

## Notice of Annual General Meeting in American Shipping Company ASA

Notice is hereby provided of the annual general meeting of American Shipping Company ASA on Thursday 25 April 2019 at 10 a.m. (Oslo time) at Advokatfirmaet BAHR AS, Tjuvholmen Allé 16, 0252 Oslo, Norway. Ballots will be distributed at the meeting venue from 9:30 a.m. to 10 a.m. on the day of the annual general meeting.

The annual general meeting will be held for the purposes stated below:

1. **Opening of the annual general meeting of American Shipping Company ASA, including approval of the notice and agenda.**
2. **Election of a person to co-sign the meeting minutes along with the meeting chair.**
3. **Presentation of business activities (no voting).**
4. **Approval of the 2018 annual accounts of American Shipping Company ASA, group consolidated accounts and the Board of Directors' report.**
5. **Statement from the Board of Directors regarding determination of salary and other remuneration to the Management of the Company.**
  - a. **Advisory guidelines**
  - b. **Binding guidelines**
6. **Consideration of the statement of corporate governance (no voting).**
7. **Determination of the board members' remuneration.**
8. **Determination of the remuneration to the members of the Nomination Committee.**
9. **Approval of remuneration to the auditor for 2018.**
10. **Election of member to the Board of Directors.**
11. **Election of member to the Nomination Committee.**
12. **Authorization to the Board of Directors for payment of dividends.**
13. **Authorization to the Board of Directors to acquire treasury shares in connection with incentive scheme for employees.**
14. **Authorization to the Board of Directors to acquire treasury shares for investment purposes or subsequent sale or deletion or such shares.**
15. **Authorization to the Board of Directors to acquire treasury shares in connection with acquisitions, mergers, de-mergers or other transactions.**
16. **Authorization to the Board of Directors to increase the share capital in connection with future investments etc.**

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### **The shares of the company and the right to vote for shares**

The Company's share capital is NOK 606,165,050 divided into 60,616,505 shares, each having a face value of NOK 10. Each share carries one vote. However, voting and ownership restrictions apply to Shipping Operators, as set out in the Articles of Association section 8.

Each shareholder has, subject to the above mentioned restrictions for Shipping Operators as defined in the Articles of Association section 8, the right to vote for the number of shares owned by the actual shareholder and registered in the shareholder's register with the Norwegian Central Securities Depository (VPS) at the time of the general meeting. If a share acquisition has not been registered with the Norwegian Central Securities Depository (VPS) at the time of the general meeting, voting rights for the acquired shares may only be exercised if the acquisition is reported to the Norwegian Central Securities Depository (VPS) and proven at the general meeting. In a share transfer, the parties may agree that the seller can exercise the rights as holder of the shares until the shares have been transferred to the acquirer.

According to the company's assessment, neither the actual owner nor the agent has the right to vote for shares registered on nominee accounts with the Norwegian Central Securities Depository (VPS), cf. the Norwegian Public Limited Liability Companies Act section 4-10. The actual owner may, however, vote for the shares in the event all necessary steps are taken to terminate the custodian registration of the shares, and

the shares are transferred to an ordinary account registered with the Norwegian Central Securities Depository (VPS), in the owner's name. Provided that the owner can document such conduct, and he has an actual ownership interest in the company, he may, in the company's opinion, vote for the shares, even though they are not yet registered on an ordinary VPS-account.

#### **The shareholders' rights**

A shareholder cannot demand that new items are added to the agenda now, as the deadline for such request has expired, cf. Norwegian Public Limited Liability Companies Act section 5-11 second sentence. A shareholder has the right to make proposals for a resolution regarding the items which will be discussed by the general meeting.

A shareholder has the right to request board members and CEO to provide necessary information to the general meeting that may influence the approval of the annual accounts and the Board of Directors' report; items brought before the general meeting for approval; the company's financial state, including information on other businesses the company may have interest in, and other items to be discussed at the general meeting, unless the information requested may not be disclosed without disproportionate damage to the company.

If additional information is necessary, and an answer not will be given at the general meeting, a written answer shall be prepared within two weeks from the date of the general meeting. Such answer shall be available at the company's office and sent to shareholders requesting the information. If the answer is considered material for evaluation of the circumstances mentioned in the previous paragraph, the answer should be sent to all shareholders with known address.

#### **Registration of attendance to the general meeting**

Shareholders who wish to participate the annual general meeting either in person or by proxy, must notify the company of their attendance no later than Tuesday 23 April 2019 at 12:00 noon. Notification of attendance can be given via the company's website [www.americanshippingco.com](http://www.americanshippingco.com) via or via VPS Investor Services, a service offered by most registrars in Norway, or by completing and returning the enclosed attendance form scanned by email to [genf@dnb.no](mailto:genf@dnb.no), or alternatively by post to DNB Bank ASA, Registrar's Department, P.O. Box 1600 Sentrum, 0021 Oslo.

Notification of attendance must be sent electronically or received no later than the deadline stated above. Shareholders who fail to register by this deadline may be denied access to the annual general meeting and denied the right to vote. Proxy with or without voting instructions, can if desirable, be given to the chairperson of the board or the person she appoints.

#### **Voting by means of electronic communication prior to the general meeting**

A shareholder, not present himself at the general meeting, may prior to the general meeting cast vote on each agenda item via the company's website, [www.americanshippingco.com](http://www.americanshippingco.com), or via VPS Investor Services (PIN-code and reference number from the notice of attendance is required). The deadline for prior voting is Tuesday 23 April 2019 at 12:00 noon. Up until the deadline; votes already cast may be changed or withdrawn. If a shareholder choose to attend the general meeting in person or by proxy, votes already cast prior to the general meeting will be considered withdrawn.

The following documents will be available on [www.americanshippingco.com](http://www.americanshippingco.com):

- This notice and the enclosed form for notice of attendance/proxy
- The Board of Directors' proposed resolutions for the annual general meeting for the items listed above
- The Board of Directors' proposed 2018 financial statements and annual accounts, annual report and auditor's report
- The statement from the Board of Directors regarding determination of salary and other remuneration to the Management of the Company
- The recommendations from the Nomination Committee

Pursuant to section 10 of American Shipping Company ASA's Articles of Association and Section 5-12 (1) of the Norwegian Public Limited Liability Companies Act, the Chairperson of the Board, Annette Malm Justad, will open and chair the general meeting.

Any shareholder, who wants to receive the documents, can contact [IR@amshipco.com](mailto:IR@amshipco.com) or regular mail to American Shipping Company ASA, P.O. Box 230, 1326 Lysaker, Norway.

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4 April 2019

American Shipping Company ASA  
Board of Directors

Enclosure: Notice of attendance/Proxy

**Ref.nr.:**
**PIN code:**
**Notice of annual general meeting**

The annual general meeting of American Shipping Company ASA will take place on 25 April 2019 at 10 a.m. (Oslo time) at Advokatfirmaet BÅHR AS, Tjuvholmen Allé 16, 0252 Oslo, Norway

If the shareholder is a legal entity,  
please identify the authorized representative: \_\_\_\_\_

Name of authorized representative  
To grant a proxy, please use one of the proxy forms below.)

**Notice of attendance/voting prior to meeting**

The undersigned will attend the annual general meeting in American Shipping Company ASA on 25 April 2019 and exercise the voting rights attached to the following shares:

own shares, and/or

other shares in accordance with the enclosed proxy/proxies, i.e.

\_\_\_\_\_ shares in total.

This notice of attendance must be received by DNB Bank ASA by 23 April 2019 at 12:00 noon.

Notice of attendance may be sent electronically via American Shipping Company ASA's website – [www.americanshippingco.com](http://www.americanshippingco.com) – or via VPS Investor Services. This notice of attendance may also be scanned and sent by email to [genf@dnb.no](mailto:genf@dnb.no) or be submitted by post to DNB Bank ASA, Registrar's Department, P.O. Box 1600 Sentrum, 0021 Oslo, Norway.

Advance votes may only be cast electronically via American Shipping Company ASA's website – [www.americanshippingco.com](http://www.americanshippingco.com) – or via VPS Investor Services. A reference number and pin code are required to access the electronic system for notification of attendance and advance voting via American Shipping Company ASA's website. Votes must be registered by 23 April 2019 at 12:00 noon. Votes already cast may be amended or withdrawn prior to the deadline.

Place	Date	Shareholder's signature (Sign only if attending in person. To grant a proxy, please use one of the forms below.)
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**Proxy (without voting instructions)**
**Ref.nr.:**
**PIN code:**

This proxy form must be used when granting a proxy without voting instructions. To grant a proxy with voting instructions, please use the form on page 2.

If you are unable to attend the annual general meeting in person, you may grant a proxy to an authorized representative, or you may submit the proxy form without appointing a proxy holder, in which case the proxy will be deemed to be granted to the Chairperson of the Board of Directors or a person authorized by her. The proxy form must be received by DNB Bank ASA, Registrar's Department, by 23 April 2019 at 12:00 noon. The proxy may be sent electronically via American Shipping Company ASA's website – [www.americanshippingco.com](http://www.americanshippingco.com) – or via VPS Investor Services. The proxy may also be scanned and sent by email to [genf@dnb.no](mailto:genf@dnb.no) or be submitted by post to DNB Bank ASA, Registrar's Department, P.O. Box 1600 Sentrum, 0021 Oslo, Norway.

The undersigned (name in capital letters): \_\_\_\_\_

hereby grants (tick one of the two boxes):

the Chairperson of the Board of Directors (or a person authorized by her)

\_\_\_\_\_  
(Name of proxy holder in capital letters)

a proxy to attend and exercise the voting rights attached to my/our shares at the annual general meeting of American Shipping Company ASA on 25 April 2019.

Place	Date	Shareholder's signature (Sign only if granting a proxy.)
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Attendance and voting rights are governed by the Norwegian Public Limited Liability Companies Act, in particular Chapter 5. If the shareholder is a company, the company's certificate of registration must be attached to the proxy.

**Proxy (with voting instructions)**
**Ref.nr.:**
**PIN code:**

This proxy form must be used when granting a proxy with voting instructions. If you are unable to attend the annual general meeting in person, you may use this proxy form to issue voting instructions. You may grant a proxy with voting instructions to an authorized representative, or you may submit the proxy form without appointing the proxy holder, in which case the proxy will be deemed to be granted to the Chairperson of the Board of Directors or a person authorised by her. The proxy must be dated and signed.

The proxy form must be received by DNB Bank ASA, Registrar's Department, by 23 April 2019 at 12:00 noon.

The proxy may also be scanned and sent by email to [genf@dnb.no](mailto:genf@dnb.no), be submitted by post to DNB Bank ASA, Registrar's Department, P.O. Box 1600 Sentrum, 0021 Oslo, Norway.

The undersigned (name in capital letters): \_\_\_\_\_

hereby grants (tick one of the two boxes):

the Chairperson of the Board of Directors (or a person authorized by her)

\_\_\_\_\_  
Name of proxy holder (in capital letters)

a proxy to attend and exercise the voting rights attached to my/our shares at the annual general meeting of American Shipping Company ASA's on 25 April 2019.

The voting rights shall be exercised in accordance with the instructions below. Please note that if any item below is not voted on (no box is ticked), this will be deemed to be an instruction to vote "in favor" of that item. However, if any motions are received from the floor in addition to or in replacement of the proposals in the notice, the proxy holder may vote or abstain from voting at his discretion. In that case, the proxy holder will vote on the basis of his reasonable understanding of the motion. The same applies if there is any doubt as to how the voting instructions should be understood. Where no such reasonable understanding of the motion can be formed, the proxy holder may abstain from voting.

Agenda annual general meeting 2019	For	Against	Abstention
1. Opening of the annual general meeting of American Shipping Company ASA, including approval of the notice and agenda.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Election of a person to co-sign the meeting minutes along with the meeting chair.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Presentation of business activities (no voting).			
4. Approval of the 2018 annual accounts of American Shipping Company ASA, group consolidated accounts and the Board of Directors' report.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Statement from the Board of Directors regarding determination of salary and other remuneration to the Management of the Company.			
(a) Advisory guidelines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(b) Binding guidelines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Consideration of the statement of corporate governance (no voting).			
7. Determination of the board members' remuneration.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Determination of the remuneration to the members of the Nomination Committee.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Approval of remuneration to the auditor for 2018.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Election of member to the Board of Directors.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Election of member to the Nomination Committee.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Authorization to the Board of Directors for payment of dividends.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Authorization to the Board of Directors to acquire treasury shares in connection with incentive scheme for employees.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Authorization to the Board of Directors to acquire treasury shares for investment purposes or subsequent sale or deletion or such shares.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Authorization to the Board of Directors to acquire treasury shares in connection with acquisitions, mergers, de-mergers or other transactions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. Authorization to the Board of Directors to increase the share capital in connection with future investments etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Place	Date	Shareholder's signature (Sign only if granting a proxy with voting instructions.)
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Attendance and voting rights are governed by the Norwegian Public Limited Liability Companies Act, in particular Chapter 5. A written power of attorney dated and signed by the shareholder granting the proxy must be presented at the meeting.  
If the shareholder is a company, the company's certificate of registration must be attached to the proxy.

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## THE BOARD OF DIRECTORS' REASONING AND PROPOSAL FOR THE RESOLUTIONS TO BE PASSED

**Item 4 Approval of the 2018 annual accounts of American Shipping Company ASA, group consolidated accounts and the Board of Director's report.**

The annual report which comprises the annual accounts, the Board of Directors' report and the audit opinion for 2018, is available at the Company's website: [www.americanshippingco.com](http://www.americanshippingco.com).

The Board of Directors proposes that the General Meeting passes the following resolution:

*"The General Meeting approves the annual accounts for 2018 for American Shipping Company ASA, group consolidated accounts and the Board of Director's Report."*

**Item 5 Statement from the Board of Directors regarding determination of salary and other remuneration to the Management of the Company.**

In accordance with section 6-16a of the Norwegian Public Limited Liability Companies Act, the Board of Directors has prepared a statement on the determination of salary and other remuneration to the Management of the Company. The statement is available at the Company's website.

The General Meeting's approval of the guidelines is of an advisory nature to the Board of Directors. However, the approval of the guidelines regarding remuneration in the form of shares, subscription rights, options, and other forms of remuneration linked to shares or the development of the share price in the Company or in other companies within the group, are binding for the Board of Directors, cf. the Norwegian Public Limited Liability Companies Act section 5-6 (3) third sentence, cf. section 6-16a (2) fourth sentence.

The advisory and binding guidelines are subject to separate votes.

(a) Advisory guidelines

The Board of Directors proposes that the General Meeting passes the following resolution with regard to the advisory guidelines:

*"The General Meeting endorses the advisory guidelines in the declaration from the Board of Directors pursuant to the Norwegian Public Limited Liability Companies Act section 6-16a."*

(b) Binding guidelines

The Board of Directors proposes that the General Meeting passes the following resolution with regard to the binding guidelines:

*"The General Meeting approves the binding guidelines in the declaration from the Board of Directors pursuant to the Norwegian Public Limited Liability Companies Act section 6-16a."*

**Item 7 Determination of the board members' remuneration.**

The recommendations from the Nomination Committee are available at the Company's website.

The Nomination Committee proposes that the General Meeting passes the following resolution:

*"In accordance with the proposal from the Nomination Committee, the General Meeting approves that the remuneration rates for members of the Board of Directors for the period from the 2018 Annual General Meeting up to the 2019 Annual General Meeting shall be as follows:*

- *NOK 475,000 to the Chairperson of the board*
- *NOK 375,000 to each of the other board members.*

*The above fees include remuneration for audit committee-related work."*

**Item 8 Determination of the remuneration to the members of the Nomination Committee.**

The recommendations from the Nomination Committee are available at the Company's website.

The Nomination Committee proposes that the General Meeting passes the following resolution:

*"In accordance with the proposal from the Nomination Committee, the General Meeting approves that the remuneration rate for members of the Nomination Committee for the period from the 2018 Annual General Meeting up to the 2019 Annual General Meeting shall be NOK 25,000 for each member."*

**Item 9 Approval of the remuneration to the auditor for 2018.**

The Board of Directors proposes that the General Meeting passes the following resolution:

*"The remuneration to the auditor of NOK 599,000 ex. VAT for the audit of the Company's 2018 annual accounts is approved. In addition, the Group has paid fees to KPMG of NOK 126,450 ex. VAT for services other than audit."*

**Item 10 Election of member to the Board of Directors.**

The recommendations from the Nomination Committee are available at the Company's website.

The Nomination Committee proposes that the General Meeting passes the following resolution:

*"In accordance with the proposal from the Nomination Committee, Annette Malm Justad is re-elected as member and chairperson of the Board of Directors for a period of two years.*

*The Board of Directors of American Shipping Company ASA will then consist of the following members:*

- *Annette Malm Justad (Chairperson)*
- *Peter Ditlef Knudsen*
- *Kristian Røkke."*

**Item 11 Election of member to the Nomination Committee.**

The recommendations from the Nomination Committee are available at the Company's website.

The Nomination Committee proposes that the General Meeting passes the following resolution:

*"In accordance with the proposal from the Nomination Committee, Arild Støren Frick is re-elected as member and chair of the Nomination Committee for a period of two years. The Nomination Committee of American Shipping Company ASA will then consist of the following members:*

- *Arild Støren Frick (Chair)*
- *Christine Rødsæther."*

**Item 12 Authorization to the Board of Directors for payment of dividends.**

To facilitate for payment of dividend on an on-going basis, the Board of Directors proposes that the General Meeting passes the following resolution:

*"The General Meeting grants the Board of Directors authorization to resolve payment of dividends based on the Company's annual accounts for 2018. The authorization is valid up to the Annual General Meeting in 2020."*

**Item 13 Authorization to the Board of Directors to acquire treasury shares in connection with incentive scheme for employees.**

The Board of Directors proposes that the General Meeting passes the following resolution:

1. *The Board of Directors is authorized to acquire treasury shares with a total nominal value of NOK 2,500,000.*



2. *The authorization is valid up to the Annual General Meeting in 2020, but no longer than June 30, 2020.*
3. *Treasury shares shall be acquired for a consideration of minimum NOK 1 and maximum NOK 300 per share.*
4. *The Board of Directors is free to decide the method of acquisition and disposal of treasury shares. The authorization can be used in situations as described in the Securities Trading Act section 6-17.*
5. *The authorization can only be used in connection with the incentive scheme for employees.*

**Item 14 Authorization to the Board of Directors to acquire treasury shares for investment purposes or subsequent sale or deletion of such shares.**

The Board of Directors proposes that the General Meeting passes the following resolution:

1. *The Board of Directors is authorized to acquire treasury shares with a total nominal value of NOK 60,616,505.*
2. *The authorization is valid up to the Annual General Meeting in 2020, but no longer than June 30, 2020.*
3. *Treasury shares shall be acquired for a consideration of minimum NOK 1 and maximum NOK 300 per share.*
4. *The Board of Directors is free to decide the method of acquisition and disposal of treasury shares. The authorization can be used in situations as described in the Securities Trading Act section 6-17.*
5. *The authorization can only be used for investment purposes or subsequent sale or deletion of such shares.*

**Item 15 Authorization to the Board of Directors to acquire treasury shares in connection with acquisitions, mergers, de-mergers or other transactions.**

The Board of Directors proposes that the General Meeting passes the following resolution:

1. *The Board of Directors is authorized to acquire treasury shares with a total nominal value of NOK 60,616,505.*
2. *The authorization is valid up to the Annual General Meeting in 2020, but no longer than June 30, 2020.*



3. *Treasury shares shall be acquired for a consideration of minimum NOK 1 and maximum NOK 300 per share.*
4. *The Board of Directors is free to decide the method of acquisition and disposal of treasury shares. The authorization can be used in situations as described in the Securities Trading Act section 6-17.*
5. *The authorization can only be used for the purpose of utilising the company's shares as transaction currency in acquisitions, mergers, de-mergers or other transactions.*

**Item 16 Authorization to the Board of Directors to increase the share capital in connection with future investments etc.**

The Board of Directors proposes that the General Meeting passes the following resolution:

1. *The Board of Directors is authorized to increase the share capital by up to NOK 60,616,505.*
2. *The authorization is valid up to the Annual General Meeting in 2020, but no longer than June 30, 2020.*
3. *The pre-emptive rights of the existing shareholders pursuant to section 10-4 of the Public Limited Liability Company's Act may be derogated from.*
4. *The authorization includes share capital increase against non-cash contributions, rights to assume special obligations on the Company in addition to resolution of merger and demerger, cf. the Public Limited Liability Company's Act section 13-5 and 14-6 (2). The authorization can be used in situations as described in the Securities Trading Act section 6-17.*
5. *The authorization can only be used in connection with strengthening of the Company's equity capital, or to raise equity capital for future investments within the Company's scope of operations.*

## Proposal from the nomination committee of American Shipping Company ASA to its annual general meeting to be held on 25 April 2019

The nomination committee of American Shipping Company ASA (“AMSC”) comprises Arild S. Frick (chairman) and Christine Rødsæther.

The nomination committee has held one meeting since the 2018 annual general meeting. The committee has, among other things, been presented a review of the board’s performance for 2018, and discussed the same separately with the chairman of the board, the chief executive officer and certain board members.

In connection with the annual general meeting of American Shipping Company ASA to be held 25 April 2019, the nomination committee submits the following unanimous proposal:

### 1. Election of members to the board

Annette Malm Justad (chairperson) is up for election this year. The nomination committee recommends that she is re-elected in her position for a period of two years. The board will thereby comprise of Annette Malm Justad (chairperson), Kristian Røkke and Peter D. Knudsen.

In its work, the nomination committee has emphasized that the board’s composition reflects a variety of experience, knowledge and qualifications. This contributes to a balanced view on priorities with regard to different company issues and beneficial decisions for the development of the company. It further strengthens the board’s ability to complement, challenge and control the management of the company. To comply with these criteria, the nomination committee suggests that the annual general meeting makes a joint voting for the recommended board.

### 2. Election of member to the nomination committee

The nomination committee propose that Arild S. Frick is re-elected as member of the committee for a period of two years. The nomination committee will thereby comprise of Arild S. Frick (chairman) and Christine Rødsæther.

### 3. Proposed fees to the members of the board

The nomination committee proposes that board remuneration remains on the same levels as for the previous period. Hence, the nomination committee proposes the following fees for the board for the period from the 2018 annual general meeting until the 2019 annual general meeting: The above fees includes remuneration for audit committee-related work.

Period: From 2018 AGM until 2019 AGM	Proposal (NOK)	Change from last year
Chairperson	475,000	0%
Board members	375,000	0%

#### **4. Proposed fees for the nomination committee**

Fees for chairman and members of the nomination committee are proposed to be reduced to NOK 25,000 per member for the period from the 2018 annual general meeting until the 2019 annual general meeting.

As per normal practice of Aker companies; senior executives are not personally permitted to receive directors' or nomination committee fees from other companies within Aker. The fees are in such cases paid directly to the company of which the relevant director or nomination committee member is an employee. Consequently, the fees accruing to Kristian Røkke and Arild S. Frick will be paid to Aker ASA.

Oslo, 2 March 2019

On behalf of the nomination committee of American Shipping Company ASA

Arild Støren Frick  
Chairman

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## GUIDELINES FOR REMUNERATION OF SENIOR MANAGEMENT

In accordance with section 6-16a of the Norwegian Public Limited Liability Companies Act, the Board of Directors of American Shipping Company ASA has prepared a statement on the determination of salary and other remuneration of senior management of the Company. The General Meeting's approval of the guidelines is of an advisory nature to the Board of Directors. However, the approval of the guidelines regarding remuneration in the form of shares, subscription rights, options, and other forms of remuneration linked to shares or the development of the share price in the Company or in other companies within the group, are binding for the Board of Directors, cf. the Norwegian Public Limited Liability Companies Act section 5-6 (3) third sentence, cf. section 6-16a (2) fourth sentence.

### ***Advisory guidelines***

The basis of remuneration of the senior management has been developed in order to create a performance-based system which is founded on the Company's values. This system of reward was designed to contribute to the achievement of good financial results and increase in shareholder value.

The senior management receives a base salary and may also be granted a bonus based on achievement of performance targets. The senior management may also be granted a variable pay as further detailed under "*Binding guidelines*" below.

The members of the senior management are entitled to 6 months' severance payment. Except for this, the members of the management are not entitled to special benefits beyond ordinary severance pay during available termination notice periods. The members of the senior management participate in a standard pension and insurance scheme. The Company does not offer share option programs to the management.

### ***Binding guidelines***

American Shipping Company ASA has implemented an incentive scheme pursuant to which members of the senior management receive a base salary in addition to a variable pay based on the award of synthetic shares in order to align performance payments with shareholder value creation. The system is based on awarding a certain number of synthetic shares to each member of the senior management team. The holder of the synthetic shares receives cash payments equal to the dividend paid to the shareholders. Further, the annual share price increase, if any, is paid as a cash bonus at the end of the year. There is a cap on the maximum compensation payable to each member of the management team. For the year 2018 through 2020, members of the senior management have been allocated the following amount of synthetic shares:

Pål Lothe Magnussen, CEO	350,000 shares
Morten Bakke, CFO	200,000 shares
Leigh Jaros, Controller	50,000 shares

The Company also has an incentive scheme for the senior management, where the Company can offer the senior management to purchase shares in the Company, subject to lock-up restrictions, with a view to incentivize long-term value creation and performance by the management.

***Remuneration to members of the senior management***

During 2018, Mr. Magnussen was awarded 350,000 synthetic shares. Under his synthetic share agreement, the total bonus earned during 2018 was USD 543 thousand. In addition, The cap on his salary for 2018 was NOK 7 million. During 2018, Mr. Bakke was awarded 200,000 synthetic shares, resulting in bonus earned of USD 298 thousand. The cap on his salary for 2018 was NOK 4 million. During 2018, Ms. Jaros was awarded 50,000 synthetic shares, resulting in bonus earned of USD 68 thousand. The cap on Ms. Jaros' salary was USD 253 thousand per year.

The remuneration of the senior management is in accordance with the guidelines for remuneration for 2018.