



**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 ATTACHMENT

18 Can any resulting loss be recognized? ▶ SEE ATTACHMENT

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ \_\_\_\_\_

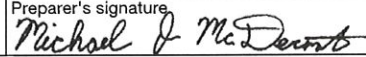
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 02/28/2025

Print your name ▶ Vasiliki Plousaki Title ▶ Chief Financial Officer

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Michael J McDermott		02/27/2025		P00877281
Firm's name ▶ Ernst & Young LLP	Firm's EIN ▶ 34-6565596		Phone no. +1-561-955-8000	
Firm's address ▶ 5200 Town Center Circle, Suite 601, Boca Raton, FL 33486				

**OceanPal Inc.**  
**EIN: 98-1634194**  
**Attachment to Form 8937**

**PLEASE CONSULT YOUR TAX ADVISOR**

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code")<sup>1</sup>, and includes a general summary regarding the application of certain United States ("U.S.") federal income tax laws and U.S. Department of Treasury regulations ("Treasury Regulations") related to the various distributions made to the Series D Convertible Preferred shareholders of OceanPal Inc. ("OceanPal" or the "Company") during the calendar year ended December 31, 2024. The information contained herein does not constitute tax advice and does not purport to be complete or describe the tax consequences that may apply to particular persons or categories of persons. You are encouraged to consult your own tax advisor regarding the applicability and effect of all U.S. federal, state, local and foreign tax laws. In particular, all non-U.S. shareholders of OceanPal should confirm the tax treatment of the different distributions to them in each of their relevant, non-U.S. jurisdictions.

**Line 14 – Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for action.**

*Regular, Full Cash Dividend Distributions*

During the year ended December 31, 2024, the Company declared the following cash distribution(s) to Series D Convertible Preferred shareholders of record on the date(s) specified below:

Date of Record	Amount per Share	Date Paid
January 12, 2024	\$17.5000	January 16, 2024
April 12, 2024	\$17.5000	April 15, 2024
July 12, 2024	\$17.5000	July 15, 2024
October 14, 2024	\$17.5000	October 15, 2024

*Reduced Pro-rata October 2024 Cash Dividend Distribution*

On September 11, 2024, the Company issued an additional 9,442 Series D Convertible Preferred shares. With respect to the dividend distribution paid on October 15, 2024, these newly issued

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<sup>1</sup> Unless otherwise specified herein, "section" references are to the Code.

Series D Convertible Preferred shareholders received a reduced, pro-rata distribution. The Company declared the following cash distribution(s) against the newly issued Series D Convertible Preferred shares as specific below:

Date of Record	Amount per Share	Date Paid
October 14, 2024	\$6.6111	October 15, 2024

**Line 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.**

Distributions in excess of current and accumulated earnings and profits of a corporation reduce the basis of shares of a corporation pursuant to sections 301(c)(2) and 316(a). To the extent a return of capital distribution exceeds a shareholder's adjusted cost basis, the shareholder should recognize capital gain. Based on current and accumulated earnings and profits of OceanPal, all of the cash distributions paid to Series D Convertible Preferred shareholders during the tax year, as of the date of record, will reduce the basis in each Series D Convertible Preferred shareholder as shown below:

Date of Record	Amount per Share	Date Paid
January 12, 2024	\$17.5000	January 16, 2024
April 12, 2024	\$17.5000	April 15, 2024
July 12, 2024	\$17.5000	July 15, 2024
(*) October 14, 2024	\$17.5000	October 15, 2024

*(\*) - Any Series D Convertible Preferred shareholder that received a reduced, pro-rata distribution of \$6.6111 on October 15, 2024 should reduce their basis in their respective Series D Convertible Preferred shares by \$6.6111 (as opposed to the full amount of \$17.5000 noted in the table above).*

**Line 16 – Describe the calculation of the change in basis and the data that supports the calculation, such as the market value of securities and the valuation dates.**

Based on the Company's current and accumulated earnings and profits, all of the cash distribution(s) to the Series D Convertible Preferred shares, as of the date(s) of record, will reduce the basis of each Series D Convertible Preferred shares shareholder by the amount of the dividend distribution received.

**Line 7 - List the applicable Internal Revenue Code section(s) and subsection(s) upon with the tax treatment is based.**

Code sections 301(c)(2) and 316(a).

**Line 18 – Can any resulting loss be recognized?**

For U.S. federal income tax purposes, the distribution(s) will not result in any tax losses for the Series D Convertible Preferred shares of OceanPal.

**Line 19 – Provide any other information necessary to implement the adjustment, such as the reportable tax year.**

The reportable tax year is 2024. Series D Convertible Preferred shareholders as of the below record dates should reduce their basis in each Series D Convertible Preferred share held on the following date(s), by the following amount(s) per share:

Date of Record	Amount per Share	Date Paid
January 12, 2024	\$17.5000	January 16, 2024
April 12, 2024	\$17.5000	April 15, 2024
July 12, 2024	\$17.5000	July 15, 2024
(*) October 14, 2024	\$17.5000	October 15, 2024

*(\*) - Any Series D Convertible Preferred shareholder that received a reduced, pro-rata distribution of \$6.6111 on October 15, 2024 should reduce their basis in their respective Series D Convertible Preferred shares by \$6.6111 (as opposed to the full amount of \$17.5000 noted in the table above).*

The reduction in basis is cumulative such that a shareholder who was a Series D Convertible Preferred shareholder on the date(s) of record for all the above-mentioned distributions in 2024 would recognize a total basis reduction of \$70.0000 per share.

