

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re

Overseas Shipholding Group, Inc., et al.,¹

Debtors.

Chapter 11

Case No. 12-20000 (PJW)

Jointly Administered

Hearing Date: January 24, 2013, at 9:30 a.m. (ET)

Objections Due: January 17, 2013, at 4:00 p.m. (ET)

DEBTORS' MOTION FOR AN ORDER UNDER 11 U.S.C. §§ 105, 361, 363 AND FED. R.
BANKR. P. 4001 (I) AUTHORIZING DEBTORS TO USE PREPETITION
COLLATERAL, AND (II) GRANTING ADEQUATE PROTECTION

Overseas Shipholding Group, Inc. ("OSG", and together with its affiliates, the "OSG
Companies"), and certain of its affiliates, as debtors and debtors in possession, (collectively, the

1 The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's tax identification
number, are: Edindun Shipping Corporation (6412); OSG Financial Corporation (8639); OSG International, Inc.
(7117); OSG Bulk Ships, Inc. (2600); OSG Ship Management, Inc. (9004); 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
Corporation (9134); DHT Ann VLCC Corporation (9120); DHT Cathy Aframax Corporation (9142); DHT
Chris VLCC Corporation (9122); DHT Rebecca Aframax Corporation (9143); DHT Regal Unity VLCC
Corporation (9127); DHT Sophie Aframax Corporation (9138); Dignity Chartering Corporation (6961); 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



1220000130103000000000001

“Debtors”), hereby move this Court (the “Motion”), for the entry of an order in the form attached hereto as Exhibit A (the “Order”) pursuant to Sections 105, 361, and 363 of Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”), supplemented by Rule 4001 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 4001-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”): (a) authorizing the DSF Borrowers (as defined below) and Debtor OSG International, Inc. (“OIN”) to use the DSF Prepetition Collateral (as defined below); and (b) granting Danish Ship Finance A/S (“DSF”) adequate protection with respect to any diminution in the value of its interests in the DSF Prepetition Collateral pledged by the DSF

Corporation (5234); Ocean Bulk Ships, Inc. (6064); Oceania Tanker Corporation (9164); 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 Freedom LLC (3599); OSG Honour LLC (7641); OSG Independence LLC (7296); OSG Intrepid LLC (7294); OSG Liberty LLC (7530); 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 Valour Inc. (7765); 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 400 LLC (7499); Overseas Alegiance 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) Limited (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); Reyamar Limited (7131); Rich Tanker Corporation (9147); Rimar Chartering Corporation (9346); Rosalyn Tanker Corporation (4557); Rosemar Limited (7974); Rubymar Limited (0767); Sakura Transport Corporation (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 Corporation (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); Western Ship Agencies Limited (5656); Wind Aframax Tanker Corporation (9562); 1372 Tanker Corporation (4526).

Borrowers to secure the DSF Prepetition Obligations (as defined below). In support of this Motion, the Debtors rely on the Declaration of Captain Robert E. Johnston in Support of First Day Motions and Applications (the “First Day Declaration”), filed November 14, 2012 (D.I. 2) and the Declaration of Lois Zabrocky filed contemporaneously herewith.² In further support of this Motion, the Debtors respectfully represent as follows:

Jurisdiction

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(b) and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of these cases and this Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory and legal predicates for the relief requested herein are Sections 105, 361, and 363 of the Bankruptcy Code, as supplemented by Bankruptcy Rule 4001 and Local Rule 4001-2.

Background

A. Introduction

3. On November 14, 2012 (the “Petition Date”), the Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code (the “Chapter 11 Cases”).

4. The Debtors own or operate more than 100 tankers around the world, enabling the safe and efficient transport of oil and petroleum products. OSG is one of the largest publicly traded tanker holding companies worldwide, based on the number of vessels, and is the only major tanker holding company with both a significant U.S. flag and international fleet. A fulsome description of the Debtors’ corporate structure and the events leading to the Chapter 11 Cases are set forth in the First Day Declaration.

² Capitalized terms used but not defined herein have the meanings ascribed to them in the First Day Declaration.

5. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Debtors' Chapter 11 Cases.

6. The Debtors have been granted an order of joint administration pursuant to Bankruptcy Rule 1015(b) that provides for the joint administration of these cases and for consolidation for procedural purposes only.

7. The Office of the United States Trustee for the District of Delaware (the "U.S. Trustee") has appointed an Official Committee of Unsecured Creditors (the "Committee") in respect of the Debtors (D.I. 97).

B. DSF Indebtedness

8. Each of 1372 Tanker Corporation, Alcesmar Limited, Alcmar Limited, Andromar Limited, Antigmar Limited, Ariadmar Limited, Shirley Tanker Srl, Samar Product Tanker Corporation,³ and Leyte Product Tanker Corporation⁴ (collectively with Rosalyn Tanker Corporation, the "DSF Borrowers") entered into a Loan Agreement dated August 28, 2008 (the "DSF Loan Agreement") with certain banks and financial institutions, as lenders, DSF, as agent, and OSG, OSG Bulk Ships, Inc. ("OBS"), and OIN, as guarantors⁵ (as amended, restated, supplemented or otherwise modified from time to time, the "DSF Facility," and together with all other loan and security documents executed in connection with the DSF Facility, the "DSF Facility Documents"). Borrowings under the DSF Facility financed the construction of nine vessels that carry crude oil or finished petroleum products (together with the Overseas Rosalyn,

³ On October 9, 2012, the DSF Loan Agreement was amended to permit Brooklyn Product Tanker Corporation to assign, and Samar Product Tanker Corporation to assume, all of its obligations under the DSF Loan Agreement.

⁴ On October 9, 2012, the DSF Loan Agreement was amended to permit Queens Product Tanker Corporation to assign, and Leyte Product Tanker Corporation to assume, all of its obligations under the DSF Loan Agreement.

⁵ In May 2010, the DSF Loan Agreement was amended to add the Rosalyn Tanker Corporation as a guarantor.

the “DSF Vessels”).⁶ The DSF Facility is secured by mortgages on the DSF Vessels, assignments of certain DSF Vessel earnings, and assignments of vessel insurance in favor of DSF (as enumerated in Exhibit A attached to the Order, the “DSF Prepetition Collateral”). The DSF Facility provided for up to \$366,244,988.22 in borrowings, of which approximately \$266,935,724.55 was outstanding as of the Petition Date (the “DSF Prepetition Obligations”). The maturity of the loans under the DSF Facility ranges from 2014 to 2020.

9. The ongoing costs to maintain and operate the DSF Vessels are significant and include insurance, voyage and vessel operating expenses such as fuel (bunkers), port fees, crew and repairs (collectively, the “DSF Voyage and Vessel Operating Expenses”), capital expenditures (“DSF Vessel Capital Expenditures”), drydocking and related repair expenses (“DSF Vessel Drydocking Expenses”), and drydocking reserves (the “DSF Vessel Drydocking Reserve Amounts”). The expenses incurred in operating the DSF Vessels are paid in the ordinary course of business by certain OSG affiliates on behalf of the DSF Borrowers. The DSF Borrowers do not have any management or operational capacity of their own. As vessel-owning entities, they rely on the technical services of OSG affiliates to procure goods and services, crew the vessels, and manage relationships with their customers. For each of the DSF Borrowers, the only means of revenue generation is through the continued operation of the DSF Vessels.

Relief Requested

10. By this Motion, the Debtors request entry of an Order in the form attached hereto as Exhibit A, authorizing:

⁶ In connection with the assignments by Brooklyn Product Tanker Corporation and Queens Product Tanker Corporation to Samar Product Tanker Corporation and Leyte Product Tanker Corporation, respectively, the vessels financed by the DSF Loan Agreement and owned by each of Brooklyn Product Tanker Corporation and Queens Product Tanker Corporation were replaced with vessels owned by Samar Product Tanker Corporation and Leyte Product Tanker Corporation, respectively.

- (i) the DSF Borrowers and the OSG Companies to use the DSF Prepetition Collateral in the ordinary course of business, and
- (ii) the granting of adequate protection to DSF with respect to the DSF Prepetition Collateral.

11. The continued, orderly, and timely transportation of petroleum and petroleum products is dependent upon the Debtors and their affiliates continuing to operate the DSF Vessels to generate revenues that maybe used to cover the costs of operating the DSF Vessels. In addition, revenue from operations is the only source of funds by which the DSF Borrowers may be able to meet the DSF Prepetition Obligations.

12. Utilizing the DSF Prepetition Collateral will allow the DSF Borrowers and their affiliates to honor their obligations to their vendors, customers, and crew members and properly maintain and operate the DSF Vessels with as little disruption to the business as possible, thereby preserving the value of the DSF Prepetition Collateral. Since the Debtors anticipate that the DSF Vessels can generate positive cash flows over time, the use of DSF Prepetition Collateral in the ordinary course of business will help preserve and maintain the going concern value of the DSF Borrowers and their estates, and will enhance the prospects for a successful reorganization of the DSF Borrowers under Chapter 11 of the Bankruptcy Code. The DSF Borrowers submit that absent authorization to use the DSF Prepetition Collateral to continue operations during reorganization, the DSF Borrowers, their estates and creditors will suffer immediate and irreparable harm.

Basis for Relief

13. Section 363 of the Bankruptcy Code governs the Debtors' use of property of the estates.⁷ Section 363(c)(1) of the Bankruptcy Code provides that:

If the business of the debtor is authorized to be operated of this title and unless the court under Section . . . 1108 . . . orders otherwise, the trustee may enter into transactions, including the sale or lease of property of the estate, in the ordinary course of business, without notice or a hearing, and may use property of the estate in the ordinary course of business without notice or a hearing.

11 U.S.C. § 363(c)(1).

14. Section 363(e) of the Bankruptcy Code provides that on request of an entity that has an interest in property used or proposed to be used by the debtor, the Court shall prohibit or condition such use as is necessary to provide "adequate protection" of that interest. 11 U.S.C. § 363(e). In addition, Section 362(d) provides that "[o]n request of a party in interest and after notice and a hearing, the court shall grant relief from the stay provided under subsection (a) of this section, such as by terminating, annulling, modifying, or conditioning such stay—(1) for cause, including the lack of adequate protection of an interest in property of such party in interest." 11 U.S.C. § 362(d).

15. To the extent that DSF's interests in the DSF Prepetition Collateral constitute valid and perfected security interests and liens as of the Petition Date, DSF is entitled, pursuant to Sections 361 and 363(e) of the Bankruptcy Code, to adequate protection of its interests in the DSF Prepetition Collateral. The same forms of adequate protection outlined in Section 361 may be provided for adequate protection granted pursuant to Section 362 and for adequate protection granted pursuant to Section 363.

⁷ Pursuant to Section 1107 of the Bankruptcy Code, a debtor in possession has all of the rights and powers of a trustee with respect to property of the estate, including the right to use property of the estate in compliance with Section 363 of the Bankruptcy Code. See 11 U.S.C. § 1107(a).

16. Although the Bankruptcy Code does not define adequate protection, Section 361 of the Bankruptcy Code lists three non-exclusive examples of adequate protection: (i) periodic cash payments to offset any decrease in the value of the creditor's interest, (ii) additional or replacement liens on debtor's property and (iii) such other relief resulting in the "indubitable equivalent" of the creditor's interest. See 11 U.S.C. § 361. The principal purpose of adequate protection is to ensure "that the creditor receives the value for which he bargained prebankruptcy." See In re Swedeland Dev. Group, Inc., 16 F.3d 552, 564 (3d Cir. 1994). What constitutes "adequate protection" is determined on a "case by case basis." Id. See also In re Atrium Corp., Case No. 10-10150 (BLS) (Bankr. D. Del. Mar. 17, 2010) (approving consensual adequate protection replacement liens, superpriority claims, and payments of interest and professional fees); In re The Penn Traffic Co., Case No. 09-14078 (PJW) (Bankr. D. Del. Jan. 25, 2010) (approving consensual adequate protection arrangement, which included liens, superpriority claims, and payments); In re QHB Holdings, LLC, Case No. 09-14312 (PJW) (Bankr. D. Del. Dec. 22, 2009) (same).

17. By this Motion, the DSF Borrowers seek authorization to use the DSF Prepetition Collateral and approval of the proposed adequate protection of the DSF Prepetition Collateral (the "Adequate Protection Package"):

- (i) A new or existing account shall be designated as a dedicated revenue account (the "OIN DSF Deposit Account"). All revenues from the DSF Vessels will be directed to and retained in the OIN DSF Deposit Account. The funds in the OIN DSF Deposit Account will first be used to reimburse OSG affiliates for any DSF Voyage and Vessel Operating Expenses, DSF Vessel Capital Expenditures, DSF Vessel Drydocking Expenses, and the DSF Vessel Drydocking Reserve Amounts, which may be withdrawn by OIN from time to time to pay for DSF Vessel Drydocking Expenses;
- (ii) DSF will be granted a first priority perfected post-petition lien to secure any claim arising from, and only to the extent of, any diminution in the value of the DSF Prepetition Collateral arising from (i) the use of the DSF Prepetition Collateral, (ii) the granting of *pari passu* liens in such

collateral in connection with the DSF DIP Facility, and (iii) the imposition of the automatic stay pursuant to Section 362(a) of the Bankruptcy Code (collectively, the “Adequate Protection Obligations”) or failure to make Adequate Protection Payments (as defined below) in (y) the OIN DSF Deposit Account and (z) the collateral enumerated on Exhibit B of the proposed Order, (collectively, with the OIN DSF Deposit Account the “Adequate Protection Collateral”) which liens shall be in all cases *pari passu* with the liens granted to secure any obligations under the DSF DIP Facility (as defined below) as authorized by an order of this Court (the “DIP Order”).

- (iii) Funds will be directed to pay reasonable outstanding and unpaid invoices from DSF’s U.S., Danish, and Delaware legal counsel, the latter two subject to an aggregate cap of \$175,000 (the “Adequate Protection Professionals”) incurred in connection with the DSF Facility Documents and the Chapter 11 Cases (the “DSF Expense Reimbursements”), and OIN will pay to DSF periodic cash payments in the amount of the current cash payment of interest on the DSF Prepetition Obligations at the non-default contract rate of interest set forth in (and at the times provided in) the DSF Facility Documents (the “Adequate Protection Interest Payments”, and together with the DSF Expense Reimbursements, the “Adequate Protection Payments”).
- (iv) The Adequate Protection Payments and Adequate Protection Obligations to the extent not offset by the Adequate Protection Payments and Adequate Protection Collateral shall constitute expenses of administration under Bankruptcy Code §§ 503(b)(1), 507(a) and 507(b) (the “507(b) Claims”) of the DSF Borrowers with priority in payment over any and all administrative expenses of the kinds specified or ordered pursuant to any provision of the Bankruptcy Code, including without limitation, Bankruptcy Code §§ 105, 326, 328, 330, 331 and 726, and shall at all times be senior to the rights of the DSF Debtors, and any successor trustee or any creditor, in these Chapter 11 Cases or, to the extent permitted by applicable law, any subsequent proceedings under the Bankruptcy Code. The 507(b) Claims shall rank *pari passu* with the DSF DIP Superpriority Claims granted pursuant to Section 364(c)(1) under the DIP Order.

18. In the event of any shortfall, OIN (solely in its capacity as postpetition lender, the “DSF DIP Lender”) will provide to the DSF Borrowers limited postpetition financing (the “DSF DIP Facility”), not to exceed \$10,000,000 in principal, which in the event of a liquidation of the DSF Prepetition Collateral and Adequate Protection Collateral will rank *pari passu* to the DSF Prepetition Obligations and the Adequate Protection Collateral. The DSP DIP Lender will

provide this financing solely to ensure that the DSF Borrowers have sufficient funds to cover DSF Voyage and Vessel Operating Expenses, DSF Vessel Capital Expenditures, DSF Vessel Drydocking Expenses, DSF Vessel Drydocking Reserve Amounts, or Adequate Protection Payments as they come due.

19. The DSF Borrowers and OIN will deliver to DSF on or about 45 days after the end of each month a report showing, in reasonable detail (i) expenses and expenditures during the month on a vessel-by-vessel basis; (ii) the actual proceeds deposited in the OIN DSF Deposit Account during the month, and (iii) the amounts deposited in and utilized from the DSF Vessel Drydocking Reserve Amounts. The DSF Borrowers and OIN will deliver to DSF, on or about the 45th day after the end of each fiscal quarter, a written report showing in reasonable detail the variances between actual expenses and projected expenses for the fiscal quarter and the actual Proceeds and projected Proceeds for the fiscal quarter. The DSF Borrowers and OIN will deliver to DSF, on or about the 75th day after the end of each fiscal quarter, a revised budget for the DSF Borrowers for the remaining fiscal quarters in the year. Finally, the DSF Borrowers and OIN will deliver to DSF an annual budget for the DSF Borrowers, in the form substantially similar to the 2013 annual budget previously provided to DSF.

20. By this motion, the DSF Borrowers also request that upon an attachment, arrest or seizure of a DSF Vessel solely in the event that (i) the Debtors shall have not taken such steps as are available to them to intervene in or stay the proceeding relating to such attachment, arrest or seizure (the "Arrest Proceeding") to assert their and DSF's rights or interests in such DSF Vessel within ten (10) business days upon receiving notice of such Arrest Proceeding, including, without limitation, to obtain enforcement of a stay in the relevant jurisdiction, or (ii) the Vessel Arrest is not lifted within thirty (30) calendar days after such arrest, the automatic stay be

modified to the extent necessary to permit DSF to assert its interest in such DSF Vessel in such Arrest Proceeding to preserve its lien or to exercise its rights solely to pay and discharge any debts or liabilities which gave rise to the Arrest Proceeding, or to provide bail in such Arrest Proceeding in order to release the relevant DSF Vessel from the Arrest Proceeding; provided that DSF shall give the Debtors written notice of at least five (5) business days prior to taking any such actions; provided further that DSF shall have no right to repossess such DSF Vessel or cause its sale without seeking the approval of this Court; and provided further that to the extent that DSF receives any proceeds on account of the DSF Prepetition Collateral, DSF shall notify the Debtors and the Bankruptcy Court and shall forward such proceeds for deposit into the DSF Deposit Account.

21. The Debtors seek, subject to this Court's approval, to grant DSF the Adequate Protection Package. Over the course of the Debtors' reorganization, the use of the DSF Prepetition Collateral will preserve, rather than diminish, the value of DSF's security interests. The DSF Prepetition Collateral will be used to generate revenue to pay the operating expenses and maintain the going concern value of the DSF Vessels, and will therefore preserve the revenue-generating capabilities of those vessels.

22. The DSF Borrowers submit that the protections afforded DSF in the Order are reasonable, appropriate, and sufficient to satisfy the legal standard of adequate protection.

Notice

23. Notice of the Motion has been given via facsimile, electronic transmission, hand delivery or overnight mail to: (i) Office of the United States Trustee for the District of Delaware; (ii) the trustee under that certain indenture dated as of December 1, 1993 with respect to the 8.75% debentures due 2013; (iii) the trustee under that certain indenture dated as of March 29, 2010, with respect to the 8.125% senior notes due 2018; (iv) the trustee under that certain

indenture dated as of March 7, 2003, with respect to the 7.500% unsecured notes due 2024; (v) DSF; (vi) CEXIM; (vii) DNB Nor Bank A.S.A., as Agent under that certain Credit Agreement dated as of February 9, 2006; (viii) the Committee; and (ix) all others that are required to be noticed in accordance with Bankruptcy Rule 2002. In light of the exigencies of the circumstances and the potential harm to the Debtors, their estates, and other parties in interest that will ensue if the relief requested herein is not granted, the Debtors submit that no other notice need be given.

No Prior Request

24. No prior motion for the relief requested herein has been made to this or any other court.

[Remainder of Page Intentionally Blank]

WHEREFORE, the Debtors respectfully requests that this Court enter (i) the Order granting the relief requested herein, and (ii) grant such other relief as is just and proper.

Dated: January 3, 2013
Wilmington, Delaware

CLEARY GOTTLIEB STEEN & HAMILTON LLP

James L. Bromley (admitted *pro hac vice*)
Luke A. Barefoot (admitted *pro hac vice*)
One Liberty Plaza
New York, New York 10006
Telephone: (212) 225-2000
Facsimile: (212) 225-3999

- and -

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

/s/ William M. Alleman, Jr.

Derek C. Abbott (No. 3376)
Daniel B. Butz (No. 4227)
William M. Alleman, Jr. (No. 5449)
1201 North Market Street
P.O. Box 1347
Wilmington, Delaware 19801-1347
Telephone: (302) 658-9200
Facsimile: (302) 658-3989

*Counsel for the Debtors
and Debtors in Possession*

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

-----X	:	Chapter 11
	:	
<i>In re</i>	:	Case No. 12-20000 (PJW)
	:	
Overseas Shipholding Group, Inc., <i>et al.</i> ,	:	Jointly Administered
	:	
Debtors. ¹	:	Objection Deadline:
	:	January 17, 2013, at 4:00 p.m. (ET)
	:	Hearing Date:
	:	January 24, 2013, at 9:30 a.m. (ET)
-----X		

**NOTICE OF DEBTORS' MOTION FOR AN ORDER UNDER 11 U.S.C. §§ 105, 361, 363
AND FED. R. BANKR. P. 4001 (I) AUTHORIZING DEBTORS TO USE PREPETITION
COLLATERAL, AND (II) GRANTING ADEQUATE PROTECTION**

PLEASE TAKE NOTICE that today, the debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors"), filed the attached **Debtors' Motion For An Order Under 11 U.S.C. §§ 105, 361, 363 And Fed. R. Bankr. P. 4001 (I) Authorizing Debtors To Use Prepetition Collateral, And (II) Granting Adequate Protection** (the "Motion").

PLEASE TAKE FURTHER NOTICE that any party wishing to oppose the entry of an order approving the Motion must file a response or an objection to the Motion ("Objection") with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801 on or before **January 17, 2013 at 4:00 p.m. (ET)** (the "Objection Deadline"). At the same time, you must serve such Objection upon the undersigned counsel so as to be received by the Objection Deadline.

PLEASE TAKE FURTHER NOTICE THAT A HEARING ON THE MOTION HAS BEEN SCHEDULED FOR **JANUARY 24, 2013 AT 9:30 A.M. (ET)** BEFORE THE HONORABLE PETER J. WALSH, AT THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 NORTH MARKET STREET, 6TH FLOOR, COURTROOM #2, WILMINGTON, DELAWARE 19801. ONLY PARTIES WHO HAVE FILED A TIMELY OBJECTION WILL BE HEARD AT ANY HEARING ON THE MOTION.

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE OR ANY ORDER ENTERED BY THE COURT REGARDING THE SCHEDULING OF THE MOTION, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

Dated: January 3, 2013
Wilmington, Delaware

CLEARY GOTTLIEB STEEN & HAMILTON LLP

James L. Bromley (admitted *pro hac vice*)
Luke A. Barefoot (admitted *pro hac vice*)
One Liberty Plaza
New York, New York 10006
Telephone: (212) 225-2000
Facsimile: (212) 225-3999

- and -

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

/s/ William M. Alleman, Jr.

Derek C. Abbott (No. 3376)
Daniel B. Butz (No. 4227)
William M. Alleman, Jr. (No. 5449)
1201 North Market Street
P.O. Box 1347
Wilmington, Delaware 19801-1347
Telephone: (302) 658-9200
Facsimile: (302) 658-3989

*Counsel for the Debtors
and Debtors in Possession*

Exhibit A

Proposed Order

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

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

**ORDER PURSUANT TO DEBTORS’ MOTION FOR AN ORDER UNDER 11
U.S.C. §§ 105, 361, 363 AND FED. R. BANKR. P. 4001 (I) AUTHORIZING
DEBTORS TO USE PREPETITION COLLATERAL, AND (II) GRANTING
ADEQUATE PROTECTION**

Upon consideration of the motion (the “Motion”) of the above-captioned debtors and debtors in possession (the “Debtors”) for entry of (i) an order (the “Order”): (a) authorizing the

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor’s tax identification number, are: Edindun Shipping Corporation (6412); OSG Financial Corporation (8639); OSG International, Inc. (7117); OSG Bulk Ships, Inc. (2600); OSG Ship Management, Inc. (9004); 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 Corporation (9134); DHT Ann VLCC Corporation (9120); DHT Cathy Aframax Corporation (9142); DHT Chris VLCC Corporation (9122); DHT Rebecca Aframax Corporation (9143); DHT Regal Unity VLCC Corporation (9127); DHT Sophie Aframax Corporation (9138); Dignity Chartering Corporation (6961); 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

DSF Borrowers and OIN (each as defined below), pursuant to Sections 105(a), 361, and 363 of the Bankruptcy Code,² Supplemented by Bankruptcy Rule 4001(a), to use DSF Prepetition Collateral (as defined below); and (b) providing adequate protection to DSF (as defined below) for the Adequate Protection Obligations (as defined below), all as more fully set forth in the Motion; and upon consideration of the Motion and First Day Declaration; and due and proper notice of the Motion having been given, as set forth in the Motion; and the Court having reviewed the Motion, the materials submitted in support of the Motion, the arguments of counsel and upon the record, and following completion, of the Hearing,

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 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 Freedom LLC (3599); OSG Honour LLC (7641); OSG Independence LLC (7296); OSG Intrepid LLC (7294); OSG Liberty LLC (7530); 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 Valour Inc. (7765); 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 400 LLC (7499); Overseas Alegiance 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) Limited (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); Reyamar Limited (7131); Rich Tanker Corporation (9147); Rimar Chartering Corporation (9346); Rosalyn Tanker Corporation (4557); Rosemar Limited (7974); Rubymar Limited (0767); Sakura Transport Corporation (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 Corporation (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); Western Ship Agencies Limited (5656); Wind Aframax Tanker Corporation (9562); 1372 Tanker Corporation (4526).

² Capitalized terms used herein, but not defined herein, shall have the meanings ascribed thereto in the Motion.

THE COURT HEREBY FINDS:

A. Petition Date. On November 14, 2012 (the "Petition Date"), each of the Debtors filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") commencing Chapter 11 cases (the "Chapter 11 Cases") in the United States Bankruptcy Court for the District of Delaware (this "Court"). The Debtors have continued in the management and operation of their business and properties as debtors in possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code. The Office of the United States Trustee for the District of Delaware (the "U.S. Trustee") has appointed an Official Committee of Unsecured Creditors (the "Committee") in respect of the Debtors (D.I. 97).

B. Jurisdiction; Core Proceeding. This Court has jurisdiction over this matter and the Motion pursuant to 28 U.S.C. §§ 157(b) and 1334. Consideration of the Motion constitutes a core proceeding as defined in 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

C. Stipulations of the Debtors. The Debtors acknowledge, admit, stipulate and agree (collectively, the "Stipulations") that:

1. Each of 1372 Tanker Corporation, Alcesmar Limited, Alcmar Limited, Andromar Limited, Antigmar Limited, Ariadmar Limited, Shirley Tanker Srl, Samar Tanker Corporation,³ and Leyte Product Tanker Corporation⁴ (collectively with Rosalyn Tanker Corporation, the "DSF Borrowers") is a borrower under a Loan Agreement in aggregate principal amount up to \$366,244,988.22, dated August 28, 2008 with certain banks and financial institutions, as lenders, Danish Ship Finance A/S ("DSF"), as agent, and OSG, OSG Bulk Ships,

³ On October 9, 2012, the DSF Loan Agreement was amended to permit Brooklyn Product Tanker Corporation to assign, and Samar Product Tanker Corporation to assume, all of its obligations under the DSF Loan Agreement.

⁴ On October 9, 2012, the DSF Loan Agreement was amended to permit Queens Product Tanker Corporation to assign, and Leyte Product Tanker Corporation to assume, all of its obligations under the DSF Loan Agreement.

Inc. (“OBS”), and OIN, as guarantors⁵ (as amended, restated, supplemented or otherwise modified from time to time, the “DSF Facility,” and together with all other loan and security documents executed in connection with the DSF Facility, the “DSF Facility Documents”).

2. As of the Petition Date, \$266,935,724.55 in aggregate principal amount was outstanding under the DSF Facility (with accrued and unpaid interest and fees and expenses payable under the DSF Facility Documents, the “DSF Prepetition Obligations”). Borrowings under the DSF Facility financed the construction of nine vessels that carry crude oil or finished petroleum products (together with the Overseas Rosalyn, the “DSF Vessels”).⁶ Each of the DSF Vessels is owned by a DSF Borrower.

3. Prior to the Petition Date, each of the DSF Borrowers granted to DSF as security agent, on behalf of DSF as lender, and in support of the obligations owed by all DSF Borrowers (other than Rosalyn Tanker Corporation) under the DSF Facility Documents, (a) a first preferred mortgage on the DSF Vessel owned by it (the “DSF Prepetition Liens”); (b) an assignment of the earnings from such DSF Vessel (the “DSF Earnings”); and (c) an assignment of the insurance policies with respect to such DSF Vessel (the “DSF Insurances,” collectively with all the other collateral described in this paragraph, and as enumerated on Exhibit A attached hereto, the “DSF Prepetition Collateral”). As a condition subsequent to the execution of the Assignment, Assumption and Amendment No. 3 to the Second Amended and Restated Loan Agreement, which amendment was dated October 9, 2012, the DSF Borrowers and OIN agreed to execute an Earnings Account Pledge and Account Control Agreement over an earnings

⁵ In May 2010, the DSF Loan Agreement was amended to add the Rosalyn Tanker Corporation as a guarantor.

⁶ In connection with the assignments by Brooklyn Product Tanker Corporation and Queens Product Tanker Corporation to Samar Product Tanker Corporation and Leyte Product Tanker Corporation, respectively, the vessels financed by the DSF Loan Agreement and owned by each of Brooklyn Product Tanker Corporation and Queens Product Tanker Corporation were replaced with vessels owned by Samar Product Tanker Corporation and Leyte Product Tanker Corporation, respectively.

account to be established as a holding account for the aggregate DSF Earnings. Prior to the Petition Date, the DSF Borrowers had begun setting up the earnings account but the process was not completed as of the Petition Date.

4. Validity of DSF Prepetition Obligations. (a) The DSF Prepetition Obligations constitute legal, valid, binding and non-avoidable obligations of the DSF Borrowers, OSG, OBS, and OIN, subject to the terms of the DSF Facility Documents; and (b) no offsets, recoupments, challenges, objections, defenses, claims or counterclaims of any kind or nature to any of the DSF Prepetition Obligations exist, and no portion of the DSF Prepetition Obligations is subject to any challenge or defense including, without limitation, avoidance, disallowance, disgorgement, recharacterization or subordination (whether equitable or otherwise pursuant to the Bankruptcy Code or applicable non-bankruptcy law).

5. Validity of DSF Prepetition Liens. In the absence of written notification to the contrary by the Debtors to the Court and DSF on or before sixty (60) days from the date hereof, that the DSF Prepetition Liens constitute legal, valid, binding and non-avoidable liens on and security interests in the DSF Prepetition Collateral.

6. Cash Collateral. Effective upon the entry of this Order, to secure any claim arising from (a), and only to the extent of, the Adequate Protection Obligations (as defined below), and (b) the failure to make any Adequate Protection Payments (as defined below) required hereunder, DSF is hereby granted a first priority perfected postpetition lien in an account into which all DSF Earnings shall be deposited (upon the granting of such lien, the “DSF Deposit Account”), which account shall be promptly opened and/or selected for such purposes by OIN. DSF shall have read-only online access to such DSF Deposit Account. The aggregate

DSF Earnings deposited in the DSF Deposit Account will constitute cash collateral within the meaning of Section 363(a) of the Bankruptcy Code (the “Cash Collateral”).

D. Cause Shown.

1. Good cause has been shown for the entry of this Order. The DSF Borrowers and OIN have a significant need to use the DSF Prepetition Collateral. For each of the DSF Borrowers, the only means of revenue generation, and therefore of meeting their DSF Prepetition Obligations, is through the continued operation of the DSF Vessels. Permitting the DSF Borrowers to operate the DSF Vessels and pay vessel, voyage, and drydock expenses will minimize disruption to the DSF Borrowers’ businesses and operations, allow the DSF Borrowers to honor their obligations to vendors, employees and customers, and preserve the value of the DSF Prepetition Collateral. The ongoing costs to maintain and operate the DSF Vessels are significant and include insurance, voyage and vessel operating expenses such as fuel (bunkers), port fees, crew and repairs (collectively, the “DSF Voyage and Vessel Operating Expenses”), capital expenses (the “DSF Vessel Capital Expenditures”), drydocking and related repair expenses (“DSF Vessel Drydocking Expenses”), and drydocking reserves (the “DSF Vessel Drydocking Reserve Amounts”). Without payment of these costs and expenses, the DSF Vessels and, by extension, the DSF Borrowers and their estates will suffer immediate and irreparable loss of value.

2. Because the Debtors anticipate that the DSF Vessels can generate positive cash flows over time, the use of DSF Prepetition Collateral in the ordinary course of business will help preserve and maintain the going concern value of the DSF Borrowers and their estates, and will enhance the prospects for a successful reorganization of the DSF Borrowers under Chapter 11 of the Bankruptcy Code. The expenses incurred in operating the DSF Vessels are

paid in the ordinary course of business by certain OSG affiliates on behalf of the DSF Borrowers. The DSF Borrowers do not have any management or operational capacity of their own. As vessel-owning entities they rely on the technical services of OSG affiliates to procure goods and services, crew the vessels, and manage relationships with their customers. For each of the DSF Borrowers, the only means of revenue generation is through the continued operation of the DSF Vessels, which also will result in the continued generation of new Cash Collateral under the terms of this Order. Paying the operating and maintenance expenses will minimize disruption to the DSF Borrowers' businesses and operations, allow the DSF Borrowers to honor their obligations to vendors, employees and customers, and preserve the value of the DSF Prepetition Collateral.

E. Adequate Protection. Solely to the extent of the DSF Prepetition Obligations, DSF is entitled to adequate protection for any diminution in the value of its interests in the DSF Prepetition Collateral due to (i) the use of the DSF Prepetition Collateral, (ii) the granting of *pari passu* liens in such collateral in connection with the DSF DIP Facility, and (iii) the imposition of the automatic stay pursuant to Section 362(a) of the Bankruptcy Code (the "Automatic Stay") (collectively, the "Adequate Protection Obligations"). After good faith negotiations, DSF and the Debtors have agreed to the terms herein, including without limitation the adequate protection described herein, allowing for the consensual use of the DSF Prepetition Collateral and the granting of *pari passu* liens in respect of the DSP DIP Facility.

F. Notice. Notice of the hearing and the relief requested in the Motion has been provided by the Debtors to certain parties in interest, including: (i) the U.S. Trustee; (ii) the Committee; (iii) DSF; (iv) the Securities and Exchange Commission; (v) the Internal Revenue Service; and (vi) the United States Department of Justice. Under the circumstances, such notice

of the Motion, the relief requested therein and the hearing on the Motion complies with Bankruptcy Rule 4001(d) and the Local Rules.

G. Fair and Reasonable. Based on the Motion, the materials submitted in support of the Motion, including without limitation the First Day Declaration, and the record presented at the hearing held on January 24, 2013 (the "Hearing"), the terms of the use of the DSF Prepetition Collateral by the DSF Borrowers are fair and reasonable, and reflect the DSF Borrowers' exercise of their prudent business judgment consistent with their fiduciary duties.

H. Immediate Entry of Order. The Debtors have requested immediate entry of this Order pursuant to Bankruptcy Rule 4001(b)(2). The Court concludes that entry of this Order is in the best interest of the Debtors' estates and all creditors and is necessary to avoid immediate and irreparable harm to the Debtors and their estates.

Based upon the foregoing findings and conclusions, and upon the record made before this Court at the Hearing, and good and sufficient cause appearing therefor:

IT IS HEREBY ORDERED that:

1. Disposition. The Motion is granted to the extent set forth herein. Any objections to the Motion to the extent not withdrawn are hereby denied and overruled.
2. Effect. The DSF Borrowers' authorization to use DSF Prepetition Collateral shall commence as of entry of this Order by the Court, *nunc pro tunc* to the Petition Date.
3. Adequate Protection; Dedicated Account.
 - a. OIN is hereby authorized and directed to open a new account or to designate an existing bank account for purposes of serving as the DSF Deposit Account. As of the entry of this Order, such account shall become the DSF Deposit Account, and OIN and the DSF Borrowers shall be authorized and directed to deposit all of the DSF Earnings arising from

and after the date hereof into the DSF Deposit Account and to direct all future payments relating to the DSF Earnings into the DSF Deposit Account. For the avoidance of doubt, all amounts held in the DSF Deposit Account shall constitute Cash Collateral, and the DSF Deposit Account shall be pledged to DSF on a first priority basis to secure any claim arising from (i) the Adequate Protection Obligations and (ii) the failure to make any Adequate Protection Payments required hereunder, as provided in and effectuated by this Order.

b. The DSF Borrowers and OIN are hereby authorized and directed, subject to the terms and conditions of the Order, to use funds in the DSF Deposit Account to fund the DSF Voyage and Vessel Operating Expenses, the DSF Vessel Capital Expenditures, the DSF Vessel Drydocking Expenses, the DSF Vessel Drydocking Reserve Amounts, the DSF Expense Reimbursement, the Adequate Protection Interest Payments, and interest obligations outstanding under the DSF DIP Facility as set forth below, and for no other purposes. OIN is hereby authorized and directed to apply any and all funds in the DSF Deposit Account as follows (the “Priority of Payments”):

- (i) First, to OSG Ship Management (UK) Ltd. (“OSM-UK”) or its affiliates, as applicable, to reimburse any DSF Voyage and Vessel Operating Expenses, DSF Vessel Capital Expenditures, and DSF Drydocking Expenses incurred by OSM-UK and its affiliates (to the extent such DSF Drydocking Expenses are not covered by the DSF Vessel Drydocking Reserve Amounts);
- (ii) Second, to fund the DSF Vessel Drydocking Reserve Amounts set by OIN from time to time, and which shall be held in the DSF Deposit Account (which amounts may be withdrawn by OIN to reimburse OSM-UK or its affiliates, as applicable, for any DSF Drydocking Expenses incurred by OSM-UK and its affiliates);
- (iii) Third, the DSF Expense Reimbursement (as defined below);
- (iv) Fourth, to DSF to pay any outstanding Adequate Protection Interest Payments (as defined below) to the extent due; and

(v) Fifth, to the DSF DIP Lender to pay any interest outstanding under the DSF DIP Facility to the extent due.

4. Reporting. The DSF Borrowers and OIN shall deliver to DSF and to the Committee:
- a. on or about 45 days after the end of each month (unless such day is not a business day, in which case the required delivery date shall be the next succeeding business day) a report detailing (i) DSF Voyage and Vessel Operating Expenses, DSF Vessel Drydocking Expenses and DSF Vessel Capital Expenditures (collectively the “Expenses”) incurred during such month, (ii) the actual proceeds deposited in the DSF Deposit Account (the “Proceeds”) during such month and (iii) the amounts deposited in and utilized from the DSF Vessel Drydocking Reserve Amounts;
 - b. on or about 45 days after the end of each fiscal quarter (unless such day is not a business day, in which case the required delivery date shall be the next succeeding business day), a variance report of the actual Expenses against the projected Expenses for such fiscal quarter (including variances for Drydocking Reserve Amounts) and of the actual Proceeds against the projected Proceeds for such fiscal quarter. The variance report relating to the first fiscal quarter of each year will reflect the differences between the actual Expenses and those forecasted in the Annual Budget. The variance report relating to all other fiscal quarters in each year will reflect the differences between the actual Expenses and those appearing in the most recent Budget Forecast (as defined below). The variance report relating to the actual Proceeds will reflect the difference for the relevant fiscal quarter and those forecasted in the Annual Budget;
 - c. on or about 75 days after the end of each fiscal quarter (unless such day is not a business day, in which case the required delivery date shall be the next succeeding business

day), a revised budget for the DSF Borrowers for the fiscal quarters remaining in such year, reflecting the actual expenditures for all prior fiscal quarters and a revised forecast for the remaining fiscal quarters in such year (the “Budget Forecast”); and

d. on or about January 31st of each year (unless such day is not a business day, in which case the required delivery date shall be the next succeeding business day), an annual budget for the DSF Borrowers for such year (the “Annual Budget”).

5. Access

a. The DSF Borrowers and OIN shall make themselves available in New York during normal business hours and with reasonable advance notice to discuss the details of the reports delivered in accordance with Paragraph 4 herein with DSF and the Committee.

b. The DSF Borrowers and OIN shall provide advance notice to DSF and the Committee within a reasonable time prior to the drydocking of any DSF Vessel and shall provide reasonable access to such DSF Vessel during such drydocking at DSF’s sole expense (without prejudice to DSF’s right to assert a claim with respect to any such expense incurred).

6. Adequate Protection. As adequate protection for the Adequate Protection Obligations, DSF is hereby granted the following:

a. Payment of Interest. OIN on behalf of the DSF Borrowers shall pay to DSF the current interest payments due on the DSF Prepetition Obligations at the non-default contract rate of interest set forth in (and at the times provided in) the DSF Facility Documents (the “Adequate Protection Interest Payments”), from the DSF Deposit Account in accordance with the Priority of Payments. To the extent that the DSF Borrowers have not paid any amount of non-default contract rate of interest that came due and owing after the Petition Date and before

the date of this Order, OIN is authorized and directed to make such payments upon entry of this Order.

b. Postpetition Liens. DSF is granted a first priority perfected postpetition lien to secure any claim arising from, and only to the extent of, the Adequate Protection Obligations and any failure to pay when due any Adequate Protection Payments, in (i) the DSF Deposit Account and (ii) the collateral enumerated on Exhibit B hereto (collectively, with the DSF Deposit Account the “Adequate Protection Collateral”), which liens shall be in all cases *pari passu* with the liens granted to secure any obligations under the DSF DIP Facility (as defined below) as authorized by an order of this Court (the “DIP Order”).

c. DSF Expense Reimbursement.

- (i) Within ten (10) business days after entry of this Order, OIN shall be authorized to apply funds in the DSF Deposit Account, in accordance with the Priority of Payments above, to pay any reasonable outstanding and unpaid invoices from DSF’s U.S. legal counsel, Seward & Kissel LLP, One Battery Park Plaza, New York, NY 10004, for the period prior to the Petition Date in connection with the DSF Facility Documents and the Chapter 11 Cases, to the extent such payment would be required by the express terms of the applicable DSF Facility Documents (the “Initial DSF Fees”). In addition, within twenty (20) business days after receipt by OIN, the Committee, and the U.S. Trustee of an invoice (including for the Initial DSF Fees), and, subject to paragraph 6(c)(ii) below, OIN shall be authorized to apply funds in the DSF Deposit Account to pay all reasonable and documented fees and expenses of one general U.S. legal counsel, one Danish legal counsel and one Delaware legal counsel for DSF (the Danish and Delaware legal counsel together, the “Supplemental Legal Counsel”) and one financial advisor for DSF (the “DSF Financial Advisor”), provided that the fees and expenses of the Supplemental Legal Counsel payable hereunder shall not exceed \$175,000 in aggregate, and the fees and expenses of the DSF Financial Advisor payable hereunder shall be limited to the cost of review of the reports provided in accordance with Paragraph 4 herein and shall not exceed \$15,000 per month (and shall not include any success fee, transaction fee or similar fee absent further notice and an opportunity to object), provided that if DSF and the Export-Import

Bank of China retain the same financial advisor, the fees and expenses payable hereunder for the financial advisor shall be limited to the cost of review of the reports provided in accordance with Paragraph 4 herein and shall not exceed \$25,000 per month (the reimbursement of such pre- and postpetition fees and expenses, including the Initial DSF Fees the “DSF Expense Reimbursement” and together with the Adequate Protection Interest Payments, the “Adequate Protection Payments”); provided that nothing herein shall be construed as a waiver by the Debtors, the Committee or the U.S. Trustee of their right to later challenge the amount, extent, type or characterization of any of the Adequate Protection Payments or any other costs, fees, and expenses paid or purported to be payable including, for the avoidance of doubt, any actions seeking recharacterization and/or disgorgement from DSF (a) to the extent that any such Adequate Protection Payment authorized hereunder exceed the diminution in value of the DSF Prepetition Collateral or (b) the Court otherwise determines at a later date that DSF was not entitled to the Adequate Protection Payments contemplated hereby. DSF shall be required to serve the U.S. Trustee and the Committee with copies of any invoices submitted to OIN.

- (ii) None of the fees, costs and expenses payable pursuant to this Paragraph 6 shall be subject to separate approval by this Court, and no recipient of any such payment shall be required to file or serve upon any party an interim or final fee application with respect thereto. The U.S. Trustee, OIN, and the Committee shall have seven (7) days from the date of delivery of such invoices to review and, if appropriate, dispute any of such fees and expenses by filing with the Court and serving upon DSF a written objection to the reasonableness of such fees, costs and expenses, specifying the amount or charges asserted to be unreasonable. OIN shall not be authorized to make the specific amounts or charges that have been objected to, but shall pay the balance. Upon entry of an order by the Court resolving such objection (or if such objection is otherwise withdrawn or resolved), OIN is authorized by pay such amounts no longer in dispute.

d. Funding of Shortfalls. OIN (solely in its capacity as postpetition lender, the “DSF DIP Lender”) shall provide to the DSF Borrowers limited postpetition financing (the “DSF DIP Facility”) not to exceed \$10,000,000 in principal (excluding any interest paid in kind as provided under the DSF DIP Facility) in accordance with that certain Senior Secured Superpriority Debtor in Possession Loan Agreement, dated as of January 24, 2013 (the “DSF

DIP Loan Agreement” and together with all other loan and security documents executed in connection with the DSF DIP Facility, the “DSF DIP Facility Documents”) for which interest shall be paid as provided in the DSF DIP Facility Documents and the Priority of Payments. As more fully set out in the DIP Order, all obligations of the DSF Borrowers under the DSF DIP Loan Agreement shall be secured by liens on the DSF Prepetition Collateral and the Adequate Protection Collateral that rank *pari passu* to those liens securing the DSF Prepetition Obligations and the DSF liens on the Adequate Protection Collateral granted hereunder, as applicable. In the event that there are insufficient funds in the DSF Deposit Account at the time any DSF Voyage and Vessel Operating Expenses, DSF Vessel Capital Expenditure, DSF Vessel Drydocking Expenses, DSF Vessel Drydocking Reserve Amounts, DSF Expense Reimbursements, or Adequate Protection Interest Payments are required to be made in accordance with the Priority of Payments, the DSF Borrowers shall borrow under the DSF DIP Facility sufficient amounts to make such payments and only for such payments and no other purposes.

7. 507(b) Claim. The Adequate Protection Payments and the Adequate Protection Obligations to the extent not offset by the Adequate Protection Payments and Adequate Protection Collateral shall constitute expenses of administration under Bankruptcy Code Sections 503(b)(1), 507(a) and 507(b) (the “507(b) Claims”) solely of the DSF Borrowers with priority in payment over any and all administrative expenses of the kinds specified or ordered pursuant to any provision of the Bankruptcy Code, including without limitation, Bankruptcy Code Sections 105, 326, 328, 330, 331 and 726, and shall at all times be senior to the rights of the Debtors, and any successor trustee or any creditor, in these Chapter 11 Cases or, to the extent permitted by applicable law, any subsequent proceedings under the Bankruptcy Code. No cost or expense of administration under Bankruptcy Code Sections 105, 503(b), or otherwise, including those

resulting from the conversion of these Chapter 11 Cases pursuant to Bankruptcy Code Section 1112, shall be senior to, or *pari passu* with, the 507(b) Claims of DSF arising out of the Adequate Protection Payments. The 507(b) Claims shall rank *pari passu* with the DSF DIP Superpriority Claims granted pursuant to Section 364(c)(1) under the DIP Order. The Debtors, the Committee, and the U.S. Trustee reserve all of their rights to object to any such 507(b) Claims asserted by DSF. Notwithstanding anything set forth in this Order, DSF does not consent to the imposition of any claims against the DSF Prepetition Collateral under section 506(c) of the Bankruptcy Code.

8. Limitations on Cash Collateral and the Use of Proceeds. Except as otherwise set forth herein, no proceeds of the DSF Prepetition Collateral and no Cash Collateral shall be used without the prior written consent of DSF (which shall not be unreasonably withheld), for the purpose of objecting to, challenging or contesting in any manner, or in raising any defenses to, the amount, validity, extent, perfection, priority or enforceability of the DSF Prepetition Obligations, or any liens or security interests with respect thereto, including, without limitation, for lender liability or pursuant to Sections 105, 510, 544, 547, 548, 549, 550 or 552 of the Bankruptcy Code, applicable non-bankruptcy law or otherwise. For the avoidance of doubt, nothing herein shall be deemed to impose a deadline on any party to assert that the DSF Prepetition Liens were, as of the Petition Date or any other date, of a value less than the amount set forth in Paragraph C hereof or assert any claims or causes of action against DSF with respect to the DSF Prepetition Obligations not contemplated by the Stipulations in paragraph C hereof.

9. Modification of Automatic Stay.

a. The Automatic Stay shall be modified to the extent necessary, if at all, to take all actions necessary to implement and effectuate the terms and conditions of this Order,

including, without limitation, to allow the Priority of Payments and Adequate Protection Payments to be made.

b. Upon an attachment, arrest or seizure of a DSF Vessel under the applicable laws of any jurisdiction, solely in the event that (i) the Debtors shall have not taken such steps as are available to them to intervene in or stay the proceeding relating to such attachment, arrest or seizure (the “Arrest Proceeding”) to assert their and DSF’s rights or interests in such DSF Vessel within ten (10) business days upon receiving notice of such Arrest Proceeding, including, without limitation, to obtain enforcement of a stay in the relevant jurisdiction, or (ii) the Vessel Arrest is not lifted within thirty (30) calendar days after such arrest, the automatic stay shall be modified to the extent necessary to permit DSF to assert its interest in such DSF Vessel in such Arrest Proceeding to preserve its lien or to exercise its rights solely to pay and discharge any debts or liabilities which gave rise to the Arrest Proceeding, or to provide bail in such Arrest Proceeding in order to release the relevant DSF Vessel from the Arrest Proceeding; provided that DSF shall give the Debtors written notice of at least five (5) business days prior to taking any such actions; provided further that DSF shall have no right to repossess such DSF Vessel or cause its sale without seeking the approval of this Court; and provided further that to the extent that DSF receives any proceeds on account of the DSF Prepetition Collateral, DSF shall notify the Debtors and the Bankruptcy Court and shall forward such proceeds for deposit into the DSF Deposit Account.

10. Termination Events. Each of the following events shall constitute a termination event (“Termination Event”), upon the occurrence of which the consensual use of Cash Collateral provided in this Order and the obligations for OIN and the DSF Borrowers to provide Adequate Protection Payments in accordance with Paragraph 6 and deliver reports in accordance

with Paragraph 4 hereunder shall terminate automatically without any further notice or action (including, without limitation, further notice, motion or application to, order of or hearing before the Court) unless the occurrence of such Termination Event is waived in writing by DSF:

a. The reversal, vacatur or modification of this Order in any manner adverse to DSF, without the prior written consent of DSF;

b. The entry by the Court of an order (a) dismissing the DSF Borrowers' Chapter 11 Cases, (ii) converting any DSF Borrower's Chapter 11 Case to a case under Chapter 7 of the Bankruptcy Code or (iii) appointing a Chapter 11 trustee in any DSF Borrower's Chapter 11 Case; or

c. The failure of OIN to make Adequate Protection Payments as set forth in Paragraphs 3 and 6 herein, in the event that such failure is not cured on or within five business days after the delivery of written notice of such failure to the Debtors and the Committee.

The termination of the Debtor's use of any Cash Collateral under upon the occurrence of a Termination Event as provided herein shall be deemed to satisfy the notice requirements of Local Bankruptcy Rule 4001-2(c)(2). To the extent the DSF Borrowers become aware of a Termination Event, the DSF Borrowers shall promptly provide notice to DSF, counsel to the Committee, and the U.S. Trustee of the occurrence of such Termination Event.

11. Filings and Perfection. This Order shall be sufficient and conclusive evidence of the validity, perfection and priority of any claim or lien granted by this Order with respect to the Adequate Protection Collateral without the necessity of filing or recording any financing statement or other instrument or document which may otherwise be required under the law or regulation of any jurisdiction or the taking of any other action (a) to validate or perfect in accordance with applicable non-bankruptcy law any claim or lien granted by this Order with

respect to the Adequate Protection Collateral, or (b) to entitle DSF to the priorities granted herein. DSF may, in its sole discretion, make any such filings and the Automatic Stay is hereby modified to allow the filing and recording of a certified copy of this Order or any such financing statements, notices of lien or similar instruments, and all such documents shall be deemed to have been filed or recorded on the date of this Order.

12. No Liability to Third Parties. In not objecting to the DSF Borrowers' or OIN's use of DSF Prepetition Collateral under the terms set forth herein or in taking any other actions related to this Order, DSF (a) shall have no liability to any third party and shall not be deemed to be in control of the operations of any Debtors or to be acting as a "controlling person," "responsible person" or "owner or operator" with respect to the operation or management of any Debtors and (b) shall not owe any fiduciary duty to the Debtors, their creditors, of their estates and shall not constitute or be deemed to constitute a joint venture or partnership with any Debtor.

13. Investigation. The Debtors' Stipulations herein shall be binding upon the Debtors immediately on entry of this Final Order in accordance with paragraphs D(1) and D(2) herein. The Debtors' Stipulations shall be binding upon other parties in interest, including the Committee, unless (a) the Committee or other party in interest obtains the authority to commence and commences, or if the Debtors' Chapter 11 Cases are converted to cases under Chapter 7 of the Bankruptcy Code ("Successor Cases") prior to the expiration of the Challenge Period (as defined below), the Chapter 7 trustee in such Successor Cases commences, on or before 75 days after entry of this Order (such time period shall be referred to as the "Challenge Period", and the date that is the next calendar day after the termination of the Challenge Period, in the event that no objection or challenge is raised during the Challenge Period, shall be referred to as the "Challenge Period Termination Date") (or such later date as has been agreed to, in writing, by

DSF) a contested matter or adversary proceeding challenging or otherwise objecting to the admissions, stipulations, findings or releases included in the Debtors' stipulations herein (the "Claims and Defenses"); and (b) the Court rules in favor of a plaintiff or movant in any such timely filed adversary proceeding or contested matter and such ruling becomes a final order; provided that, as to the Debtors, for themselves and not their estates, all such Claims and Defenses are irrevocably waived and relinquished as of the date of this Order. Until the Challenge Period Termination Date, any party in interest, including the Committee, may assert any Claims and Defenses. This Final Order shall vest and confer the Committee with standing and authority to pursue any cause of action belonging to the Debtors or their estates related to any claims or causes of action with respect to the DSF Prepetition Obligations and the DSF Facility Documents. Furthermore, nothing contained in this Order or in any document or instrument delivered in connection with this Order shall prejudice the Debtors with respect to any adversary proceeding, contested matter involving relief from the automatic stay, appointment of a trustee or examiner, the assumption or rejection of executory contracts, dismissal of the Chapter 11 cases, or conversion of the Chapter 11 cases into cases under Chapter 7, or in respect to any other matter whatsoever.

14. Binding Effect of Order. To the extent permitted under applicable law, the terms and provisions of this Order shall be binding upon and inure to the benefit of the Debtors, DSF and each of their successors and assigns, including, but not limited to, any Chapter 11 or Chapter 7 trustee hereinafter appointed or elected for the estate of any of the Debtors. To the extent there is any inconsistency between this Order and any order concerning the Debtors' cash management and/or bank accounts, this Order shall control.

15. Survival. The provisions of this Order and any actions taken pursuant hereto shall survive entry of any order which may be entered: (a) confirming any plan of reorganization in any of the Chapter 11 Cases; (b) converting any of the Chapter 11 Cases to a case under Chapter 7 of the Bankruptcy Code; (c) dismissing any of the Chapter 11 Cases or any Successor Cases; or (d) pursuant to which this Court abstains from hearing any of the Chapter 11 Cases.

16. Immediate Effect. This Order shall constitute findings of fact and conclusions of law and shall be fully enforceable immediately upon entry. The fourteen (14) day stay provisions of Bankruptcy Rule 6004(h) are waived and shall not apply to this Order.

17. Jurisdiction. This Court shall retain jurisdiction over any and all matters arising from or related to the interpretation or implementation of this Order.

Dated: _____, 2013
Wilmington, Delaware

THE HONORABLE PETER J. WALSH
UNITED STATES BANKRUPTCY JUDGE

Exhibit A

Danish Ship Finance (Danmarks Skibskredit A/S)
Pledged Collateral

Vessel	Collateral
1372 Tanker Corporation	<p>All property pledged under the following documents:</p> <ul style="list-style-type: none"> ▪ Second Amended and Restated First Preferred Mortgage on the Marshall Islands Flag Vessel Overseas Mulan by 1372 Tanker Corporation, as Owner, to Danish Ship Finance A/S, as Mortgagee, dated August 28, 2008, as amended by Amendment No. 1 dated May 7, 2010; ▪ Second Amended and Restated Assignment of Insurances between 1372 Tanker Corporation, as Assignor, and Danish Ship Finance A/S, as Agent, as Assignee dated August 28, 2008 (the "<u>1372 Tanker Corporation Insurance Assignment</u>"); and ▪ Second Amended and Restated Assignment of Earnings and Charterparties between 1372 Tanker Corporation, as Assignor and Danish Ship Finance A/S, as agent, as Assignee dated August 28, 2008; <p>other than, in each case, any property listed opposite 1372 Tanker Corporation on Exhibit B.</p>
Alcesmar Limited	<p>All property pledged under the following documents:</p> <ul style="list-style-type: none"> ▪ Second Amended and Restated First Preferred Mortgage Granted in Continuation of a Prior Mortgage on the Marshall Islands Flag Vessel Overseas Alcesmar by Alcesmar Limited, as Owner, to Danish Ship Finance A/S, as Mortgagee, dated August 28, 2008 as amended by Amendment No. 1 dated May 7, 2010; ▪ Second Amended and Restated Assignment of Insurances between Alcesmar Limited, as Assignor, and Danish Ship Finance A/S as Agent, as Assignee, dated August 28, 2008 (the "<u>Alcesmar Insurance Assignment</u>"); and ▪ Second Amended and Restated Assignment of Earnings and Charterparties between Alcesmar Limited, as Assignor and Danish Ship Finance A/S, as agent, as Assignee dated August 28, 2008; <p>other than, in each case, any property listed opposite Alcesmar Limited on Exhibit B.</p>
Alcmar Limited	<p>All property pledged under the following documents:</p> <ul style="list-style-type: none"> ▪ Second Amended and Restated First Preferred Mortgage Granted in Continuation of a Prior Mortgage on the Marshall Islands Flag Vessel Overseas Alcmar by Alcmar Limited, as Owner, to Danish Ship Finance A/S, as Mortgagee, dated August 28, 2008 as amended by Amendment No. 1 dated May

	<p>7, 2010;</p> <ul style="list-style-type: none"> ▪ Second Amended and Restated Assignment of Insurances between Alcmar Limited, as Assignor, and Danish Ship Finance A/S, as Agent, as Assignee dated August 28, 2008 (the “<u>Alcmar Insurance Assignment</u>”); and ▪ Second Amended and Restated Assignment of Earnings and Charterparties between Alcesmar Limited, as Assignor and Danish Ship Finance A/S, as agent, as Assignee dated August 28, 2008; <p>other than, in each case, any property listed opposite Alcmar Limited in Exhibit B.</p>
Andromar Limited	<p>All property pledged under the following documents:</p> <ul style="list-style-type: none"> ▪ Second Amended and Restated First Preferred Mortgage Granted in Continuation of a Prior Mortgage on the Marshall Islands Flag Vessel Overseas Andromar by Andromar Limited, as Owner, to Danish Ship Finance A/S, as Mortgagee, dated August 28, 2008 as amended by Amendment No. 1 dated May 7, 2010; ▪ Second Amended and Restated Assignment of Insurances between Andromar Limited, as Assignor, and Danish Ship Finance A/S, as Agent, as Assignee dated August 28, 2008 (the “<u>Andromar Insurance Assignment</u>”); and ▪ Second Amended and Restated Assignment of Earnings and Charterparties between Andromar Limited, as Assignor and Danish Ship Finance A/S, as agent, as Assignee dated August 28, 2008; <p>other than, in each case, any property listed opposite Andromar Limited on Exhibit B.</p>
Antigmar Limited	<p>All property pledged under the following documents:</p> <ul style="list-style-type: none"> ▪ Second Amended and Restated First Preferred Mortgage Granted in Continuation of a Prior Mortgage on the Marshall Islands Flag Vessel Overseas Antigmar by Antigmar Limited, as Owner, to Danish Ship Finance A/S, as Mortgagee, dated August 28, 2008 as amended by Amendment No. 1 dated May 7, 2010; ▪ Second Amended and Restated Assignment of Insurances between Antigmar Limited, as Assignor, and Danish Ship Finance A/S, as Agent, as Assignee dated August 28, 2008 (the “<u>Antigmar Insurance Assignment</u>”); and ▪ Second Amended and Restated Assignment of Earnings and

	<p>Charterparties between Antigmar Limited, as Assignor and Danish Ship Finance A/S, as agent, as Assignee dated August 28, 2008;</p> <p>other than, in each case, any property listed opposite Antigmar Limited on Exhibit B.</p>
Ariadmar Limited	<p>All property pledged under the following documents:</p> <ul style="list-style-type: none"> ▪ Second Amended and Restated First Preferred Mortgage Granted in Continuation of a Prior Mortgage on the Marshall Islands Flag Vessel Overseas Ariadmar by Ariadmar Limited, as Owner to Danish Ship Finance A/S, as Mortgagee, dated August 28, 2008 as amended by Amendment No. 1 dated May 7, 2010; ▪ Second Amended and Restated Assignment of Insurances between Ariadmar Limited, as Assignor, and Danish Ship Finance A/S, as Agent, as Assignee dated August 28, 2008 (the “<u>Ariadmar Insurance Assignment</u>”); and ▪ Second Amended and Restated Assignment of Earnings and Charterparties between Ariadmar Limited, as Assignor and Danish Ship Finance A/S, as agent, as Assignee dated August 28, 2008; <p>other than, in each case, any property listed opposite Ariadmar Limited on Exhibit B.</p>
Shirley Tanker SRL	<p>All property pledged under the following documents:</p> <ul style="list-style-type: none"> ▪ First Preferred Mortgage Granted in Continuation of Prior Recorded Mortgages on the Marshall Islands Flag Vessel Overseas Shirley by Shirley Tanker SRL, as owner, to Danish Ship Finance A/S, as mortgagee, dated October 12, 2012; ▪ Second Amended and Restated Assignment of Earnings and Charterparties between Shirley Tanker SRL, as Assignor and Danish Ship Finance A/S, as agent, as Assignee dated October 12, 2012 (the “<u>Shirley Assignment of Earnings and Charterparties</u>”); ▪ Second Amended and Restated Assignment of Insurances between Shirley Tanker SRL, as Assignor, and Danish Ship Finance A/S, as Agent, as Assignee dated October 12, 2012 (the “<u>Shirley Insurance Assignment</u>”); <p>other than, in each case, any property listed opposite Shirley Tanker SRL on Exhibit B.</p>
Leyte Product Tanker Corporation	<p>All property pledged under the following documents:</p> <ul style="list-style-type: none"> ▪ First Preferred Mortgage on the Marshall Islands Flag Vessel

	<p>Overseas Leyte by Leyte Product Tanker Corporation, as Owner, to Danish Ship Finance A/S, as Mortgagee, dated October 09, 2012;</p> <ul style="list-style-type: none"> ▪ Assignment of Earnings and Charterparties by Leyte Product Tanker Corporation in favor of Danish Ship Finance dated October 09, 2012 (the “<u>Leyte Assignment of Earnings and Charterparties</u>”); and ▪ Assignment of Insurances by Leyte Product Tanker Corporation in favor of Danish Ship Finance A/S, as agent dated October 9, 2012 (the “<u>Leyte Insurance Assignment</u>”); <p>other than, in each case, any property listed opposite Leyte Product Tanker Corporation on Exhibit B.</p>
Samar Product Tanker Corporation	<p>All property pledged under the following documents:</p> <ul style="list-style-type: none"> ▪ First Preferred Mortgage on the Marshall Islands Flag Vessel Overseas Samar by Samar Product Tanker Corporation, as Owner, to Danish Ship Finance A/S, as Mortgagee, dated October 09, 2012; ▪ Assignment of Earnings and Charterparties by Samar Product Tanker Corporation in favor of Danish Ship Finance dated October 09, 2012 (the “<u>Samar Assignment of Earnings and Charterparties</u>”); and ▪ Assignment of Insurances by Samar Product Tanker Corporation in favor of Danish Ship Finance A/S, as agent dated October 9, 2012 (the “<u>Samar Insurance Assignment</u>”); <p>other than, in each case, any property listed opposite Samar Product Tanker Corporation on Exhibit B.</p>
Rosalyn Tanker Corporation	<p>All property pledged under the following documents:</p> <ul style="list-style-type: none"> ▪ First Preferred Mortgage Granted on the Marshall Islands Flag Vessel Overseas Rosalyn by Rosalyn Tanker Corporation, as owner, to Danish Ship Finance A/S, as mortgagee, dated May 7, 2010; ▪ Assignment of Earnings and Charterparties by Rosalyn Tanker Corporation in favor of Danish Ship Finance A/S dated May 7, 2010 (the “<u>Rosalyn Assignment of Earnings and Charterparties</u>”); and ▪ Assignment of Insurances by Rosalyn Tanker Corporation in favor of Danish Ship Finance A/S dated May 7, 2010 (the “<u>Rosalyn Insurance Assignment</u>”); <p>other than, in each case, any property listed opposite Rosalyn Tanker</p>

	Corporation on Exhibit B.
--	---------------------------

Exhibit B

Danish Ship Finance (Danmarks Skibskredit A/S)
Excluded Collateral

Vessel	Collateral
1372 Tanker Corporation	<ul style="list-style-type: none"> ▪ All property pledged under the following documents: <ul style="list-style-type: none"> ○ Second Amended and Restated Assignment of Earnings and Charterparties between 1372 Tanker Corporation, as Assignor and Danish Ship Finance A/S, as agent, as Assignee dated August 28, 2008; and ○ the 1372 Tanker Corporation Insurance Assignment.
Alcesmar Limited	<ul style="list-style-type: none"> ▪ All property pledged under the following documents: <ul style="list-style-type: none"> ○ Second Amended and Restated Assignment of Earnings and Charterparties between Alcesmar Limited, as Assignor and Danish Ship Finance A/S, as agent, as Assignee dated August 28, 2008; and ○ the Alcesmar Insurance Assignment.
Alcmar Limited	<ul style="list-style-type: none"> ▪ All property pledged under the following documents: <ul style="list-style-type: none"> ○ Second Amended and Restated Assignment of Earnings and Charterparties between Alcmar Limited, as Assignor and Danish Ship Finance A/S, as agent, as Assignee dated August 28, 2008; and ○ the Alcmar Insurance Assignment.
Andromar Limited	<ul style="list-style-type: none"> ▪ All property pledged under the following documents: <ul style="list-style-type: none"> ○ Second Amended and Restated Assignment of Earnings and Charterparties between Andromar Limited, as Assignor and Danish Ship Finance A/S, as agent, as Assignee dated August 28, 2008; and ○ the Andromar Insurance Assignment.
Antigmar Limited	<ul style="list-style-type: none"> ▪ All property pledged under the following documents: <ul style="list-style-type: none"> ○ Second Amended and Restated Assignment of Earnings and Charterparties between Antigmar Limited, as Assignor and Danish Ship Finance A/S, as agent, as Assignee dated August 28, 2008; and ○ the Antigmar Insurance Assignment.
Ariadmar Limited	<ul style="list-style-type: none"> ▪ All property pledged under the following documents: <ul style="list-style-type: none"> ○ Second Amended and Restated Assignment of Earnings and Charterparties between Ariadmar Limited, as Assignor and Danish Ship Finance A/S, as agent, as Assignee dated August 28, 2008; and ○ the Ariadmar Insurance Assignment.
Shirley Tanker SRL	<ul style="list-style-type: none"> ▪ All property pledged under the Shirley Insurance Assignment.

	<ul style="list-style-type: none"> ▪ The Earnings Account as defined in the Shirley Assignment of Earnings and Charterparties.
Leyte Product Tanker Corporation	<ul style="list-style-type: none"> ▪ All property pledged under the Leyte Insurance Assignment. ▪ The Earnings Account as defined in the Leyte Assignment of Earnings and Charterparties.
Samar Product Tanker Corporation	<ul style="list-style-type: none"> ▪ All property pledged under the Samar Insurance Assignment.. ▪ The Earnings Account as defined in the Samar Assignment of Earnings and Charterparties.
Rosalyn Tanker Corporation	<ul style="list-style-type: none"> ▪ All property pledged under the Rosalyn Insurance Assignment. ▪ The Earnings Account as defined in the Rosalyn Assignment of Earnings and Charterparties.