

**B+H OCEAN CARRIERS LTD.  
3rd Floor, Par La Ville Place  
14 Par-La-Ville Road  
Hamilton HM JX  
Bermuda**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
December 22, 2009**

To the Shareholders:

The Annual Meeting of Shareholders of B+H Ocean Carriers Ltd., a Liberian corporation (the "Company"), will be held at the offices of the Company, 3rd floor, Par La Ville Place, 14 Par-La-Ville Road, Hamilton, Bermuda on December 22, 2009 at 9:00 a.m. local time, and at any adjournment thereof, to consider and act upon:

- (1) The election of four Class A directors of the Company, each of whom is to hold office until the 2011 Annual Meeting of Shareholders and until the due election and qualification of his successor;
- (2) Such other business as may properly come before the meeting and any adjournment or adjournments thereof.

Only shareholders of record at the close of business on November 5, 2009 will be entitled to notice of, and to vote at, the meeting or any adjournment thereof. The presence in person or by proxy of shareholders entitled to cast a majority of the total number of votes which may be cast shall constitute a quorum for the transaction of business at the Annual Meeting.

If you cannot personally attend the Annual Meeting, it is requested that you promptly fill out, sign, and return the enclosed proxy.

By Order of the Board of Directors

DEBORAH L. PATERSON  
*Secretary*

Dated: November 10, 2009

## **B+H OCEAN CARRIERS LTD.**

### **PROXY STATEMENT**

The enclosed proxy is solicited by the Board of Directors of B+H Ocean Carriers Ltd., a Liberian corporation (the "Company", "we" or "us"), in connection with the Annual Meeting of Shareholders (the "Annual Meeting") to be held at the offices of the Company, 3rd floor, Par La Ville Place, 14 Par-La-Ville Road, Hamilton, Bermuda, on December 22, 2009 at 9:00 a.m., local time, and at any adjournments thereof.

Only shareholders of record as of the close of business on November 5, 2009 are entitled to notice of and to vote at the Annual Meeting or any adjournments thereof. On such date, the Company had outstanding 5,555,426 shares of Common Stock, par value \$.01 per share (the "Common Stock"). Each share of Common Stock is entitled to one vote. The presence in person or by proxy of shareholders entitled to cast a majority of the total number of votes which may be cast shall constitute a quorum for the transaction of business at the Annual Meeting.

The shares represented by each properly signed and returned proxy will be voted in accordance with the instructions marked thereon or, if no instructions are marked, will be voted for the election as directors of the nominees proposed herein. Any shareholder giving a proxy may revoke it at any time before it is exercised. Such revocation may be effected by written notice addressed to the Secretary of the Company at its principal office at the above address (if received by her prior to the Annual Meeting), by submission of another signed proxy bearing a later date, or by voting in person at the Annual Meeting. The Company's telephone number is (441) 295-6875.

The costs of soliciting proxies will be borne by the Company. In addition to the use of the mails, proxies may be solicited, personally or by telephone, telegraph or facsimile, by directors, officers and other employees of the Company, who will not be specifically compensated therefore. The Company will also request securities brokers, custodians, nominees and fiduciaries to forward soliciting material to the beneficial owners of stock held of record and will reimburse them for their reasonable out-of-pocket expenses in forwarding soliciting material.

This Proxy Statement and the enclosed proxy are first being distributed to the shareholders of the Company on or about November 10, 2009.

The Company is a "foreign private issuer" as defined in Rule 3b-4 under the United States Securities Exchange Act of 1934. Accordingly, this Proxy Statement and the solicitation of proxies hereunder are not subject to Section 14(a) of the said Act and Regulation 14A thereunder.

## QUESTIONS AND ANSWERS ABOUT THE PROXY STATEMENT

### ***Why am I receiving this proxy statement and proxy card?***

You are receiving a proxy statement and proxy card because you own shares of our Common Stock. This proxy statement describes the issues on which we would like you, as a stockholder, to vote. It also gives you information on these issues so that you can make an informed decision.

### ***Who can vote at the Annual Meeting?***

Only stockholders of record at the close of business on November 5, 2009 will be entitled to vote at the Annual Meeting. On this record date, there were 5,555,426 shares of our common stock outstanding and entitled to vote.

### ***Stockholder of Record: Shares Registered in Your Name***

If on November 5, 2009 your shares were registered directly in your name with our transfer agent, American Stock Transfer & Trust, then you are a stockholder of record. As a stockholder of record, you may vote in person at the Annual Meeting or vote by proxy. Whether or not you plan to attend the Annual Meeting, we urge you to fill out and return the enclosed proxy card to ensure your vote is counted.

### ***Beneficial Owner: Shares Registered in the Name of a Broker or Bank***

If on November 5, 2009 your shares were held, not in your name, but rather in an account at a brokerage firm, bank, dealer, or other similar organization, then you are the beneficial owner of shares held in "street name" and these proxy materials are being forwarded to you by that organization. The organization holding your account is considered to be the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct your broker or other agent on how to vote the shares in your account. You are also invited to attend the Annual Meeting. However, since you are not the stockholder of record, you may not vote your shares in person at the Annual Meeting unless you request and obtain a valid proxy from your broker or other agent.

### ***What is being voted on?***

You are being asked to vote on the following proposal:

Proposal 1 — to elect four Class A directors to hold office until the 2011 Annual Meeting of Stockholders.

### ***How do I vote?***

For the matter to be voted on, you may vote "For" or "Against" or abstain from voting. The procedures for voting are fairly simple:

### ***Stockholder of Record: Shares Registered in Your Name***

If you are a stockholder of record, you may vote in person at the Annual Meeting or vote by proxy using the enclosed proxy card. To vote using the proxy card, simply complete, sign and date the enclosed proxy card and return it promptly in the envelope provided. If you return your signed proxy card to us before the Annual Meeting, we will vote your shares as you direct. Whether or not you plan to attend the Annual Meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the Annual Meeting and vote in person if you have already voted by proxy. If you would like to vote in person, come to the Annual Meeting and we will give you a ballot when you arrive.

### ***Beneficial Owner: Shares Registered in the Name of Broker or Bank***

If you are a beneficial owner of shares registered in the name of your broker, bank, or other agent, you should have received a proxy card and voting instructions with these proxy materials from that organization rather than from us. Simply complete and mail the proxy card to ensure that your vote is counted. To vote in person at the Annual Meeting, you must obtain a valid proxy from your broker, bank, or other agent. Follow the instructions from your broker or bank included with these proxy materials, or contact your broker or bank to request a proxy form.

### ***How many votes do I have?***

On the matter to be voted upon, you have one vote for each share of common stock you own as of November 5, 2009.

### ***How are votes counted?***

Votes will be counted by the inspector of election appointed for the Annual Meeting, who will separately count "For" and "Against" votes, abstentions and broker non-votes. Abstentions and broker non-votes will be counted towards the vote total for Proposal 1 with the same effect as "For" votes.

If your shares are held by your broker as your nominee (that is, in "street name"), you will need to obtain a proxy form from the institution that holds your shares and follow the instructions included on that form regarding how to instruct

your broker to vote your shares. If you do not give instructions to your broker, the shares will be treated as “broker non-votes”.

***How many votes are needed to approve each proposal?***

To be approved, Proposal 1 (the director election proposal) must receive the affirmative vote of the holders of a majority of the outstanding shares represented in person or by proxy and entitled to vote at the Annual Meeting. If you do not vote or abstain from voting on Proposal 1, it will have the same effect as a “For” vote. Broker non-votes will have no effect.

***What is the quorum requirement?***

A quorum is necessary to hold a valid meeting. A quorum will be present if a majority of the outstanding shares are represented in person or by proxy at the Annual Meeting. On the record date, there were 5,555,426 shares of common stock outstanding and entitled to vote. Thus, at least 2,777,714 shares must be represented in person or by proxy at the Annual Meeting in order to have a quorum.

Your shares will be counted towards the quorum only if you submit a valid proxy (or one is submitted on your behalf by your broker, bank or other nominee) or if you vote in person at the Annual Meeting. Abstentions and broker non-votes will be counted towards the quorum requirement. If there is no quorum, a majority of the votes present at the Annual Meeting may adjourn the Annual Meeting to another date.

***What if I return a proxy card but do not make specific choices?***

If you return a signed and dated proxy card without marking any voting selections, your shares will be treated as broker non-votes and will have the same effect as “Against” votes.

***Who is paying for this proxy solicitation?***

We will pay for the entire cost of soliciting proxies. In addition to these mailed proxy materials, our directors and employees may also solicit proxies in person, by telephone or by other means of communication. Directors and employees will not be paid any additional compensation for soliciting proxies. We may also reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials to beneficial owners.

***What does it mean if I receive more than one proxy card?***

If you receive more than one proxy card, it means that your shares are registered in more than one name or are registered in different accounts. Please complete, sign and return each proxy card to ensure that all of your shares are voted.

***Can I change my vote after submitting my proxy?***

Yes. You can revoke your proxy at any time before the final vote at the Annual Meeting. If you are the record holder of your shares, you may revoke your proxy in any one of three ways:

- You may submit another properly completed proxy card with a later date;
- You may send a written notice that you are revoking your proxy to our Secretary at 3<sup>rd</sup> Floor, Par La Ville Place, 14 Par-La-Ville Road, Hamilton, Bermuda; or
- You may attend the Annual Meeting and vote in person. However, simply attending the Annual Meeting will not, by itself, revoke your proxy.

If your shares are held by your broker or bank as a nominee or agent, you should follow the instructions provided by your broker or bank.

***Does the board of directors recommend approval of the proposals at the Annual Meeting?***

Yes. After careful consideration, our Board of Directors recommends that our stockholders vote FOR the proposal.

***Who can help answer my questions about the proposals?***

If you have additional questions about the proposal, you should contact Deborah Paterson, our Secretary, at (441) 295-6875.

***How can I find out the results of the voting at the Annual Meeting?***

Preliminary voting results may be announced at the Annual Meeting. Final voting results will be published in our next report on Form 6-F.

## PROPOSAL 1: ELECTION OF DIRECTORS

The Board of Directors recommends the election of the four nominees for Class A directors named below. All shares represented by each properly signed and returned proxy will be voted in accordance with the instructions marked by the shareholder executing it or, if no instructions are marked, will be voted for the election of the nominees below.

As provided in the Company's Articles of Incorporation, the Board of Directors is divided into two classes, each of which serves for a two-year term. The Class A directors elected at the Annual Meeting will hold office until the 2011 Annual Meeting of Shareholders and until their respective successors are elected and shall have been qualified. Directors of the Company are elected by a plurality of the votes cast at a meeting of shareholders. Therefore, a shareholder who fails to vote, or who withholds his or her vote from one or more nominees, will not affect the outcome of the election, provided that a quorum is present at the Annual Meeting. A broker who is the record owner of Common Stock beneficially owned by a customer will have discretionary authority to vote such shares if the broker has not received voting instructions from the beneficial owner by the tenth day before the Annual Meeting, provided that this Proxy Statement is transmitted to the beneficial owner at least 15 days before the Annual Meeting.

Under the terms of the Company's Articles of Incorporation, a vote cast at the Annual Meeting for any person other than the nominees below (or any substitute nominee proposed by the Board of Directors) will not be valid. See "*Other Matters.*"

If for any reason any of the nominees below shall become unavailable for election, it is intended that all properly executed and returned proxies will be voted for a substitute nominee designated by the Board, but the Board has no reason to believe that this will occur. Information concerning the four Class B directors, whose current terms of office will continue until the 2010 Annual Meeting, is also set forth below.

### *Nominees for Class A Directors*

Michael S. Hudner, age 62, has been President and Chief Executive Officer and a director of the Company since 1988 and Chairman of the Board of the Company since October 1993. He is also President and a director of BHM. Since 1978, Mr. Hudner in his capacity as a partner in B+H Company ("BHC") and its predecessor, was primarily responsible for the acquisition and financing of over 100 bulk carriers, product tankers and crude oil tankers for BHC and its affiliates and joint ventures (including all of the vessels owned by the Company). Mr. Hudner is a member of the New York Bar, and is a member of the Council of the American Bureau of Shipping.

Trevor J. Williams, age 66, has been principally engaged as President and Director of Consolidated Services Limited, a Bermuda-based firm providing management services to the shipping industry since 1985. He has been a director and a Vice President of the Company since 1988 and BHM since 1987.

John M. LeFrere, age 65, has been a private investor in and financial consultant to several major corporations since March 1996. From February 1993 to March 1996, he was a Managing Director of Bankers Trust Company of New York in charge of Research for the Equity Capital Markets Division. Mr. LeFrere is President of J.V. Equities Corp., an investment banking firm, and has been a partner in several research and investment banking firms.

Hope F. Hudner, age 58, is a Bahamian and U. S. Citizen and is the wife of the Michael S. Hudner. She is a designer and artist and is or has been a director of numerous non-profit boards during the past five years, including the Board of Trustees of the Moses Brown School, the Museum of Art of the Rhode Island School of Design, Perennial Planters, the Development Board of Women & Infants Hospital and the Development Board of Save the Bay, all located in Rhode Island. She is also an officer and director of Navinvest Marine Services (U.S.) Inc., an affiliate of Mr. Hudner, which acts as agent for the Company.

### *Class B Directors Continuing in Office*

Charles L. Brock, age 66, is a member of Brock Capital Group LLC, an advisory and investment firm. He was a partner in the law firm of Brock Partners which acted as United States counsel for the Company from 1995 to 1999.

R. Anthony Dalzell, age 64, has been affiliated since October 1995 with B+H Management Ltd. ("BHM"). He was appointed Treasurer and Chief Financial Officer of the Company in March 1997. Mr. Dalzell was Managing Director of Uglan Brothers Ltd., a U.K.-based shipowner and shipmanager from March 1982 until March 1988. From April 1988 until December 1992, he was General Manager of NMS, Secretary and a Vice President of the Company. From June 1993 until October 1995, Mr. Dalzell was affiliated with B+H Bulk Carriers Ltd.

Per Ditlev-Simonsen, age 76, is Chairman of the Board of Eidsiva Rederi ASA, an Oslo Stock Exchange-listed shipping company with its main interests in bulk, car and ro-ro carriers. Mr. Ditlev-Simonsen has more than 35 years experience in international shipping and offshore drilling. In the years 1991-1996, he was Chairman of the Board of Christiania Bank og Kreditkasse, Norway's second largest commercial bank and one of the world's largest shipping banks. Mr. Ditlev-Simonsen, the former Mayor of Oslo, has served as a member of the Norwegian Parliament and the Oslo City

Council, and as Chairman of the Conservative Party in Oslo. He was also Minister of Defense in the Norwegian Government from October 1989 to November 1990.

O. Michael Lewis, age 59, was the Senior Partner of London law firm Peachey & Co. from 1997 to 2005, having been a partner since 1979. Mr. Lewis specialized in advising international shipping groups. Mr. Lewis is a trustee of the Boris Karloff Charitable Foundation.

#### *Audit Committee*

The By-Laws of the Company provide for an Audit Committee of the Board of Directors consisting of two or more directors of the Company designated by a majority vote of the entire Board. The Audit Committee consists of directors who are not officers of the Company and who are not and have not been employed by BHM or by any person or entity under the control of, controlled by, or under common control with, BHM. The Audit Committee is currently comprised of Messrs. Brock (Chairman), Ditlev-Simonsen and Lewis and is currently charged under the By-Laws with reviewing the following matters and advising and consulting with the entire Board of Directors with respect thereto: (a) the preparation of the Company's annual financial statements in collaboration with the Company's independent certified accountants; (b) the performance by the Manager of its obligations under the Management Services Agreement with the Company; and (c) all agreements between the Company and the Manager, any officer of the Company, or affiliates of the Manager or any such officer. The Audit Committee, like most independent Board committees of public companies, does not have the explicit authority to veto any actions of the entire Board of Directors relating to the foregoing or other matters; however, the Company's senior management, recognizing their own fiduciary duty to the Company and its shareholders, is committed not to take any action contrary to the recommendation of the Audit Committee in any matter within the scope of its review.

#### *Miscellaneous*

Except as set forth above, no family relationships exist between any of the executive officers and directors (or nominees for director) of the Company. The Board of Directors has no standing Nominating, Compensation or Stock Option Committees.

### **INTEREST OF MANAGEMENT IN CERTAIN TRANSACTIONS**

The shipowning activities of the Company are managed by B+H Management Ltd. ("BHM") under a Management Services Agreement (the "Management Agreement") dated June 27, 1988 and amended on October 10, 1995 and on June 1, 2009, subject to the oversight and direction of the Company's Board of Directors. Mr. Hudner is President of BHM.

The shipowning activities of the Company entail three separate functions, all under the overall control and responsibility of BHM: (1) the shipowning function, which is that of an investment manager and includes the purchase and sale of vessels and other shipping interests; (2) the marketing and operations function which involves the deployment and operation of the vessels; and (3) the vessel technical management function, which encompasses the day-to-day physical maintenance, operation and crewing of the vessels.

The Management Agreement may be terminated by the Company in the following circumstances: (i) certain events involving the bankruptcy or insolvency of BHM; (ii) an act of fraud, embezzlement or other serious criminal activity by Michael S. Hudner, Chief Executive Officer, President, Chairman of the Board and significant shareholder of the Company, with respect to the Company; (iii) gross negligence or willful misconduct by BHM; or (iv) a change in control of BHM.

BHM employs Navinvest Marine Services (USA) Inc. ("NMS"), a Connecticut corporation, under an agency agreement, to assist with the performance of certain of its financial reporting and administrative duties under the Management Agreement. Mr. Hudner is the sole shareholder of NMS.

Currently, the Company pays BHM a monthly rate of \$6,743 per vessel for general, administrative and accounting services, which may be adjusted annually for any increases in the Consumer Price Index. During the year ended December 31, 2008, the Company paid BHM fees of approximately \$1,200,000 for these services.

The Company also pays BHM a monthly rate of \$13,844 per medium range (MR) product tanker and \$16,762 per Panamax product tanker or ore/bulk/oil combination carrier (OBO) for technical management services, which may be adjusted annually for any increases in the Consumer Price Index. Vessel technical managers coordinate all technical aspects of day to day vessel operations including physical maintenance, provisioning and crewing of the vessels. During the year ended December 31, 2008, Company paid BHM fees of approximately \$2,540,000 for these services.

The Company engages BHM to provide commercial management services at a monthly rate of \$10,980 per vessel, which may be adjusted annually for any increases in the Consumer Price Index. BHM obtains support services from Protrans (Singapore) Pte. Ltd., which is owned by BHM. Commercial managers provide marketing and operations services. During the year ended December 31, 2008, the Company paid BHM fees of approximately \$1,896,000 for these services.

The Company engaged Centennial Maritime Services Corp. (“Centennial”), a company affiliated with the Company through common ownership, to provide manning services at a monthly rate of \$1,995 per vessel and agency services at variable rates, based on the number of crew members placed on board. During the year ended December 31, 2008, the Company paid Centennial manning fees of approximately \$777,000.

BHES provides office space and administrative services to Straits, a wholly-owned subsidiary and owner of the AFDV to be delivered in the second quarter of 2010, for SGD 5,000 (approximately \$3,468) per month. The total paid to BHES for these services was \$13,000 in 2008.

BHM received arrangement fees of \$232,000 in connection with the financing of the accommodation barge SAFECOM1 in January 2009 and \$300,000 in connection with the financing of M/T SACHEM in May 2008. BHM received brokerage commissions of \$77,500 in connection with the sale of the M/T ACUSHNET in February 2008, \$313,000 in connection with the sale of the M/T SACHUEST in March 2008 and \$180,000 in connection with the sale of the M/T ALGONQUIN in January 2009. BHM received brokerage commissions of \$40,500 in connection with the sale of the M/T AGAWAM in August 2009, \$41,400 in connection with the sale of the M/V PEQUOD in August 2009 and \$43,500 in connection with the sale of the M/V ANAWAN in September 2009. The Company also paid BHM standard industry chartering commissions of \$720,000 in 2008, in respect of certain time charters in effect during that period. Clearwater Chartering Corporation, a company affiliated through common ownership, was paid \$1,176,000 in 2008, for standard industry chartering commissions.

The Company paid fees of \$501,000 in 2008 and \$255,766 for the first nine months of 2009 to J.V. Equities, Inc. for consulting services rendered. J.V. Equities is controlled by John LeFrere, a director of the Company.

The Company paid fees aggregating \$56,000 in 2008 and \$121,585 for the first nine months of 2009 to R. Anthony Dalzell and Dean Investments for consulting services rendered. Dean Investments is deemed to be controlled by R. Anthony Dalzell, the Chief Financial Officer, Vice President and a director of the Company.

During 1998, the Company’s Board of Directors approved an agreement with BHM whereby up to 110,022 shares of common stock of the Company will be issued to BHM for distribution to individual members of management, contingent upon certain performance criteria. The Company issued the shares of common stock to BHM at such time as the specific requirements of the agreement are met. During 2008, there were no additional shares issued from treasury stock.

As a result of BHM’s possible future management of other shipowning companies and BHM’s possible future involvement for its own account in other shipping ventures, BHM may be subject to conflicts of interest in connection with its management of the Company. To avoid any potential conflict of interest, the management agreement between BHM and the Company provides that BHM must provide the Company with full disclosure of any disposition of handysize bulk carriers by BHM or any of its affiliates on behalf of persons other than the Company.

For the policy year ending February 20, 2009, the Company placed the following insurance with Northampton Assurance Ltd. (“NAL”):

- 66.5% of its Hull & Machinery (“H&M”) insurance for claims in excess of minimum \$120/125,000 each incident, which insurance NAL fully reinsured.
- 67.5% of its H&M insurance (Machinery claims only) on 6 vessels of up to \$50,000 in excess of \$120/125,000 each incident; and
- 67.5% of its H&M insurance (Machinery claims only) on 1 vessel up to \$100,000 in excess of \$120/125,000 each incident.

During 2008, the Company paid insurance premiums of \$982,000 to NAL (of which \$915,000 was ceded to reinsurers) and approximately \$196,000 of brokerage commissions. The Company had accounts payable to NAL of \$397,000 at December 31, 2008 and \$46,700 at September 30, 2009. NAL paid consulting fees of \$174,000 during 2008 and \$130,500 during the first nine months of 2009 to a company deemed to be controlled by Mr. Dalzell.

The Company believes that the terms of all transactions between the Company and the existing officers, directors, shareholders and any of their affiliates described above are no less favorable to the Company than terms that could have been obtained from third parties.

**BENEFICIAL OWNERSHIP OF COMMON STOCK  
BY PRINCIPAL SHAREHOLDERS AND MANAGEMENT**

The following table sets forth information as of October 22, 2009, concerning the beneficial ownership of the common stock of the Company by (i) the only persons known by the Company's management to own beneficially more than 5% of the outstanding shares of common stock, (ii) each of the Company's directors, nominees for director and executive officers, and (iii) all executive officers and directors of the Company as a group:

Name of Beneficial Owner	Number of Shares Beneficially Owned	Percent of Common Stock (a)
Northampton Holdings Ltd.	2,011,926	36.22%
Michael S. Hudner (b)	3,693,414	66.48%
Fundamental Securities International Ltd.	1,421,848	25.59%
Devonport Holdings Ltd. (c)	1,421,848	25.59%
Harbor Holdings Corp. (d)	202,500	3.65%
Charles L. Brock	2,500	0.05%
R. Anthony Dalzell (e)	57,140	1.03%
Dean Investments Ltd.	54,540	0.98%
John M. LeFrere	2,500	0.05%
Anthony J. Hardy (f)	2,500	0.05%
Per Ditlev-Simonsen	—	—
Trevor J. Williams (g)	3,493,414	62.88%
O. Michael Lewis	2,500	0.05%
Hope F. Hudner (h)	202,500	3.65%
Caiano Ship AS (i)	1,162,467	20.92%

All executive officers and directors as a group (8 persons) 3,705,914 66.71%

(a) As used herein, the term beneficial ownership with respect to a security is defined by Rule 13d-3 under the Exchange Act as consisting of sole or shared voting power (including the power to vote or direct the vote) and/or sole or shared investment power (including the power to dispose or direct the disposition) with respect to the security through any contract, arrangement, understanding, relationship, or otherwise, including a right to acquire such power(s) during the next 60 days. Unless otherwise noted, beneficial ownership consists of sole ownership, voting, and investment power with respect to all shares of common stock shown as beneficially owned by them.

(b) Comprised of shares shown in the table as held by Northampton Holdings Ltd. (“NHL”), Fundamental Securities International Ltd. (“Fundamental”), Harbor Holdings Ltd. (“Harbor”) and Dean Investments (“Dean Investments”) a Cayman Islands corporation. Mr. Hudner is a general partner in the partnership which is the ultimate parent of Fundamental and a general partner in the ultimate owner of the general partner of B+H/Equimar 95 Associates, L.P. (“95 Associates”), which is a 60.6% owner of NHL. Fundamental is a 30.3% shareholder of NHL. Mr. Hudner and a trust for the benefit of his family own Harbor, a Connecticut corporation. Anthony Dalzell is a beneficial owner of Dean Investments, a Cayman Islands corporation. Mr. Dalzell and Dean Investments executed a Voting Agreement, dated as of September 29, 2006 (the “Voting Agreement”), with the other entities noted above. Under the Voting Agreement, Mr. Dalzell and Dean Investments agreed to vote shares as determined by the majority in interest of the group. Accordingly, Mr. Hudner may be deemed to share voting and dispositive power as an indirect beneficial owner of the shares held by NHL, Fundamental, Harbor and Dean Investments.

(c) Devonport Holdings Ltd. is a general partner of the partnership that is the ultimate parent of Fundamental and is also a general partner in the ultimate owner of the general partner of 95 Associates.

(d) Comprised of shares reissued by the Company during 2007, upon exercise of options granted to B+H Management Ltd.

(e) Includes 54,540 shares held by Dean Investments.

(f) Mr. Hardy will retire as director after the Annual Meeting.

(g) Comprised of shares shown in the table for NHL, Fundamental, Dean Investments and 2,500 shares held individually. Mr. Williams is president and a director of Fundamental and the president and a director of 95 Associates. Accordingly, Mr. Williams may be deemed to share voting and dispositive power as an indirect beneficial owner of the shares held by NHL, Fundamental and Dean Investments.

(h) Includes 202,500 shares shown in the table for Harbor, of which she is an officer. Does not include other shares beneficially owned by Ms. Hudner’s husband, Michael S. Hudner, of which Ms. Hudner disclaims beneficial ownership.

(i) Per VPS Registered Shareholder list.

## LEGAL PROCEEDINGS

There are no material pending legal proceedings to which the Company or any of its subsidiaries is a party or of which any of its or their property is the subject, other than ordinary routine litigation incidental to the Company's business.

## INDEPENDENT PUBLIC ACCOUNTANTS

Ernst & Young LLP was appointed as the Company's Independent Registered Public Accounting Firm in January 2006. The Company does not expect a representative of Ernst & Young LLP to be present at the Annual Meeting.

## EXEMPTIONS FOR A CONTROLLED COMPANY ELECTION

The NYSE Amex (formerly the American Stock Exchange) has established specific exemptions from its listing standards for controlled companies, i.e., companies of which more than 50% of the voting power is held by an individual, a group or another entity. The Company is a "controlled Company" by virtue of the fact that Michael S. Hudner, Trevor Williams and R. Anthony Dalzell, each an officer and a director of the Company, jointly control a majority interest in the stock of the Company. Messrs. Hudner and Williams, together with certain other entities, have filed a Schedule 13D with the Securities and Exchange Commission ("SEC") affirming that as members of a group they share voting power of over 66.5% of the Company's outstanding voting stock. Mr. Dalzell and an affiliated entity have agreed to cause their beneficially owned shares to be voted with Messrs. Hudner and Williams. Please see "BENEFICIAL OWNERSHIP OF COMMON STOCK BY PRINCIPAL SHAREHOLDERS AND MANAGEMENT."

The Company has elected to rely upon certain of the exemptions provided in the NYSE Amex rules. Specifically, the Company will rely on exceptions to the requirements that listed companies (i) have a majority of independent directors, (ii) select, or recommend for the Board's selection, director nominees by a majority of independent directors or a nominating committee comprised solely of independent directors, and (iii) determine officer compensation by a majority of independent directors or a compensation committee comprised solely of independent directors. Notwithstanding the above, the Company's current practices include (i) selecting director nominees by the full Board of Directors, and (ii) determining officer compensation by a majority of independent directors.

## OTHER MATTERS

The Company is unaware of any matters, other than those identified above, which will be brought before the Annual Meeting for action. However, if any other matters properly come before the Annual Meeting, it is the intention of the persons named in the enclosed proxy to vote such proxy in accordance with their judgment in such matters.

In accordance with the Company's Articles of Incorporation, no individual shall be elected a director (other than the existing officers and directors of the Company and persons elected by the directors then in office to fill a vacancy) unless the name of such person, together with a written consent to serve if elected and such written information as may at the time be required by or pursuant to the Company's By-Laws, shall have been filed with the Secretary of the Company at its executive offices in Hamilton, Bermuda, no later than the adjournment of the Annual Meeting of Shareholders for the year immediately preceding the Annual Meeting at which such person intends to be a candidate for director, or 12 months prior to the day on which the Annual Meeting is to be held, if the person intends to be a candidate for director at a Annual Meeting of Shareholders. There is no Annual Meeting of Shareholders for 2010 scheduled at this time.

Pursuant to the Company's By-Laws, the Board of Directors has resolved that the following written information, given under oath, must be submitted by persons seeking election as director in accordance with the above-mentioned procedure: (1) any information relating to the candidate and his affiliates which would be required to be disclosed in a proxy solicitation for the election of directors of the Company pursuant to Regulation 14A under the Securities Exchange Act of 1934, including, but not limited to, the information required by Items 103, 401, 403 and 404 of Regulation S-K of the Securities and Exchange Commission; (2) description of the candidate's experience in the shipping industry and other qualifications of the candidate which in his view would make him a suitable director of the Company; and (3) a description of the candidate's reasons for seeking election to the Company's Board of Directors, which description must include any plans or proposals which the candidate may have which relate to or would result in any of the actions described in Item 4 of Schedule 13D under the Securities Exchange Act of 1934. Such information shall include an undertaking to submit to the Secretary of the Company a statement amending any of the foregoing information promptly after any material change occurs in such information as previously submitted.

**IT IS IMPORTANT THAT YOUR PROXY BE EXECUTED AND RETURNED PROMPTLY, NO MATTER HOW SMALL OR LARGE YOUR HOLDING MAY BE!**

Dated: November 10, 2009