

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See attached](#)

Horizontal lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ [See attached](#)

Horizontal lines for providing information regarding loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [N/A](#)

Horizontal lines for providing other necessary information.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
Signature ▶ /s/ Joseph Adamo Date ▶ 8/22/14

Paid Preparer Use Only	Print your name ▶ <u>Joseph Adamo</u>	Preparer's signature	Title ▶ <u>Controller</u>	Check <input type="checkbox"/> if self-employed	PTIN
	Print/Type preparer's name		Date	Firm's EIN ▶	
	Firm's name ▶			Phone no.	

\$100 Million Facility

14. Genco Shipping & Trading Limited (the “Company”) emerged from Chapter 11 of the U.S. Bankruptcy Code on July 9, 2014, the effective date of its Plan of Reorganization (the “Effective Date”). On such date, each holder of claims under the Company’s prepetition \$100 million facility (the “Prepetition Facility”) received an interest in the Amended and Restated \$100 Million Facility (the “Amended Facility”) plus payment in full, in cash, of accrued and unpaid interest in full and final satisfaction of their claims with respect to the Prepetition Facility (the “Transaction”).

For more information regarding the Transaction, please see the Company’s Plan of Reorganization, as amended, and Disclosure Statement filed with the U.S. Bankruptcy Court for the Southern District of New York and available at <http://www.gencorestructuring.com>.

15. As a result of the Transaction, each holder of claims under the Prepetition Facility received an interest in the Amended Facility. To the extent that the Transaction was not considered a “significant modification” of the Prepetition Facility for U.S. federal income tax purposes (a “Significant Modification”), each holder’s aggregate tax basis in the interest in the Amended Facility received generally equals the holder’s aggregate tax basis in its interest in the Prepetition Facility surrendered in the Transaction (other than the portion of such basis, if any, attributable to accrued interest).

If the Transaction was a Significant Modification of the Prepetition Facility, then to the extent that the Prepetition Facility and the Amended Facility constitute “securities” for U.S. federal income tax purposes (“Tax Securities”), each holder’s aggregate tax basis in the interest in the Amended Facility received generally equals the holder’s aggregate tax basis in its interest in the Prepetition Facility that was surrendered in the Transaction (other than the portion of such basis, if any, attributable to accrued interest). To the extent the Prepetition Facility and/or the Amended Facility do not constitute Tax Securities, each holder of an interest in the Prepetition Facility recognized gain or loss upon the receipt of the interest in the Amended Facility exchanged therefor. In such case, each holder’s tax basis in its interest in the Amended Facility would equal the issue price thereof.

Holders of the Prepetition Facility should consult their tax advisors to determine the tax consequences of the Transaction to them.

16. To the extent that the Transaction was not considered a Significant Modification of the Prepetition Facility, each holder’s tax basis in the interest in the Amended Facility received in the Transaction generally should equal the holder’s tax basis in its interest in the Prepetition Facility surrendered in the Transaction (other than the portion of such basis, if any, attributable to accrued interest).

To the extent that the Transaction was considered a Significant Modification of the Prepetition Facility and the Prepetition Facility and the Amended Facility constitute Tax Securities, a holder’s tax basis in the interests in the Amended Facility received in the Transaction generally equals the holder’s tax basis in its interest in the Prepetition Facility surrendered in the Transaction (other than the portion of such basis, if any, attributable to accrued interest). If the

Prepetition Facility and/or the Amended Facility do not constitute Tax Securities, the tax basis of the Amended Facility received in the Transaction is the issue price thereof. The determination of issue price depends, in part, on whether the Prepetition Facility and/or the Amended Facility are treated as publicly traded for these purposes. If either the Prepetition Facility or the Amended Facility is publicly traded, then the issue price of the interests in the Amended Facility should equal the trading price of the Amended Facility on the Effective Date (or the trading price of the Prepetition Facility if the Amended Facility is not publicly traded). If neither the Prepetition Facility nor the Amended Facility is publicly traded, then the issue price of interests in the Amended Facility should equal the face amount thereof.

17. Sections 354, 356, 358, 1001 and 1012.

18. The Transaction generally should not result in a loss to holders of interests in the Prepetition Facility to the extent that the Transaction is not considered a Significant Modification of the Prepetition Facility.

If the Transaction is considered a Significant Modification of the Prepetition Facility, the Transaction generally should not result in a loss to holders of interests in the Prepetition Facility to the extent the Prepetition Facility and the Amended Facility constitute Tax Securities but may result in a loss to such holders to the extent the interests in the Prepetition Facility and/or the Amended Facility are not Tax Securities. The amount of such loss should equal the amount by which the holder's tax basis in its interest in the Prepetition Facility (other than the portion of such basis attributable to accrued interest) exceeds the issue price of the Amended Facility.