D.I. 459); and

WHEREAS, the Debtors have been making adequate protection payments pursuant to the CEXIM Adequate Protection Order; and

WHEREAS, the Bankruptcy Court established the bar date of May 31, 2013 for filing proofs of claim in the Debtors' cases (D.I. 1146); and

WHEREAS, on May 23, 2013, CEXIM filed seven Proofs of Claim against OSG, OSG International, Inc. ("OIN"), and five Debtor subsidiaries,<sup>3</sup> asserting joint and several Claims (the "CEXIM Claims") for at least \$311,751,114.08 in principal, plus interest and additional fees, costs and expenses under the various loan and security and related documents and instruments giving rise to the CEXIM Claims (the "CEXIM Loan Documents"); and

WHEREAS, the Joint Plan of Reorganization of OSG, filed March 7, 2014 (D.I. 2593) (the "First Proposed Plan") provided, among other things, that CEXIM would receive, (i) for its Allowed Class B2 Secured Vessel Claims, (x) cash equal to the allowed amount of such Claims, (y) such other less favorable treatment as shall have been agreed upon in writing; or (z) such other treatment so as to render the Allowed Class B2 Claims Unimpaired pursuant to section 1124 of the Bankruptcy Code, and (ii) for its Allowed Class D5 unsecured Claims, (x) cash equal to the allowed amount of such Claims, (y) such other less favorable treatment as shall have been agreed upon in writing; or (z) such other treatment so as to render the Allowed Class D5 Claims Unimpaired pursuant to section 1124 of the Bankruptcy Code; and

WHEREAS, CEXIM sent the Debtors notices of objections it intended to file (the "Anticipated Objections") against the First Proposed Plan on the grounds that the First Proposed

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<sup>3</sup> The CEXIM Claims are 435, 436, 437, 438, 439, 440 and 441.

Plan did not propose to pay default interest, breakage costs, prepayment losses, and other fees and expenses provided for in the CEXIM Loan Agreement, did not allow the CEXIM Claims, and bifurcated the CEXIM Claims into secured and unsecured claims; and

WHEREAS, the First Amended Joint Plan of Reorganization of OSG, filed May 2, 2014 (D.I. 3107) (as may be amended, revised, or supplemented, the “First Amended Plan”), provided, among other things, that CEXIM would receive, (i) for its Allowed Class B2 Secured Vessel Claims, cash equal to the allowed amount of such Claims, and (ii) for its Allowed Class D5 unsecured Claims, (x) cash equal to the allowed amount of such Claims, with post-petition interest, (y) such other less favorable treatment as shall have been agreed upon in writing; or (z) such other treatment so as to render the Allowed Class D5 Claims Unimpaired pursuant to section 1124 of the Bankruptcy Code; and

WHEREAS, CEXIM has indicated to the Debtors that the First Amended Plan does not resolve all of its Anticipated Objections; and

WHEREAS, CEXIM and the Debtors have engaged in arms'-length negotiations and, in order to avoid the costs and risks inherent in litigating the Anticipated Objections, CEXIM and the Debtors have agreed to this Stipulation to resolve the Anticipated Objections and to amend the Plan (as defined below) to allow the CEXIM Claims for all purposes in accordance with the Plan.

**NOW, THEREFORE, THE PARTIES, BY AND THROUGH THEIR RESPECTIVE ATTORNEYS, HEREBY STIPULATE AND AGREE THAT:**

1. The Debtors will amend the First Amended Plan to provide for the allowance of the CEXIM Claims in an aggregate amount equal to (a) the principal amount of US\$311,751,114.08 (the “Principal Amount”), plus (b) through and including the date on which the CEXIM Claims have been paid in full in cash (i) to the extent not previously paid, interest on

the Principal Amount at the applicable non-default rate under the CEXIM Loan Documents,<sup>4</sup> plus (ii) default interest on the Principal Amount at 1% per annum from the Petition Date, plus (iii) to the extent not previously paid, the reasonable fees and expenses of CEXIM and its attorneys, under the protocol set forth and pursuant to the limitations provided for in the CEXIM Adequate Protection Order.

2. The Debtors will amend the First Amended Plan to provide for the payment in full in cash of the CEXIM Claims on or before the Initial Distribution Date of the First Amended Plan (including as subsequently amended, or any revised Chapter 11 plan, provided that such amended plan is substantially consistent with all material terms of this Stipulation, the "Plan").

3. The Debtors waive the right to challenge the amount, extent, type or characterization of any of the Adequate Protection Payments (as defined in the CEXIM Adequate Protection Order) or any other costs, fees, and expenses paid as of the date hereof, including, for avoidance of doubt, any actions seeking recharacterization and/or disgorgement from CEXIM.

4. This Stipulation and the relief contemplated herein resolves any and all issues raised by CEXIM in its Anticipated Objections on the merits, and satisfactorily addresses the substantive concerns of CEXIM regarding the confirmation of the Plan. Neither CEXIM nor any successors or assigns will object to, present arguments or evidence against, or request any discovery in connection with the Court's confirmation of the Plan, or any exit financing necessary to implement the Plan. To the extent requested or required, CEXIM, its successors or assigns will vote in favor of the Plan. CEXIM and its successors also agree to cooperate

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<sup>4</sup> The Debtors and CEXIM agree and acknowledge that all interest on the Principal Amount at the applicable non-default rate up to and including January 21, 2014, has been paid in the amounts that would have been due pursuant to the CEXIM Loan Documents.

reasonably with the Debtors, at the sole cost and expense of the Debtors, to achieve the confirmation of the Plan.

5. The Debtors will seek approval in the confirmation order of the compromise embodied herein and reflected in the Plan.

6. Subject to satisfaction of the other terms and condition set forth herein (including without limitation prior payment in full in cash of the CEXIM Claims), CEXIM will reasonably cooperate, at the sole cost and expense of the Debtors, in the release of liens or other security interests in connection with any exit financing contemplated by the Plan.

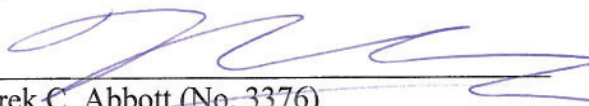
7. CEXIM and the Debtors represent that they have full power and authority to enter into, bind themselves, and perform the obligations imposed by this Stipulation. Effective upon entry of the order approving this Stipulation, this Stipulation shall be binding upon any successors or assigns of CEXIM and the Debtors, including any trustee, receiver, or other estate or creditor representative subsequently appointed in the Debtors' Chapter 11 cases or any superseding cases under Chapter 7 of the Bankruptcy Code.

8. CEXIM and the Debtors agree to take such further acts and execute such additional documents as may be necessary or appropriate to carry out the provisions and purposes of this Stipulation.

*[Remainder of page intentionally left blank]*

Dated: May 21, 2014  
Wilmington, Delaware

MORRIS, NICHOLS, ARSHT & TUNNELL NORTON ROSE FULBRIGHT LLP  
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