
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.

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.*