



**Nordic  
American  
Tankers**

February 15, 2023

### **Characterization of distribution 2022**

A distribution by a corporation to its shareholders is treated as a dividend for US federal income tax purposes to the extent it comes from current or accumulated earnings and profits and thereafter as a return of capital to the extent of a shareholder's basis in his shares. A distribution that exceeds current or accumulated earnings and profits and the shareholder's basis will be treated as return of capital. If the amounts distributed exceed a shareholder's adjusted U.S. federal income tax basis in its shares, then such shareholder will recognize capital gain for U.S. federal income tax purposes. For additional information you are urged to review the discussion of taxation in our annual report, available on our website.

In 2022 Nordic American Tankers Limited ("NAT") distributed a total of \$22.68 million to its shareholders. Based on the fact that NAT had no current or accumulated E&P at the time of these distributions, NAT believes that all of these distributions are treated as a return of capital for U.S federal income tax purpose.

NAT is a non-US company. You should consult your tax advisor regarding the federal, state, local and other tax consequences of those distributions.

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**Report of Organizational Actions  
 Affecting Basis of Securities**

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name  <b>Nordic American Tankers Limited</b>		<b>2</b> Issuer's employer identification number (EIN)  <b>98-0500048</b>	
<b>3</b> Name of contact for additional information  <b>Bjørn Giæver</b>	<b>4</b> Telephone No. of contact  <b>+47 33 42 73 00</b>	<b>5</b> Email address of contact  <b>bg@scandicamerican.com</b>	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact  <b>LOM Building, 27 Reid Street</b>		<b>7</b> City, town, or post office, state, and ZIP code of contact  <b>Hamilton, HM11, Bermuda</b>	
<b>8</b> Date of action  <b>See below</b>		<b>9</b> Classification and description  <b>Common Stock</b>	
<b>10</b> CUSIP number  <b>G65773106</b>	<b>11</b> Serial number(s)  <b>N/A</b>	<b>12</b> Ticker symbol  <b>NAT</b>	<b>13</b> Account number(s)

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **During the year ended 2021, Nordic American Tankers Limited ("NAT") declared the following cash distributions per share for the common shareholders of record for the specific dates:**

Date of record:	Amount per Share:	Payment date:
March 11, 2022	\$0.0100	March 30, 2022
June 14, 2022	\$0.0200	July 6, 2022
September 15, 2022	\$0.0300	October 12, 2022
December 6, 2022	\$0.0500	December 20, 2022

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **Dividends paid in excess of the current and accumulated earnings and profits of corporation reduce the basis of the shares the corporation pursuant to Internal Revenue Code ("IRC") 301(c)(2) and 316(a)**

**Based on NAT's current and accumulated earnings and profits the distribution per share as of the dates of record reduce the basis of each common shareholder as follows:**  
**\$0.0100 per share on March 11, 2022**  
**\$0.0200 per share on June 14, 2022**  
**\$0.0300 per share on September 15, 2022**  
**\$0.0500 per share on December 6, 2022**

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **Based on NAT's accumulated earnings and profits for the year ended December 31, 2022, the distributions per common share should reduce the basis of each common share held by each shareholder as described in item 15.**

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC 301 (c) and 316

18 Can any resulting loss be recognized? ▶ For U.S. federal income tax purposes, the distributions will not result in any tax losses for any common shareholder of NAT.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Shareholders should reduce their basis in each common share held as provided in item 15 above.

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 ▶ *Herbjørn Hansson*

Date ▶ March 15, 2023

Print your name ▶ Herbjørn Hansson

Title ▶ Founder, Chairman & CEO

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	