

OVERSEAS SHIPHOLDING GROUP INC  
 Form 4  
 February 20, 2007

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 ARNTZEN MORTEN

2. Issuer Name and Ticker or Trading Symbol  
 OVERSEAS SHIPHOLDING GROUP INC [OSG]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 666 THIRD STREET  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 02/15/2007

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 President and CEO

NEW YORK, NY 10017  
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Common Stock, par value \$1.00 per share	02/15/2007		A		23,645 (1)	A	\$ 0
					116,103	(2)	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount Number Shares
Stock Option (right to buy)	\$ 63.44	02/15/2007		A	73,135	<u>(3)</u> 02/15/2017	Common Stock 73,135
Restricted Stock Unit ("RSU")	\$ 0	02/15/2007		A	47,289	<u>(4)(5)</u> <u>(4)(5)</u>	Common Stock 47,289
Stock Option (right to buy)	\$ 63.44	02/15/2007		A	146,270	<u>(6)</u> 02/15/2017	Common Stock 146,270

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ARNTZEN MORTEN 666 THIRD STREET NEW YORK, NY 10017	X		President and CEO	

## Signatures

James I. Edelson, Attorney-in-Fact, pursuant to power of attorney previously filed

02/20/2007

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) These shares of common stock were granted pursuant to the Overseas Shipholding Group, Inc. 2004 Stock Incentive Plan (the "2004 Plan") and are subject to vesting restrictions. The reporting person becomes vested in all of these shares on February 15, 2012 provided he has been in the continuous employ of the Issuer or its affiliates through such date. The reporting person will become fully vested in such shares prior to such date upon a change of control of the Issuer. If the reporting person's employment by the Issuer or any of its affiliates terminates before such date for certain reasons, including death, disability or without cause, the reporting person will vest in a pro rata portion of such shares.
- (2) Of these 116,103 shares of common stock, as disclosed in this filing and prior filings, 78,213 shares are subject to vesting restrictions as of the filing date of this Form 4.

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The option to purchase these shares of common stock was granted pursuant to the 2004 Plan and will become exercisable on February 15, 2012 provided the reporting person has been in the continuous employ of the Issuer or its affiliates through such date. The reporting

- (3) person will become fully vested in such options prior to such date upon a change of control of the Issuer. If the reporting person's employment by the Issuer or any of its affiliates terminates before such date for certain reasons, including death, disability or without cause, the reporting person will vest in a pro rata portion of such option.

These RSUs were granted pursuant to the 2004 Plan and convert into an equal number of shares of common stock if certain performance goals are achieved relating to the value of a share of common stock during the three, four or five year periods commencing on January 1, 2007. If performance goals are achieved during the three or four year periods, 50% of the RSUs applicable to such achieved performance

- (4) goals are converted into common stock on each of January 1, 2011 and January 1, 2012, provided that the reporting person has been in the continuous employ of the Issuer or any of its affiliates through such dates. If performance goals are achieved during the five year period, all the RSUs applicable to such achieved performance goal are converted into common stock on January 1, 2012, provided that the reporting person has been in the continuous employ of the Issuer or any of its affiliates through such date.

The RSUs have no voting rights. There will be credited to a dividend book entry account on behalf of the reporting person with respect to

- (5) his RSUs the same cash dividend as is paid on shares of common stock from the grant date of the RSUs. Such dividends will be held uninvested and without interest and paid in cash to the reporting person if and when the RSUs vest.

The option to purchase these shares of common stock was granted pursuant to the 2004 Plan. The option becomes exercisable if certain performance goals are achieved relating to the value of a share of common stock during the three, four or five year periods commencing on January 1, 2007. If performance goals are achieved during the three or four year periods, 50% of the option for which performance

- (6) goals have been achieved become exercisable on each of January 1, 2011 and January 1, 2012 provided that the reporting person has been in the continuous employ of the Issuer or any of its affiliates through such dates. If performance goals are achieved during the five year period, all of the option for which performance goals have been achieved becomes exercisable on January 1, 2012 provided that the reporting person has been in the continuous employ of the Issuer or any of its affiliates through such date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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