

BLACKLEY IAN T
Form 4
January 22, 2009

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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 *
BLACKLEY IAN T

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 AVENUE
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
01/20/2009

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Head of Int'l Shipping Ops

NEW YORK, NY 10017

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

(City) (State) (Zip)

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) |
|--|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| Common Stock, par value \$1.00 per share | 01/20/2009 | | F | 122 ⁽¹⁾ D | \$ 37.08 | 7,248 ⁽²⁾ D | |
| Common Stock, par value \$1.00 per share | | | | | 450 | I ⁽³⁾ | (3) |

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

Persons who respond to the collection of information contained in this form are not

SEC 1474 (9-02)

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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) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Following Transaction (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| BLACKLEY IAN T 666 THIRD AVENUE NEW YORK, NY 10017 | | | Head of Int'l Shipping Ops | |

Signatures

/s/James I. Edelson, Attorney-in-Fact, pursuant to power of attorney previously filed 01/22/2009

____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).
- In accordance with the terms of the Overseas Shipholding Group, Inc. 2004 Stock Incentive Plan, these 122 shares of common stock were surrendered to Overseas Shipholding Group, Inc. upon the January 20, 2009 vesting of 318 shares (the "Vested Shares") of the reporting person's restricted stock in payment of the reporting person's tax withholding liability incurred as a result of the vesting of the Vested Shares.
- (2) Of these 7,248 shares of common stock, 5,001 shares are subject to vesting restrictions as of January 22, 2009.
 - (3) The reporting person indirectly owns these shares of common stock through the Overseas Shipholding Group, Inc. 2000 Employee Stock Purchase Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.