

TIDEWATER INC  
Form 424B3  
January 04, 2019

**Filed Pursuant to Rule 424(b)(3)  
Registration Statement No. 333-228029**

**Prospectus Supplement No. 1**

**to Prospectus dated November 15, 2018**

**Tidewater Inc.**

**3,434,934 Shares of Common Stock**

**Issuable upon the Exercise of Outstanding GLF Warrants**

This prospectus supplement updates, amends and supplements the prospectus dated November 15, 2018 (the Prospectus ), which forms a part of our Registration Statement on Form S-1 (Registration No. 333-228029) (the Registration Statement ). Capitalized terms used in this prospectus supplement and not otherwise defined herein have the meanings specified in the Prospectus.

At the time the Registration Statement became effective on November 15, 2018 (the Effective Date ), we were a smaller reporting company under the rules of the Securities and Exchange Commission (the SEC ). As a smaller reporting company, we were permitted to incorporate by reference into the Prospectus any information that we filed after the Effective Date. However, as of January 1, 2019, we are no longer a smaller reporting company, and we are no longer permitted to incorporate by reference into the Prospectus any additional information that we file with the SEC. This prospectus supplement updates, amends and supplements the information included in the Prospectus with information contained in four Current Reports on Form 8-K, filed by Tidewater with the SEC on January 4, 2019, December 21, 2018, November 20, 2018 and November 16, 2018, each of which is set forth below. Although three of these Current Reports were filed during 2018 while we were a smaller reporting company, and therefore have already been incorporated by reference into the Prospectus, we are including them in this prospectus supplement for the purpose of clarity and completeness.

This prospectus supplement is not complete without the Prospectus. This prospectus supplement should be read in conjunction with the Prospectus, which is to be delivered with this prospectus supplement, and is qualified by reference thereto, except to the extent that the information in this prospectus supplement updates or supersedes the information contained in the Prospectus. Please keep this prospectus supplement with your Prospectus for future reference.

Our Common Stock is listed on the NYSE under the symbol TDW. On January 3, 2018, the last reported closing sale price of our Common Stock on the NYSE was \$20.74.

**Holding shares of our Common Stock involves risks that are described in the Risk Factors section beginning on page 5 of the Prospectus.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

**The date of this prospectus supplement is January 4, 2019**

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

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the**  
**Securities Exchange Act of 1934**

Date of Report (*Date of earliest event reported*): December 28, 2018

**TIDEWATER INC.**

**(Exact name of registrant as specified in its charter)**

**Delaware**  
**(State of incorporation)**

**1-6311**  
**(Commission File Number)**

**72-0487776**  
**(IRS Employer Identification No.)**

**6002 Rogerdale Road, Suite 600**

**Houston, Texas**  
**(Address of principal executive offices)**  
**(713) 470-5300**

**77072**  
**(Zip Code)**

**(Registrant's telephone number, including area code)**

N/A

**(Former name or former address, if changed since last report)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))  
Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

(b), (c), (e) As previously disclosed in a Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission (the SEC) on November 20, 2018 (the Original Form 8-K), Tidewater Inc. (Tidewater and, together with its subsidiaries, the Company) had a change in chief financial officer on November 15, 2018, shortly following the consummation of the previously-announced business combination between Tidewater and GulfMark Offshore, Inc. (GulfMark and such event, the Business Combination). Specifically, Quinn P. Fanning stepped down from his position as Chief Financial Officer of Tidewater and, at its first board meeting immediately following the Business Combination, the board of directors of Tidewater (the Board) appointed Quintin V. Kneen, who served as President and Chief Executive Officer of GulfMark immediately prior to the Business Combination, to succeed Mr. Fanning as Executive Vice President and Chief Financial Officer. The Original Form 8-K also disclosed that Mr. Fanning would continue to serve Tidewater for a period of time in order to ensure an orderly transition, including serving as an officer of certain Tidewater subsidiaries, and that the compensation committee of the Board (the Committee) had not yet made any determinations regarding compensation arrangements with Mr. Kneen.

This Current Report on Form 8-K is being filed for the purposes of (1) updating the disclosure provided in the Original Form 8-K regarding each of Messrs. Kneen and Fanning and (2) reporting a change in Tidewater's chief accounting officer.

Employment Agreement with Mr. Kneen. As disclosed in the Original 8-K, because the Committee had not yet made any determinations regarding his compensation at the time of his appointment as an officer of Tidewater, Mr. Kneen continued to receive the same compensation and benefits, including base salary, that were due to him under his employment agreement with GulfMark, a copy of which was filed as Exhibit 10.1 to GulfMark's Current Report on Form 8-K filed with the SEC on April 20, 2018 (the Former Kneen Agreement).

On December 28, 2018 (the Effective Date), Tidewater and Mr. Kneen entered into an employment agreement that amends and restates the Former Kneen Agreement and includes a waiver by Mr. Kneen of any rights to terminate employment with good reason and receive severance benefits under the terms and conditions of the Former Kneen Agreement (the Amended Kneen Agreement). The material terms of the Amended Kneen Agreement are summarized below.

*Duration of Agreement.* The Amended Kneen Agreement has a fixed term of three years from the Effective Date. At the end of the three-year term, the Amended Kneen Agreement will no longer be in effect and Mr. Kneen's employment may continue at will.

*Compensation and Benefits during Term.* As of the Effective Date, Mr. Kneen's initial base salary will be \$350,000. On the Effective Date, as contemplated in the Amended Kneen Agreement, the Committee granted Mr. Kneen an initial long-term incentive award in the form of restricted stock units (RSUs) with a grant date target value of \$1,060,000 (the Kneen Grant), which will vest in three equal installments on the first three anniversaries of the Effective Date. Beginning January 1, 2019, Mr. Kneen will participate in the Company's short-term incentive program for officers

(the STI Program ), with an annual target incentive opportunity of 95% of his base salary, and will be eligible to participate in any long-term incentive program in effect for executive officers. In addition, as of the Effective Date, Mr. Kneen will participate in all retirement and welfare benefit plans, programs, and arrangements that are generally available to senior executives of the Company, subject to eligibility requirements.

*Effect of Termination.* In the event of Mr. Kneen's death or termination due to disability during the term, any unvested portion of the Kneen Grant will automatically vest in full. If, during the term, the Company terminates Mr. Kneen's employment without cause or if he terminates his employment with good reason (each as defined in the Amended Kneen Agreement), then, subject to his execution and non-revocation of a general release of claims against the Company, Mr. Kneen will be entitled to receive a lump sum cash severance equal to 24 months of then-current base salary, a lump sum cash payment equal to the total premiums that Mr. Kneen would have been required to pay for 12 months of continuation coverage under the Company's health plans, and will remain eligible to receive a pro rata bonus under the STI Program for the year of termination based on actual performance. In addition, any unvested portion of the Kneen Grant will automatically vest in full.

*Restrictive Covenants.* The Amended Kneen Agreement contains certain restrictive covenants that apply during and after his employment, including an agreement to not disclose confidential information and, for a one-year period following his termination of employment for any reason, non-competition and non-solicitation agreements.

*Effect of Change of Control.* Mr. Kneen is expected to enter into the Company's standard change of control agreement for certain officers of the Company (the Change of Control Agreement ). If, during the term of the Amended Kneen Agreement, a change of control (as defined in the Change of Control Agreement) occurs, then the Change of Control agreement will govern the terms of Mr. Kneen's employment and the Amended Kneen Agreement will be of no further force and effect.

In addition, Mr. Kneen is expected to enter into the Company's standard indemnification agreement with directors and certain officers of the Company (the Indemnification Agreement ).

The foregoing description of each of the Amended Kneen Agreement, the Change of Control Agreement, and the Indemnification Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the relevant agreement, a copy of each of which is attached to, and is incorporated by reference into, this Current Report on Form 8-K.

Separation Agreement with Mr. Fanning. On the Effective Date, Tidewater and Mr. Fanning entered into a separation agreement with Mr. Fanning (the Separation Agreement ). Under the Separation Agreement, which was approved by the Committee, Mr. Fanning will continue to be employed by the Company through February 28, 2019 or such earlier date as determined by the Company (the actual date of his separation from service, Separation Date ). Mr. Fanning will continue to receive his current base salary through February 28, 2019 and will be eligible to receive a bonus under the 2018 STI Program for the full 2018 calendar year, with his individual performance assessed at 100%. Following the Separation Date, in addition to any

termination-related payments and benefits to which he is entitled under previously-disclosed compensation arrangements, the Company will pay Mr. Fanning a cash severance payment equal to 120 days of current base salary, to be paid within 30 days of his Separation Date. In addition, the Company will pay the full monthly premium for continued health insurance coverage for Mr. Fanning and his dependents until they are eligible for health insurance coverage under another employer's plan, not to exceed a maximum of 18 months. The Company will also pay up to a maximum of \$15,000 of Mr. Fanning's legal fees incurred in connection with his review and negotiation of the Separation Agreement. Further, as provided in the incentive agreement that was entered into between Mr. Fanning and Tidewater on August 18, 2017 (the "RSU Agreement"), the vesting of all outstanding, unvested RSUs granted under the RSU Agreement will accelerate as of the Separation Date.

The Separation Agreement also provides for the waiver of certain claims and confirms the continued enforceability of certain restrictive covenants memorialized in the RSU Agreement, including an agreement not to disclose confidential information and a two-year agreement not to solicit any Company employees or service providers. The Separation Agreement provides for a conditional waiver of the RSU Agreement's covenant not to compete, effective as of the Separation Date.

The foregoing description of the Separation Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Separation Agreement, a copy of which is attached to, and is incorporated by reference into, this Current Report on Form 8-K.

Principal Accounting Officer Transition. On December 28, 2018, Tidewater appointed Samuel R. Rubio to succeed Craig J. Demarest as its principal accounting officer. Mr. Demarest, who had served as Vice President, Principal Accounting Officer, and Controller of Tidewater, continues to serve the Company as Vice President. Mr. Demarest, who has worked for Tidewater for more than 14 years, declined Tidewater's offer to relocate from New Orleans, Louisiana to the principal executive offices in Houston, Texas.

Mr. Rubio, age 59, was appointed to serve as Vice President, Chief Accounting Officer, and Controller of Tidewater as of the Effective Date. Mr. Rubio served as Executive Vice President and Chief Financial Officer of GulfMark from February 2018 until the consummation of the Business Combination. Mr. Rubio first joined GulfMark in 2005. He was named Vice President - Controller and Chief Accounting Officer of GulfMark in 2008 and was promoted to Senior Vice President in the same function in 2012, serving in this capacity until his February 2018 appointment as Executive Vice President and Chief Financial Officer. Mr. Rubio holds a Bachelor of Business Administration degree from Sul Ross State University and is a Certified Public Accountant. He is a member of both the American Institute of Certified Public Accountants and the Texas Society of Certified Public Accountants. Mr. Rubio has over 35 years of experience in accounting at both operating division and corporate levels as well as the management of accounting organizations.

Following the Business Combination, Mr. Rubio continued to receive the same compensation and benefits from the Company, including base salary, that were due to him under his employment agreement with GulfMark, a copy of which was filed as Exhibit 10.2 to GulfMark's Current Report

on Form 8-K filed with the SEC on April 20, 2018 (the Former Rubio Agreement ). On the Effective Date, Tidewater and Mr. Rubio entered into an employment that amends and restates the Former Rubio Agreement and includes a waiver by Mr. Rubio of any rights to terminate employment with good reason and receive severance benefits under the terms and conditions of the Former Rubio Agreement (the Amended Rubio Agreement ). The material terms of the Amended Rubio Agreement are summarized below.

*Duration of Agreement.* The Amended Rubio Agreement has a fixed term of three years from the Effective Date. At the end of the three-year term, the Amended Rubio Agreement will no longer be in effect and Mr. Rubio's employment may continue at will.

*Compensation and Benefits during Term.* As of the Effective Date, Mr. Rubio's initial base salary will be \$230,000 and, beginning in fiscal 2019, he will participate in the STI Program with an annual target incentive opportunity of 70% of his base salary. The Committee also granted Mr. Rubio two long-term incentive awards: the first consisting of 10,000 of time-based RSUs (the First Rubio Grant ) and the second with a grant date target value of \$360,950 (the Second Rubio Grant and, together with the First Rubio Grant, the Rubio Grants ), each of which will vest in three equal installments on the first three anniversaries of the Effective Date. In addition, as of the Effective Date, Mr. Rubio will participate in all retirement and welfare benefit plans, programs, and arrangements that are generally available to Company officers, subject to eligibility requirements.

*Effect of Termination.* In the event of Mr. Rubio's death or termination due to disability during the term of the Amended Rubio Agreement, any unvested portion of the Rubio Grants will automatically vest in full. If, during the term of the Agreement, the Company terminates Mr. Rubio's employment without cause or if he terminates his employment with good reason (each as defined in the Amended Rubio Agreement), then, subject to his execution and non-revocation of a general release of claims against the Company, any unvested portion of the Second Rubio Grant will automatically vest in full.

*Restrictive Covenants.* The Amended Rubio Agreement contains certain restrictive covenants that apply during and after his employment, including an agreement to not disclose confidential information and, for a one-year period following his termination of employment for any reason, non-competition and non-solicitation agreements.

In addition, as Tidewater's principal accounting officer, Mr. Rubio is expected to enter into the Indemnification Agreement. The foregoing description of each of the Amended Rubio Agreement and the Indemnification Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the relevant agreement, a copy of each of which is attached to, and is incorporated by reference into, this Current Report on Form 8-K.



**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

**Exhibit**

<b>No.</b>	<b>Description</b>
10.1*	Amended and Restated Employment Agreement with Quintin V. Kneen, dated and effective December 28, 2018.
10.2	Form of Change of Control Agreement (incorporated by reference herein to Exhibit 10.1 to Tidewater's Current Report on Form 8-K on December 19, 2017, File No. 1-6311).
10.3	Form of Indemnification Agreement with Directors, Executive Officers, and Principal Accounting Officer (incorporated by reference herein to Exhibit 10 to Tidewater's Current Report on Form 8-K on August 12, 2015, File No. 1-6311).
10.4*	Separation Agreement with Quinn P. Fanning, effective December 28, 2018.
10.5*	Amended and Restated Employment Agreement with Samuel R. Rubio, dated and effective December 28, 2018.

\*Filed with this Current Report.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TIDEWATER INC.

By: /s/ Bruce D. Lundstrom  
Bruce D. Lundstrom  
Executive Vice President, General  
Counsel and Secretary

Date: January 4, 2019

**AMENDED AND RESTATED  
EMPLOYMENT AGREEMENT**

This **AMENDED AND RESTATED EMPLOYMENT AGREEMENT** (this *Agreement*), effective as of December 28, 2018 (the *Effective Date*), is by and between Tidewater Inc. (*Tidewater*) and, together with its subsidiaries, the *Company*) and Quintin Kneen (*Executive*).

**WHEREAS**, Executive served as the President and Chief Executive Officer of GulfMark Offshore, Inc. (*GulfMark*) until November 15, 2018, when the corporate existence of GulfMark ceased as a result of the previously-announced business combination between Tidewater and GulfMark (the *Business Combination*), which was effected through a two-step reverse merger pursuant to which (i) Gorgon Acquisition Corp., a Delaware corporation and wholly-owned subsidiary of Tidewater merged in with and into GulfMark, with GulfMark continuing as the surviving corporation and a wholly-owned subsidiary of Tidewater and then, immediately afterwards, (ii) GulfMark merged with and into Gorgon NewCo, LLC, a wholly-owned subsidiary of Tidewater (*Gorgon*), with Gorgon continuing as the surviving entity and a wholly-owned subsidiary of Tidewater;

**WHEREAS**, at its first meeting following the Business Combination, the board of directors of Tidewater (the *Board*) appointed the Executive as Executive Vice President and Chief Financial Officer of Tidewater, effective as of November 15, 2018; and

**WHEREAS**, GulfMark and Executive were parties to that certain Employment Agreement, dated April 19, 2018 (the *GLF Agreement*), which governed the Executive's employment with GulfMark and its successors immediately prior to the Effective Date, and Tidewater and the Executive desire to amend and restate the GLF Agreement in order to memorialize in writing the terms and conditions of their understandings and agreements regarding the Executive's employment with the Company as of the Effective Date.

**NOW, THEREFORE**, in consideration of the mutual covenants and obligations contained herein, Tidewater hereby agrees to continue to employ Executive and Executive hereby accepts such continued employment upon the terms and conditions set forth in this Agreement:

**1. Employment Period.**

(a) Subject to Section 4, Tidewater hereby agrees to employ Executive, and Executive hereby agrees to be employed by Tidewater, in accordance with the terms and provisions of this Agreement, for the period commencing as of the Effective Date and ending on the third anniversary of the Effective Date or such later date as mutually agreed by the parties in writing (such period, as it may be extended or truncated under the terms of this Agreement, the *Employment Period*). Following the termination of this Agreement, the Employee may remain employed-at-will with the Company and the termination restrictions and severance provisions of this Agreement shall no longer apply.

(b) During the Employment Period, Executive shall serve as the Executive Vice President and Chief Financial Officer of Tidewater and, in so doing, shall report to the Chief Executive Officer of Tidewater (the *CEO*) and, as required by law or applicable stock exchange listing requirements, the Board. Executive shall have such powers and duties (including, but not limited to, holding officer positions with Tidewater and one or more of its subsidiaries) as may from time to time be prescribed by the CEO or the Board.

(c) During the Employment Period, and excluding any periods of vacation and sick leave to which Executive is entitled, Executive agrees to devote substantially all of his business time to the business and affairs of the Company and, to the extent necessary to discharge the responsibilities assigned to Executive hereunder or by the CEO or the Board hereafter, to use Executive's reasonable best efforts to perform faithfully, effectively and efficiently such responsibilities. During the Employment Period, it shall not be a violation of this Agreement for Executive to (i) serve on corporate, civic or charitable boards or committees, provided that service on any corporate board or committee shall be subject to the prior approval of the Board, (ii) deliver lectures or fulfill speaking engagements, and (iii) manage personal investments, so long as such activities do not materially interfere with the performance of Executive's responsibilities hereunder.

(d) The parties expressly acknowledge that any performance of Executive's responsibilities hereunder shall necessitate, and the Company shall provide, access to or the disclosure of Confidential Information (as defined in Section 7(a) below) to Executive, and that Executive's responsibilities shall include the development of the Company's goodwill through Executive's contacts with the Company's customers and suppliers.

## 2. Compensation.

(a) *Base Salary.* Tidewater shall pay Executive an annual base salary ( *Base Salary* ) at the rate of \$350,000 during the Employment Period. The Board may at its discretion elect to increase Executive's Base Salary at any time if it deems an increase is warranted. Subject to Section 4(c)(ii) hereof, during the Employment Period, the Board may not decrease Executive's annual Base Salary without his prior written approval. Base Salary shall be payable in accordance with the ordinary payroll practices of the Company, but in no event shall the Base Salary be paid to Executive less frequently than monthly. The term *Base Salary* as used in this Agreement shall refer to the Base Salary as it may be so adjusted from time to time.

(b) *Annual Bonus.* With respect to each calendar year during the Employment Period, beginning with 2019, Executive shall be eligible to earn an annual bonus (the *Annual Bonus* ) in an amount to be determined by the Compensation Committee of the Board ( *Committee* ) based on performance goals established by the Committee, with Executive being eligible to earn a target bonus equal to no less than 95% of his Base Salary. Any Annual Bonus earned with regard to a particular calendar year shall be paid to Executive no later than March 15 of the following calendar year, subject to Executive's continued employment with the Company on the actual date of payment.

(c) *Long-Term Incentives.*

(i) The parties agree and acknowledge that, as of the Effective Date, the Executive holds 48,362 unvested time-based restricted stock units (the *Converted RSUs* ), each of which represents the right to receive one share of Tidewater common stock, par value \$0.001 per share (the *Common Stock* ). The Converted RSUs, which were originally granted to Executive by GulfMark and were converted and assumed by Tidewater in the Business Combination, are scheduled to vest in three equal installments on April 13 of 2019, 2020, and 2021, subject to the Executive's continued employment through the applicable vesting date and all other terms and conditions of the Legacy GLF Management Incentive Plan (as adopted by Tidewater following the Business Combination, the *Legacy GLF Plan* ), and the applicable award agreement (as amended by Section 4(f) of this Agreement, the *Converted RSU Agreement* ). The parties affirm that the Converted RSUs shall remain subject to the terms and conditions of the Legacy GLF Plan and Converted RSU Agreement including, but not limited to, the stated vesting schedule.

(ii) In consideration of Executive entering into this Agreement and as an inducement to join the Company, the Committee shall grant to the Executive an initial grant of time-based restricted stock units with a grant date value of \$1,060,000 (the *Initial LTI Grant* ), with the number of restricted stock units determined by dividing the grant date value by the closing price of a share of Common Stock on the Effective Date, rounded up to the next whole share. The Initial LTI Grant, which shall be granted under the Legacy GLF Plan and the Company's standard form of award agreement, shall vest in three equal installments on the first three anniversaries of the Effective Date, subject to the Executive's continued employment through the applicable vesting date (except as provided in the award agreement or Section 4).

(iii) Effective January 1, 2019, the Executive shall be eligible to participate in any long-term incentive program for executive officers as approved by the Committee.



### 3. Employee Benefits.

(a) During the Employment Period, the Company shall provide Executive with coverage under all employee pension and welfare benefit programs, plans and practices, which Tidewater makes available to its senior executives (including, but not limited to, participation in health, dental, group life, disability, retirement and all other plans and fringe benefits to the extent generally provided to such senior executives), commensurate with his position in the Company, to the extent permitted under the employee benefit plan or program, and in accordance with the terms of the program and/or plan.

(b) Executive shall be entitled to vacation time in accordance with the Company's vacation policy, as in effect from time to time.

(c) Executive is authorized to incur reasonable expenses in carrying out his duties and responsibilities under this Agreement and promoting the business of the Company, including, but not limited to, reasonable expenses for travel, lodgings, entertainment and similar items related to such duties and responsibilities, in each case in accordance with applicable Company policies. The Company will promptly reimburse Executive for all such expenses upon presentation by Executive of appropriately itemized and approved accounts of such expenditures, in accordance with the Company's expense reimbursement policy; provided, however, that in no event shall the expense reimbursement be made after the last day of the taxable year following the year in which the expense was incurred by Executive, although in the event that the reimbursement would constitute taxable income to Executive, such reimbursements will be paid no later than March 15th of the calendar year following the calendar year in which the expense was incurred. No reimbursement or expenses eligible for reimbursement in any taxable year shall affect the expenses eligible for reimbursement in any other taxable year, nor may the right to receive a reimbursement of expenses be subject to liquidation or exchanged for another benefit.

### 4. Termination of Employment.

(a) *Accrued Obligations.* Unless otherwise specified in a separate provision of this Section 4, either party may terminate this Agreement and Executive's employment for any reason during the Employment Period after providing thirty (30) days written notice to the non-terminating party. Upon termination of the Executive's employment for any reason during the Employment Period, then, in addition to any amounts due to Executive pursuant to another subsection of this Section 4 and any other amounts or benefits to which Executive may be entitled under a separate plan, policy or program maintained by the Company, Tidewater shall pay Executive, within ten (10) business days after the Date of Termination (as defined below), (i) all accrued but unpaid Base Salary, (ii) a prorated amount of Executive's Base Salary for accrued but unused vacation days, and (iii) yet unpaid reimbursements for any reasonable and necessary business expenses incurred by Executive prior to the Date of Termination in connection with his duties hereunder (such amounts collectively, the *Accrued Obligations* ).

(b) *Termination by Company.* During the Employment Period, Tidewater may terminate this Agreement and Executive's employment with or without Cause (as defined below). Upon such termination, Executive shall be entitled to receive the (1) Accrued Obligations, which amount shall be paid within ten (10) business days after the Date of Termination and (2) any other amounts or benefits to which Executive may be entitled under a separate plan, policy or program maintained by the Company. In addition to the foregoing, if such termination was without Cause, Tidewater shall pay or provided to the Executive the following (subject to Section 6): (A) within ten (10) business days after the Date of Termination, the Accrued Obligations; (B) on the sixtieth (60<sup>th</sup>) day following the Date of Termination, a lump sum payment (the *Severance Payment* ) equal to the amount of Executive's Base Salary (at the rate in effect

hereunder as of the Date of Termination) for twenty-four (24) months; (C) a pro rata Annual Bonus in respect of the number of days that Executive was employed by the Company during the year in which the Date of Termination occurs, based on actual performance and paid at the same time Annual Bonuses are paid to other Tidewater executives generally (but in no event later than March 15th of the calendar year following the calendar year in which the Date of Termination occurs) (the **Pro Rata Bonus** ); (D) a lump-sum amount, paid on the sixtieth (60th) day following the Date of Termination, equal to the total premiums Executive would be required to pay for twelve (12) months of continuation coverage under the Company's health benefit plans (i.e., medical, dental, and vision coverage) pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 ( **COBRA** ), determined using the COBRA premium rate in effect for the level of coverage that Executive had in place immediately prior to the Date of Termination (the **COBRA Payment** ); and (E) any outstanding but unvested portion of the Converted RSUs and the Initial LTI Grant shall vest immediately as of the Date of Termination. For purposes of this Agreement, **Cause** means any of the following:



(i) Executive's commission of theft, embezzlement, any other act of dishonesty relating to his employment or service, or any willful violation of any law, rules or regulation applicable to the Company, including, but not limited to, those laws, rules or regulations established by the Securities and Exchange Commission, or any self-regulatory organization having jurisdiction or authority over Executive or the Company; or

(ii) Executive's conviction of, or Executive's plea of guilty or *nolo contendere* to, any felony or of any other crime involving fraud, dishonesty or moral turpitude; or

(iii) A determination by the Board that Executive has materially breached this Agreement (other than during any period of Disability, as defined below) where such breach is not remedied within ten (10) business days after written demand by the Board for substantial performance is received by Executive which identifies the manner in which the Board believes Executive has so breached this Agreement; or

(iv) Executive's willful failure to perform the reasonable and customary duties of his position with the Company, which failure is not remedied within ten (10) business days after written demand by the Board for substantial performance is received by Executive which specifically identifies the nature of such failure.

(c) *Termination by Executive.* During the Employment Period, the Executive may terminate this Agreement and his employment with or without Good Reason (as defined below). Upon such termination, Executive shall be entitled to receive the (1) Accrued Obligations, which amount shall be paid within ten (10) business days after the Date of Termination and (2) any other amounts or benefits to which Executive may be entitled under a separate plan, policy or program maintained by the Company. In addition to the foregoing, if such termination was with Good Reason, the Executive shall be entitled to receive the same payments and benefits to which he would be entitled under Section 4(b) if his employment was terminated by the Company without Cause. For purposes of this Agreement, **Good Reason** means any of the following that occurs without Executive's consent:

(i) A material reduction in Executive's authority, duties, or responsibilities; or

(ii) Any reduction in Executive's Base Salary, other than an across the board reduction of less than 10% of Executive's Base Salary; or

(iii) Relocation of Executive's principal place of business to a location fifty (50) or more miles from its location as of the Effective Date; or

(iv) A material breach by Tidewater of this Agreement, which materially and adversely affects Executive; or

(v) Tidewater's failure to make any material payment to Executive required to be made under the terms of this Agreement;

*provided, however,* that Executive's termination shall not be considered to be with Good Reason unless (y) Executive provides at least thirty (30) days' written notice to Tidewater of the condition constituting Good Reason (which notice must be given within ninety (90) days after the occurrence of such condition and describe condition in reasonable detail) and (z) such condition is not cured by the Company within thirty (30) days after Tidewater receives such written notice.

(d) *Termination due to Disability.* Tidewater may terminate this Agreement at any time if Executive shall be deemed in the reasonable judgment of the Board to have sustained a Disability. Executive shall be deemed to have sustained a **Disability** if he shall have been unable to substantially perform his duties as an employee of Tidewater as a result of sickness or injury, and shall have remained unable to perform any such duties for a period of more than one-hundred eighty (180) consecutive days in any twelve (12) month period. Upon termination of this Agreement for Disability, Executive shall only be entitled to (i) Accrued Obligations, which amount shall be paid within ten (10) business days after the Date of Termination, (ii) accelerated vesting, as of the Date of Termination, of any outstanding but unvested portion of the Converted RSUs and the Initial LTI Grant, and (iii) any other amounts or benefits to which Executive may be entitled under a separate plan, policy or program maintained by the Company.

(e) *Termination by Death.* This Agreement will terminate automatically upon Executive's death. Upon termination of this Agreement due to Executive's death, Tidewater shall pay or provide Executive's estate with the following:

(i) Accrued Obligations, which amount shall be paid within ten (10) business days after the Date of Termination, (ii) accelerated vesting, as of the Date of Termination, of any outstanding but unvested portion of the Converted RSUs and the Initial LTI Grant, and (iii) any other amounts or benefits to which Executive may be entitled under a separate plan, policy or program maintained by the Company.

(f) *Converted RSU Agreement.* This Section 4, to the extent it amends the terms of the Converted RSUs, shall be deemed to be an amendment to the award agreement memorializing the Converted RSUs and shall form part of such agreement.

(g) *Date of Termination.* As used in this Agreement, ***Date of Termination*** means (i) if Executive's employment is terminated by his death, the date of his death; (ii) if Executive's employment is terminated as a result of a Disability or by Tidewater for Cause or without Cause, then the date specified in a notice delivered to Executive by Tidewater of such termination, (iii) if Executive's employment is terminated by Executive for Good Reason, then the date specified in the notice of such termination delivered to Tidewater by Executive, and (iv) if Executive's employment is terminated for any other reason, the date specified therefore in the notice of such termination. The Employment Period will terminate upon any termination of Executive's employment pursuant to this Section 4.

#### 5. **Change of Control Agreement.**

The parties agree that, in the event of a Change of Control (as defined below) during the Employment Period, the provisions of any change of control agreement between the Executive and Tidewater then in effect shall govern the terms of the Employee's employment from and after the occurrence of the Change of Control and that the terms and conditions of this Agreement (including, but not limited to, the restrictive covenants set forth in Sections 7 and 8) shall have no further force or effect. However, if no change of control agreement is in effect between the parties or if the Executive agrees to waive the occurrence of a given Change of Control under such agreement, this Agreement shall continue in full force in accordance with its terms without interruption. For purposes of this Agreement, Change of Control has the meaning provided in the Change of Control Agreement entered into between Tidewater and the Executive or, if no such agreement exists, the meaning provided in the Tidewater Inc. 2017 Stock Incentive Plan.

#### 6. **Release and Continued Compliance.**

Notwithstanding any other provision in this Agreement to the contrary, as a condition precedent to receiving any payments or benefits under this Agreement (other than the Accrued Obligations), including, without limitation, the Severance Payment, COBRA Payment, Pro Rata Bonus, and any accelerated vesting of the Converted RSUs or the Initial LTI Grant in connection with any applicable termination scenario, Executive agrees to execute a separation and release agreement in a form specified by Tidewater, containing a waiver of all claims against the Company (the ***Release***), within the forty-five (45) day period immediately following the Date of Termination, and subsequently not revoke the Release during any period for revocation contained therein. All revocation rights and timing restrictions shall be set forth in such Release. If Executive fails to execute and deliver the Release, or revokes the Release, Executive agrees that he shall not be entitled to receive any payments or benefits under this Agreement (other than the Accrued Obligations), including, without limitation, the Severance Payment, COBRA Payment, Pro Rata Bonus, and any accelerated vesting of the Converted RSUs or the Initial LTI Grant in connection with any applicable termination scenario. For purposes of this Agreement, the Release shall be considered to have been executed by Executive if it is signed by his legal representative in the case of legal incompetence or on behalf of Executive's estate in the case of his

death. Executive's receipt of any payments or benefits under this Agreement (other than the Accrued Obligations), including, without limitation, the Severance Payment, COBRA Payment, Pro Rata Bonus, and any accelerated vesting of the Converted RSUs or the Initial LTI Grant in connection with any applicable termination scenario, will also be subject to Executive's continued compliance with Sections 7, 8 and 13 hereof.

## 7. Nondisclosure.

(a) It is understood that Executive during his tenure with the Company has received and will continue to receive access to some or all of the Company's various trade secrets and confidential or proprietary information, including, but not limited to, information he has not received before, consisting of, but not limited to, information relating to (i) business operations and methods, (ii) existing and proposed investments and investment strategies, (iii) financial performance, (iv) compensation arrangements and amounts (whether relating to the Company or to any of its employees), (v) contractual relationships, (vi) business partners and relationships, and (vii) marketing strategies (all of the foregoing, **Confidential Information**). Confidential Information shall not include information that (A) becomes generally available to the public by means other than Executive's breach of this Section 7 (for example, not as a result of Executive's unauthorized release of marketing materials), (B) is in Executive's possession, or becomes available to Executive, on a non-confidential basis, from a source other than the Company or (C) Executive is required by law, regulation, court order or discovery demand to disclose; provided, however, that in the case of this clause (C), Executive gives the Company, to the extent permitted by law, reasonable notice prior to the disclosure of the Confidential Information and the reasons and circumstances surrounding such disclosure to provide the Company an opportunity to seek a protective order or other appropriate request for confidential treatment of the applicable Confidential Information.

(b) Executive agrees that all Confidential Information, whether prepared by Executive or otherwise coming into his possession, shall remain the exclusive property of the Company during and after Executive's employment with the Company. Executive further agrees that Executive shall not, except for the benefit of the Company pursuant to the proper exercise of his duties in accordance with this Agreement or with the prior written consent of the Board, use or disclose to any third party any of the Confidential Information described herein, directly or indirectly, either during Executive's employment with the Company or at any time following the termination of Executive's employment with the Company.

(c) Upon termination of this Agreement, Executive agrees that all Confidential Information and other files, documents, materials, records, notebooks, customer lists, business proposals, contracts, agreements and other repositories containing information concerning the Company or the business of the Company (together with all copies thereof in any physical or electronic medium) in Executive's possession, custody or control, whether prepared by Executive or others, shall remain with or be returned to the Company as soon as practicable after the Date of Termination. Executive agrees to provide the Company with access to Executive's personally-owned computer, server, e-mail system, mobile phone, portable electronic and other electronic devices for the purpose of verifying that Executive has complied with this Section 7(c).

(d) Nothing in this Agreement will preclude, prohibit or restrict Executive from (i) communicating with, any federal, state or local administrative or regulatory agency or authority, including, but not limited to, the Securities and Exchange Commission (the **SEC**); (ii) participating or cooperating in any investigation conducted by any governmental agency or authority; or (iii) filing a charge of discrimination with the United States Equal Employment Opportunity Commission or any other federal state or local administrative agency or regulatory authority. Nothing in this Agreement, or any other agreement between the parties, prohibits or is intended in any manner to prohibit, Executive from (A) reporting a possible violation of federal or other applicable law or regulation to any governmental agency or entity, including, but not limited to, the Department of Justice, the SEC, the U.S. Congress, and any governmental agency Inspector General, or (B) making other disclosures that are protected under whistleblower provisions of federal law or regulation. This Agreement does not limit Executive's right to receive an award (including, without limitation, a monetary reward) for information provided to the SEC. Executive does not need the prior

authorization of anyone at the Company to make any such reports or disclosures, and Executive is not required to notify the Company that Executive has made such reports or disclosures. Nothing in this Agreement or any other agreement or policy of the Company is intended to interfere with or restrain the immunity provided under 18 U.S.C. §1833(b). Executive cannot be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) (A) in confidence to federal, state or local government officials, directly or indirectly, or to an attorney, and (B) for the purpose of reporting or investigating a suspected violation of law; (ii) in a complaint or other document filed in a lawsuit or other proceeding, if filed under seal; or (iii) in connection with a lawsuit alleging retaliation for reporting a suspected violation of law, if filed under seal and does not disclose the trade secret, except pursuant to a court order. The foregoing provisions regarding protected disclosures are intended to comply with all applicable laws. If any laws are adopted, amended or repealed after the execution of this Agreement, this Section 7(d) shall be deemed to be amended to reflect the same.

8. **Non-Competition, Non-solicitation, Non-Disparagement.**

(a) As part of the consideration for the compensation and benefits to be paid to Executive hereunder, to protect Confidential Information of the Company and its customers and clients that have been and will be entrusted to Executive, the business goodwill of the Company and its subsidiaries that will be developed in and through Executive and the business opportunities that will be disclosed or entrusted to Executive by the Company and its subsidiaries, and as an additional incentive for the Company to enter into this Agreement, from the date hereof through the first anniversary of the Date of Termination (the **Restricted Period**), Executive will not (other than for the benefit of the Company pursuant to the proper exercise of his duties in accordance with this Agreement), directly or indirectly:

(i) engage in, or carry on or assist, individually or as a principal, owner, officer, director, employee, shareholder, consultant, contractor, partner, member, joint venturer, agent, equity owner or in any other capacity whatsoever, any (A) business competitive with any business in which the Company is engaged from time to time (a **Competing Business**) or (B) Business Enterprise (as defined below) that is otherwise competitive with the Company within the states in which the Company conducts business;

(ii) perform for any corporation, partnership, limited liability company, sole proprietorship, joint venture or other business association or entity (a **Business Enterprise**) engaged in any Competing Business any duty Executive has performed for the Company that involved Executive's access to, or knowledge or application of, Confidential Information;

(iii) induce or attempt to induce any customer, supplier, licensee or other business relation of the Company to cease doing business with the Company or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and the Company; or

(iv) solicit with the purpose of hiring or retaining, or hire or retain, any person who is or, within one hundred eighty (180) days after such person ceased to be an employee, consultant or independent contractor of the Company, was an employee, consultant or independent contractor of the Company.

(b) Notwithstanding the foregoing restrictions of this Section 8, nothing in this Section 8 shall prohibit any investment by Executive, directly or indirectly, in publicly-traded securities which are issued by a Business Enterprise involved in or conducting a Competing Business, provided that Executive (i) in the aggregate directly and indirectly, does not own more than five percent (5%) of the outstanding equity or voting securities of such Business Enterprise and (ii) does not have the right through the ownership of a voting interest or otherwise, to direct the activities of or associated with the business of such Business Enterprise.

(c) Executive acknowledges that each of the covenants contained in Sections 7 and 8(a) are in addition to, and shall not be construed as a limitation upon, any other covenant provided in Section 8(a). Executive agrees that the geographic boundaries, scope of prohibited activities, and time duration of each of the covenants set forth in Sections 7 and 8(a) are reasonable in nature and are no broader than are necessary to maintain the confidentiality and the goodwill of the Company's proprietary information and Confidential Information, and its plans and services, and to protect the other legitimate business interests of the Company, including without limitation the goodwill developed by Executive with the Company's customers, suppliers, licensees and business relations.

(d) If, during any portion of the Restricted Period, Executive is not in compliance with the terms of Section 8(a), the Company shall be entitled to, among other remedies (and not in limitation of any other such remedies), compliance by

Executive with the terms of Section 8(a) for an additional period of time (*i.e.*, in addition to the Restricted Period) that shall equal the period(s) over which such noncompliance occurred.



(e) The parties hereto intend that the covenants contained in Section 8(a) be construed as a series of separate covenants, one for each defined province in each geographic area in which Executive on behalf of the Company conducts business. Except for geographic coverage, each such separate covenant shall be deemed identical in terms to the applicable covenant contained in Section 8(a). Furthermore, each of the covenants in Section 8 shall be deemed a separate and independent covenant, each being enforceable irrespective of the enforceability (with or without reformation) of the other covenants contained in Section 8(a).

(f) Further, at no time during or after the Employment Period will Executive utter, issue or circulate publicly any false or disparaging statements, remarks or rumors about Tidewater, any of its subsidiaries, and/or any of Tidewater's or any of its subsidiaries' respective businesses, or any of their respective officers, employees or directors. Nothing in this Section 8(f) shall prohibit Executive from providing truthful and accurate facts where he is required to do so by law.

**9. Notices.**

All notices and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given if delivered personally, mailed by certified mail (return receipt requested) or sent by overnight delivery service to the parties at the following addresses or at such other addresses as shall be specified by the parties by like notice, in order of preference of the recipient:

To Tidewater or the Company:

Board of Directors

Tidewater Inc.

6002 Rogerdale Road

Suite 600

Houston, TX 7702477072

Notice so given shall, in the case of mail, be deemed to be given and received on the fifth calendar day after posting, and in the case overnight delivery service, on the date of actual delivery.

**10. Severability and Reformation.**

If any one or more of the terms, provisions, covenants or restrictions of this Agreement shall be determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions shall remain in full force and effect, and the invalid, void or unenforceable provisions shall be deemed severable. Moreover, if any one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be reformed by limiting and reducing it to the minimum extent necessary, so as to be enforceable to the extent compatible with the applicable law as it shall then appear.

11. **Assignment.**

This Agreement shall be binding upon and inure to the benefit of the heirs and legal representatives of Executive and the permitted assigns and successors of Tidewater, but neither this Agreement nor any rights or obligations hereunder shall be assignable or otherwise subject to hypothecation by Executive without the express written consent of Tidewater (except in the case of death by will or by operation of the laws of intestate succession) or by Tidewater, except that Tidewater may assign this Agreement to any successor (whether by merger, purchase or otherwise) to all or substantially all of the stock assets or businesses of Tidewater.

12. **Amendment.**

This Agreement may be amended only by writing signed by both Executive and by a duly authorized representative of Tidewater (other than Executive).

13. **Assistance in Litigation.**

Executive shall reasonably cooperate with the Company and its agents in the defense or prosecution of any claims or actions now in existence or that may be brought in the future against or on behalf of the Company that relate to events or occurrences that transpired while Executive was employed by the Company or with respect to which Executive has any knowledge. Executive's cooperation in connection with such claims or actions shall include, but not be limited to, being reasonably available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company. Executive also shall cooperate fully with the Company in connection with any investigation or review by any Federal, state, or local regulatory authority as any such investigation or review relates, to events or occurrences that transpired while Executive was employed by the Company or with respect to which Executive has any knowledge.

14. **Beneficiaries; References.**

Executive shall be entitled to select (and change, to the extent permitted under any applicable law) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following Executive's death, and may change such election, in either case by giving the Company written notice thereof. In the event of Executive's death or a judicial determination of his incompetence, reference in this Agreement to Executive shall be deemed, where appropriate, to refer to his beneficiary, estate or other legal representative. Any reference to the masculine gender in this Agreement shall include, where appropriate, the feminine.

15. **Use of Name, Likeness and Biography.**

The Company shall have the right (but not the obligation) to use, publish and broadcast, and to authorize others to do so, the name, likeness and biographical material of Executive to advertise, publicize and promote the business of the Company and its affiliates. This right shall terminate upon the termination of this Agreement. A likeness and biographical material shall be, respectively, any photograph or other depiction of Executive, or any biographical information or life story concerning the professional career of Executive.

16. **Governing Law.**

THIS AGREEMENT SHALL BE CONSTRUED, INTERPRETED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS WITHOUT REFERENCE TO RULES RELATING TO CONFLICTS OF LAW.

17. **Entire Agreement.**

This Agreement contains the entire understanding between the parties hereto with respect to the subject matter hereof and supersedes in all respects any prior or other agreement (including, but not limited to, the Prior Agreement) or understanding, written or oral, between the Executive and any of GulfMark, its successors, the Company or any affiliate of the foregoing with respect to such subject matter. Without limiting the foregoing, Executive (a) acknowledges and agrees that GulfMark and/or the Company have satisfied all obligations that they have owed, and that they ever could have owed, under the Prior Agreement and (b) represents and warrants that, except as specifically referenced in this Agreement, the Executive has no further rights or claims under the Prior Agreement or any other employment-related agreements with GulfMark, its successors, the Company, or any affiliate of the foregoing including, but not limited to, any claims of having been constructively terminated or having cause to

terminate employment for Good Reason and receive additional compensation. Each subsidiary of Tidewater is an intended third-party beneficiary of this Agreement and may enforce its rights hereunder as though it were a party hereto.

18. **Withholding**.

The Company shall be entitled to withhold from payment to Executive of any amount of withholding required by law.

19. **Counterparts**.

This Agreement may be executed in two or more counterparts, each of which will be deemed an original.

**20. Remedies.**

The parties recognize and affirm that in the event of a breach of Sections 7 or 8, money damages would be inadequate and Tidewater would not have an adequate remedy at law. Accordingly, the parties agree that in the event of a breach or a threatened breach of Sections 7 or 8, Tidewater may, in addition and supplementary to other rights and remedies existing in its favor, obtain from any court of law or equity of competent jurisdiction specific performance and/or injunctive or other relief in order to enforce or prevent any violations of the provisions hereof (without posting a bond or other security). In addition, Executive agrees that in the event a court of competent jurisdiction or an arbitrator finds that Executive violated Section 7 or 8, the time periods set forth in those Sections shall be tolled until such breach or violation has been cured. Executive further agrees that Tidewater shall have the right to offset the amount of any damages resulting from a breach by Executive of Section 7 or 8 against any payments due to Executive under this Agreement (or otherwise from the Company). The parties agree that if one of the parties is found to have breached this Agreement by a court of competent jurisdiction or arbitrator, the breaching party will be required to pay the non-breaching party's attorneys' fees reasonably incurred in prosecuting the non-breaching party's claim of breach.

**21. Non-Waiver.**

The failure by either party to insist upon the performance of any one or more terms, covenants or conditions of this Agreement shall not be construed as a waiver or relinquishment of any right granted hereunder or of any future performance of any such term, covenant or condition, and the obligation of either party with respect hereto shall continue in full force and effect, unless such waiver shall be in writing signed by Tidewater (other than Executive) and Executive.

**22. Announcement.**

The Company shall have the right to make public announcements concerning the execution of this Agreement and the terms contained herein, and to publicly disclose this Agreement and its terms, at the Company's discretion.

**23. Construction.**

The headings and captions of this Agreement are provided for convenience only and are intended to have no effect in construing or interpreting this Agreement. The language in all parts of this Agreement shall be in all cases construed in accordance to its fair meaning and not strictly for or against the Company or Executive. Unless otherwise specified, all references to a Section shall be deemed to refer to a Section of this Agreement.

**24. Right to Insure.**

The Company shall have the right to secure, in its own name or otherwise, and at its own expense, life, health, accident or other insurance covering Executive, and Executive shall have no right, title or interest in and to such insurance. Executive shall assist the Company in procuring such insurance by submitting to examinations and by signing such applications and other instruments as may be required by the insurance carriers to which application is made for any such insurance.

**25. No Inconsistent Obligations.**

Executive represents and warrants that he has no obligations, legal, in contract, or otherwise, inconsistent with the terms of this Agreement or with his undertaking or continuing employment with the Company to perform the duties described herein. Executive will not disclose to the Company, or use, or induce the Company to use, any confidential, proprietary, or trade secret information of others. Executive represents and warrants that he has returned all property and confidential information belonging to all prior employers, if he is obligated to do so.

26. **Binding Agreement.**

This Agreement shall inure to the benefit of and be binding upon Executive, his heirs and personal representatives, and the Company, its successors and assigns.

27. **Voluntary Agreement.**

Each party to this Agreement has read and fully understands the terms and provisions hereof, has had an opportunity to review this Agreement with legal counsel, has executed this Agreement based upon such party's own judgment and advice of counsel (if any), and knowingly, voluntarily, and without duress, agrees to all of the terms set forth in this Agreement. The parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties and no presumption or burden of proof will arise favoring or disfavoring any party because of authorship of any provision of this Agreement. Except as expressly set forth in this Agreement, neither the parties nor their affiliates, advisors and/or their attorneys have made any representation or warranty, express or implied, at law or in equity with respect of the subject matter contained herein. Without limiting the generality of the previous sentence, the Companies, their affiliates, advisors, and/or attorneys have made no representation or warranty to Executive concerning any tax consequences (including, but not limited to, state or Federal tax consequences) to Executive regarding the transactions contemplated by this Agreement.

28. **Section 409A of the Code.**

This Agreement is intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended (the *Code*), and the Treasury regulations and other interpretive guidance issued thereunder (collectively, *Section 409A*), or to be treated as exempt therefrom, and shall be construed and administered in accordance with such intent. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service, as a short-term deferral, or as any other compensation that is otherwise exempt from Section 409A shall be excluded from Section 409A to the maximum extent possible. Any payments to be made under this Agreement upon a termination of Executive's employment that are deemed to constitute non-qualified deferred compensation subject to Section 409A shall only be made if such termination of employment constitutes a separation from service under Section 409A. Notwithstanding any provision in this Agreement to the contrary, if any payment or benefit provided for herein would be subject to additional taxes and interest under Section 409A if Executive's receipt of such payment or benefit is not delayed until the earlier of (i) the date of Executive's death or (ii) the date that is six (6) months after the Date of Termination of Executive's employment hereunder (such applicable date, the *Section 409A Payment Date*), then such payment or benefit shall not be provided to Executive (or Executive's estate, if applicable) until the Section 409A Payment Date. Each payment under this Agreement is intended to be a separate payment and not one of a series of payments for purposes of Section 409A. Notwithstanding the foregoing, the Company does not guarantee any particular tax effect, and Executive shall be solely responsible and liable for the satisfaction of all taxes, penalties and interest that may be imposed on or for the account of Executive in connection with the Agreement (including, but not limited to, any taxes, penalties and interest under Section 409A), and neither the Company, nor any of its affiliates, shall have any obligation to indemnify or otherwise hold Executive (or any beneficiary) harmless from any or all taxes, penalties or interest.

29. **Excise Tax.** (a) Notwithstanding any other provisions in this Agreement, in the event that any payment or benefit received or to be received by Executive (including, but not limited to, any payment or benefit received in connection with a change in control of Tidewater or the termination of Executive's employment, whether pursuant to the terms of this Agreement or any other plan, program, arrangement or agreement) (all such payments and benefits, together, the *Total Payments*) would be subject (in whole or part), to any excise tax imposed under Section 4999 of the Code, or any successor provision thereto (the *Excise Tax*), then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other plan, program, arrangement or agreement, the Company will reduce the Total Payments to the extent necessary so that no portion of the Total Payments is subject to the Excise

Tax (but in no event to less than zero); provided, however, that the Total Payments will only be reduced if (i) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state, municipal and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments), is greater than or equal to (ii) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state, municipal and local income taxes on such Total Payments and the amount of Excise Tax to which Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments).



(b) In the case of a reduction in the Total Payments, the Total Payments will be reduced in the following order: (i) payments that are payable in cash that are valued at full value under Treasury Regulation Section 1.280G-1, Q&A 24(a) will be reduced (if necessary, to zero), with amounts that are payable last reduced first; (ii) payments and benefits due in respect of any equity valued at full value under Treasury Regulation Section 1.280G-1, Q&A 24(a), with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) will next be reduced; (iii) payments that are payable in cash that are valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24, with amounts that are payable last reduced first, will next be reduced; (iv) payments and benefits due in respect of any equity valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24, with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) will next be reduced; and (v) all other non-cash benefits not otherwise described in clauses (ii) or (iv) will be next reduced pro-rata. Any reductions made pursuant to each of clauses (i)-(v) above will be made in the following manner: first, a pro-rata reduction of cash payment and payments and benefits due in respect of any equity not subject to Section 409A, and second, a pro-rata reduction of cash payments and payments and benefits due in respect of any equity subject to Section 409A as deferred compensation.

(c) For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax: (i) no portion of the Total Payments the receipt or enjoyment of which Executive shall have waived at such time and in such manner as not to constitute a payment within the meaning of Section 280G(b) of the Code will be taken into account; (ii) no portion of the Total Payments will be taken into account which, in the opinion of tax counsel ( **Tax Counsel** ) reasonably acceptable to Executive and selected by the accounting firm which was, immediately prior to the change in control, the Company's independent auditor (the **Auditor** ), does not constitute a parachute payment within the meaning of Section 280G(b)(2) of the Code (including, but not limited to, by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Total Payments will be taken into account which, in the opinion of Tax Counsel, constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the base amount (as set forth in Section 280G(b)(3) of the Code) that is allocable to such reasonable compensation; and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Total Payments will be determined by the Auditor in accordance with the principles of Sections 280G(d)(3) and (4) of the Code. All determinations required by this Section 29 will be at the expense of the Company.

### 30. **Indemnification.**

Tidewater will defend and indemnify Executive as required by Tidewater's Bylaws and Certificate of Incorporation, to the maximum extent permitted by applicable law. During the Employment Period and thereafter (with respect to events occurring during the Employment Period), Tidewater will maintain and provide Executive with coverage under its directors and officers liability policy to the same extent that it provides such coverage to its other officers and directors generally.

### 31. **Survival.**

The provisions and obligations of this Agreement which, by their nature, require or contemplate full or partial performance after the termination or expiration of this Agreement or Executive's employment with the Company (including, without limitation, Sections 4-8, 13, 20, 30 and 32) shall survive termination of Executive's employment or this Agreement.

### 32. **Clawback.**

Notwithstanding any other provisions in this Agreement to the contrary, any compensation paid to Executive pursuant to this Agreement or any other agreement or arrangement with the Company, which is subject to recovery under any law, government regulation or stock exchange listing requirement, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation or stock exchange listing requirement (or any policy adopted by the Company pursuant to any such law, government regulation or stock exchange listing requirement). In no event will any such deduction or clawback be deemed to constitute or contribute to Good Reason.

*(Signature Page to Follow)*

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the respective dates below, effective as of the Effective Date.

**TIDEWATER INC.**

By: /s/ John T. Rynd  
John T. Rynd  
President, Chief Executive Officer and  
Director

Date: December 28, 2018

**EXECUTIVE**

/s/ Quintin V. Kneen

Quintin V. Kneen

Date: December 28, 2018

**SEPARATION AGREEMENT**

This Separation Agreement (the Agreement ), by and between Tidewater Inc., a Delaware corporation (the Company ), and Quinn P. Fanning (the Employee and, together with the Company, the Parties ) is being offered to the Employee on December 28, 2018 (the Offer Date ), and may be accepted by the Employee by signing below and returning the signed copy of this Agreement to John T. Rynd, President and Chief Executive Officer (the CEO ), at any time prior to the date that is the end of the twenty-one (21) day period following receipt of this Agreement (such date, January 18, 2019, or as otherwise agreed by the Parties, the Offer Expiration Date ).

**RECITALS**

WHEREAS, the Employee served the Company as its Executive Vice President and Chief Financial Officer until November 15, 2018 and has continued to serve the Company, its affiliates, subsidiaries, and joint ventures (collectively, the Company Group ) in a transitional role since such date;

WHEREAS, the Parties have agreed that the Employee will continue to serve in this transitional role until February 28, 2019 or such earlier date as may occur pursuant to Section 1(c) (the Termination Date ); and

WHEREAS, the Parties desire to enter into a mutually satisfactory arrangement concerning, among other matters, the status of certain preexisting agreements between the Parties and certain payments, rights, and benefits that the Company has agreed to make or confer upon the Employee in exchange for certain post-employment covenants by the Employee and the Employee's general release of claims against the Company Group and related parties.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the Parties hereby agree as follows:

1. Employment Period.

(a) Employment and Duties. During the period between the Effective Date (as defined in Section 6) and the Termination Date (the Employment Period ), the Employee agrees to continue to serve as an employee of the Company, to advise and assist in connection with such matters as the Company may request and as are within his area of expertise and prior experience, including, without limitation, financial reporting, accounting, tax, treasury, strategic planning, evaluation of transactions and finance. The Employee agrees that, during the Employment Period, he will devote such time as is reasonably necessary to effectively assist Company with regard to these matters. Further, the Parties agree and acknowledge that (i) the level of services to be provided by the Employee during the Employment Period is anticipated to equal or exceed 50% of the average level of services that he provided to the Company during the previous three years, and (ii) the Termination Date shall be the date of his separation from service for purposes of participation in and coverage under all benefit plans and programs sponsored by or through the Company Group, except as otherwise provided in this Agreement or under the terms of such plans or as required by applicable law. Following the Termination Date, the Employee shall not represent himself as continuing to be an employee, officer, director, agent, or representative of the Company or any other member of the Company Group for any purpose.

(b) Compensation. During the period between the Effective Date and February 28, 2019, the Employee's salary and benefits shall remain unchanged, except that the Employee agrees and acknowledges that he will not be eligible to participate in any annual incentive program for fiscal 2019. In particular, during such period, the Employee shall continue to receive the same base salary that was in effect for him on the Offer Date (the Base Salary ).

(c) Company's Right to Terminate. The Company shall have the right at any time before the Termination Date to notify the Employee that his continued services are no longer required, subject to the Company's obligation to make the payments and provide the benefits set forth in this Agreement. If the Company exercises its right under this Section 1(c) to terminate Employee's services prior to February 28, 2019, then the Termination Date shall mean the actual date on which the Company terminates Employee's services.

(d) Continued Compliance with Company Policies. The Employee agrees that, during the Employment Period, he will continue to comply with all company policies to the extent relevant to his activities, including but not limited to:

(i) the Code of Business Conduct and Ethics, and (ii) the Policy Statement on Insider Trading, which prohibits, among other things, trading in the Company's securities while in possession of material nonpublic information.

## 2. Compensation and Benefits following the Employment Period.

(a) Accrued Obligations. As soon as practicable following the Termination Date (but in no event later than such date required by applicable law or the terms of the applicable Company benefit plan), regardless of whether this Agreement becomes effective, the Employee will be paid or provided (i) all accrued but unpaid base salary and any reimbursable-but-unreimbursed business expenses through and including the Termination Date; (ii) all unused vacation time earned and accrued by the Employee through and including the Termination Date pursuant to the Company's vacation policy, with an estimated value of \$14,150 as of the Offer Date; (iii) all accrued benefits and amounts owed to Employee under the Tidewater Employees Supplemental Savings Plan, as amended (SSP ); (iv) all accrued benefits due to the Employee under the Tidewater Inc. Supplemental Executive Retirement Plan, as amended (the SERP ), paid in accordance with the terms and conditions of the SERP based on the Employee's prior elections; and (v) all other benefits payable to the Employee upon a separation from service under the Company's benefit plans (other than severance benefits), in accordance with the terms of such plans, or as required by applicable law.

(b) Acceleration of Outstanding RSUs. The Parties agree and acknowledge that (i) as of the Offer Date, the Employee holds 129,577 unvested time-based restricted stock units (the RSUs ) that were granted to him under an Incentive Agreement for the Grant of Restricted Stock Units under the Tidewater Inc. 2017 Stock Incentive Plan by and between the Parties, entered into effective August 18, 2017 (the RSU Agreement ), and (ii) pursuant to Section 1.4(a) of the RSU Agreement, all such RSUs shall vest automatically as of the Termination Date and shall settle in shares of Tidewater common stock as soon as practicable after such date, as provided in Section 2.2 of the RSU Agreement.

(c) Severance Benefits. Provided that the Employee remains employed with the Company through the Termination Date and in consideration for, and subject to, his (1) timely execution and non-revocation of this Agreement (including its release of claims through the Effective Date) and (2) continued compliance with the terms of this Agreement following the Effective Date, and notwithstanding anything to the contrary contained in this Agreement, the Employee shall be eligible for the following payments and benefits:

(i) The Company shall pay to the Employee a cash severance payment equal to 120 days of Base Salary, which will be paid to him in one lump sum within thirty (30) days of the Termination Date.

(ii) The Employee shall remain eligible to receive an annual cash incentive for all of fiscal 2018 under the Tidewater Inc. Short-Term Incentive Plan (the STI Plan), which shall be calculated in accordance with the terms and conditions of the STI Plan but with payout on the Employee's individual performance component assessed at 100%. Any amounts due to the Employee under the STI Plan shall be paid to him at the same time any such incentives are paid to officers of the Company under the STI Plan.

(iii) If the Employee timely and properly elects COBRA continuation coverage under the Company's group health plan, the Company shall pay the full premium for health insurance coverage for the Employee and his dependents at the same level of benefits as in effect on the Offer Date, for the period beginning on the Termination Date through the earlier to occur of (1) the last day of the first month in which the Employee and his dependents become eligible for health insurance coverage under another employer's group health plan or (2) August 31, 2020. The Employee shall notify the Company in writing within 15 days of becoming eligible for health insurance coverage under another employer's plan. The payment of COBRA premiums shall not be treated as taxable compensation to the Executive, unless the Company determines such treatment is necessary to prevent a violation of any non-discrimination rules applicable to the Company's group health plan.

(d) Legal Fees. The Company will pay the Employee's legal counsel directly, upon presentation of customary invoices, for the fees and expenses incurred by the Employee in connection with the review and negotiation of this Agreement, up to a maximum of Fifteen Thousand Dollars (\$15,000).

(e) No Further Benefits. The Employee hereby acknowledges and agrees that, as of the Termination Date, the payments and benefits described in this Section 2, and the other provisions of this Agreement including those set forth in Sections 3(c), 3(f), and 8, will be in full discharge of any and all liabilities and obligations of the Company Group to him, monetarily or with respect to employee benefits or otherwise, including but not limited to any and all obligations arising under any written or oral employment agreement, policy, plan, or procedure of the Company Group or any understanding or arrangement between the Employee and the Company Group.

(f) Taxes. The payments referenced in Section 2 shall be subject to reduction for applicable tax and other withholding obligations.

### 3. Release and Waiver of Claims.

(a) Definition. As used in this Agreement, the term "claims" will include all claims, covenants, warranties, promises, undertakings, actions, suits, causes of action, proceedings, obligations, debts, accounts, attorneys' fees, judgments, losses, and liabilities, of whatsoever kind or nature, in law, in equity, or otherwise.

(b) Employee Release. For and in consideration of the severance benefits described in Section 2(c) above (collectively, the "Severance Benefits"), the Company's agreement to release certain claims against the Employee pursuant to Section 3(c) below, the Company's agreement to release the Employee from the Non-Compete to the extent provided in Section 8, and other good and valuable consideration, including the other terms of this Agreement, the Employee, for and on behalf of himself and his executors, heirs, administrators, representatives, and assigns, hereby releases and forever discharges the Company and each member of the Company Group, and each of their respective direct and indirect predecessors, successors, and each of their respective past, current, and future parent entities, affiliates, subsidiary entities, investors, directors, shareholders, members, officers, general or limited partners, employees, attorneys, agents, and representatives, each solely in their respective capacities as such, and the employee benefit plans in which he is or has been a participant (or eligible for participation) by virtue of his employment with or service to the Company Group (collectively, the "Company Releasees"), from any and all claims that he has or may have had against any of the Company Releasees based on any events or circumstances arising or occurring on or prior to the date on which the Employee executes this Agreement, including any events or circumstances directly or indirectly arising out of, relating to, or in any other way involving in any manner whatsoever his employment by or service to the Company Group or the termination thereof, including without limitation any and all claims arising under federal, state, or local laws (including common law) relating to employment, wrongful discharge, breach of express or implied contract, fraud, misrepresentation, defamation, intentional infliction of emotional distress, whistleblowing, or liability in tort, and claims of any kind that may be brought in any court or administrative agency, and any related claims for attorneys' fees and costs, including, without limitation, claims under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. Section 2000 et seq.; the Americans with Disabilities Act, as amended, 42 U.S.C. § 12101 et seq.; the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 701 et seq.; the Civil Rights Act of 1866, 42 U.S.C. Section 1981, et seq.; the Civil Rights Act of 1991; the Age Discrimination in Employment Act, as amended, 29 U.S.C. Section 621, et seq. (the "ADEA"); the Equal Pay Act, as amended, 29 U.S.C. Section 206(d); regulations of the Office of Federal Contract Compliance, 41 C.F.R. Section 60, et seq.; the Family and Medical Leave Act, as amended, 29 U.S.C. § 2601 et seq.; the Fair Labor Standards Act of 1938, as amended, 29 U.S.C. § 201 et seq.; the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. § 1001 et seq. (the "ERISA"); the Louisiana Employment Discrimination Law; the Louisiana Whistleblower Protection Act; the Louisiana Environmental Whistleblower Protection Act; the Texas Labor Code; and any other similar state or local law. The Employee agrees further that the release of claims herein may be pleaded as a full defense to any action, suit, arbitration, or other proceeding covered by the terms hereof that is or may be initiated, prosecuted, or maintained by the Employee or his descendants, dependents, heirs, executors, administrators, or assigns. By signing this Agreement, the Employee acknowledges that he intends to waive and release all rights known or unknown that he may have against the Company Releasees under these and any other laws to the extent provided herein.

(c) Company Release. For and in consideration of the Employee's compliance with the post-employment restrictive covenants described in Section 8 below, the Employee's agreement to release certain claims against the Company pursuant to Section 3(b) above, and other good and valuable consideration, including the other terms of this Agreement, the Company Releasees, which include the Company and the Company's successors and assigns, hereby release and forever discharge the Employee and his heirs, successors, and assigns, each solely in their respective capacities as such (collectively, the Employee Releasees) from any and all claims that it has or may have had against any of the Employee Releasees based on any events or circumstances arising or occurring on or prior to the date on which the Company executes this Agreement, including any events or circumstances directly or indirectly arising out of, relating to, or in any other way involving in any manner whatsoever the Employee's employment by or service to the Company Group or the termination thereof, including without limitation any and all claims arising under federal, state, or local laws (including common law). The Company agrees further that the release of claims herein may be pleaded as a full defense to any action, suit, arbitration, or other proceeding covered by the terms hereof that is or may be initiated, prosecuted, or maintained by the Company or any member of the Company Group. The Company acknowledges that it intends to waive and release all rights known or unknown that it may have against the Employee Releasees under these and any other laws, as permitted by applicable laws, to the extent provided herein.

(d) No Claims. Each of the Parties acknowledges and agrees that, as of the date such Party executed this Agreement, neither Party has any knowledge of any facts or circumstances that give rise or could give rise to any claims under any of the laws listed in the preceding Sections 3(b) and 3(c), and that he or it has not filed any claim against any of the Company Releasees or Employee Releasees, as applicable, before any local, state, federal, or foreign agency, court, arbitrator, mediator, arbitration or mediation panel, or other body (each individually a Proceeding). Each of the Parties (i) acknowledges that he or it will not initiate or cause to be initiated on his or its behalf any Proceeding and will not participate in any Proceeding, in each case, except with respect to Unreleased Claims (as defined in Section 3(f) below) or as required by law; and (ii) waives any right that he or it may have to benefit in any manner from any relief (whether monetary or otherwise) arising out of any Proceeding, including any Proceeding conducted by the Equal Employment Opportunity Commission (EEOC), except with respect to Unreleased Claims. Further, each of the Parties understands that, by executing this Agreement, he or it will be limiting the availability of certain remedies that he or it may have against the Company Releasees or Employee Releasees, as applicable, and limiting also his or its ability to pursue certain claims against the Company Releasees or Employee Releasees, as applicable.

(e) ADEA. By executing this Agreement, the Employee specifically releases all claims relating to his employment and its termination under ADEA, a federal statute that, among other things, prohibits discrimination on the basis of age in employment and employee benefit plans.

(f) Unreleased Claims. Notwithstanding the generality of the foregoing, or anything else to the contrary in this Agreement, the Employee does not release any claims under or otherwise to enforce the terms of this Agreement or that cannot be waived by law, including claims under ERISA for vested benefits or any rights to indemnification and D&O insurance that are otherwise available to him pursuant to the organizational documents, policies, or insurance policies of any member of the Company Group by virtue of his having served as an officer or director



thereof ( Unreleased Claims ). The Employee shall be entitled to continued coverage under the Company's D&O insurance policies as in effect from time to time for the Company's directors and officers, including without limitation any tail coverage for former directors and officers. Further, nothing in this Agreement shall prevent the Employee from (i) initiating or causing to be initiated on his behalf any claim against the Company before any local, state, or federal agency, court, or other body challenging the validity of the waiver of his claims under the ADEA (but no other portion of such waiver); or (ii) subject to Section 3(c) above, initiating, cooperating with or participating in an investigation or proceeding conducted by the EEOC or a state fair employment practices agency.

4. Knowing and Voluntary Waiver. The Employee expressly acknowledges and agrees that he

(a) Is able to read the language, and understand the meaning and effect, of this Agreement;

(b) Has no physical or mental impairment of any kind that has interfered with his ability to read and understand the meaning of this Agreement or its terms, and that he is not acting under the influence of any medication, drug, or chemical of any type in entering into this Agreement;

(c) Is specifically agreeing to the terms of the release contained in this Agreement because the Company has agreed to provide him with the severance payments and benefits provided by this Agreement;

(d) Acknowledges that, but for his execution of this Agreement, he would not be entitled to the severance payments and benefits provided by this Agreement;

(e) Had or could have had until the Offer Expiration Date to review and consider this Agreement, and that if he executes this Agreement prior to the Offer Expiration Date, he has voluntarily and knowingly waived the remainder of the review period;

(f) Have or had the entire Revocation Period (as defined in Section 6 below) in which to revoke his execution of this Agreement, and that if he does not revoke such execution prior to the Effective Date, he has knowingly and voluntarily agreed to this Agreement's becoming effective;

(g) Was advised to consult with his attorney regarding the terms and effect of this Agreement; and

(h) Has signed this Agreement knowingly and voluntarily.

5. No Suit. Each of the Parties represents and warrants that he or it has not previously filed, and to the maximum extent permitted by law agrees that he or it will not file, a complaint, charge, or lawsuit against any of the Company Releasees or Employee Releasees, as applicable, regarding any of the claims released herein. If, notwithstanding this representation and warranty, the Employee or the Company has filed or files such a complaint, charge, or lawsuit, such Party agrees that he or it shall cause such complaint, charge, or lawsuit to be dismissed with prejudice and shall pay any and all costs required in obtaining dismissal of such complaint, charge, or lawsuit, including without limitation the attorneys' fees of any of the Company Releasees or Employee Releasees, as applicable, against whom the Party has filed such a complaint, charge, or lawsuit.

6. Opportunity for Review; Acceptance. The Employee has until the Offer Expiration Date (which is twenty-one (21) days following the Employee's receipt of this Agreement or as otherwise agreed by the Parties) to review and consider this Agreement, and the Employee may accept the terms of this Agreement by executing this Agreement and delivering it to the Company at any time during such twenty-one (21) day review period. Following its acceptance and execution by the Employee, this Agreement will not become effective or enforceable for a period of seven (7) calendar days following the date of its execution (such period, the Revocation Period), during which time the Employee may revoke his acceptance of this Agreement by notifying the CEO in writing. To be effective, such revocation must be received by the CEO no later than 5:00 p.m., prevailing Central Time, on the seventh (7th) calendar day following its execution. Provided that the Agreement is executed on or prior to the Offer Expiration Date and the Employee does not timely revoke it, the eighth (8th) day following the date on which this Agreement is executed will be its effective date (the Effective Date). In the event of the Employee's failure to execute and deliver this Agreement on or prior to the Offer Expiration Date, or his revocation of this Agreement during the Revocation Period, this Agreement will be null and void and of no effect, and the Company will have no obligations hereunder.

7. Return of Company Property. On or prior to the Termination Date, other than the Employee's personal files on a Company computer drive, the Employee shall return to the Company all originals and copies of papers, notes, and documents (in any medium, including computer disks, flash drives, and other electronic storage devices), whether property of any member of the Company Group or not, prepared, received, or obtained by the Employee during the course of, and in connection with, his employment with the Company or any member of the Company Group, and all equipment and property of any member of the Company Group that may be in the Employee's possession or under his control, whether at the Company's offices, the Employee's home, or elsewhere, including all such papers, work papers, notes, documents, and equipment in the possession of the Employee. The Employee agrees that he and his family shall not retain copies of any such papers, work papers, notes, and documents.

8. Restrictive Covenants. The Parties agree and acknowledge that the Employee is currently subject to certain restrictive covenants that apply during and after his employment with the Company, including a covenant not to compete, which are memorialized in Article V of the RSU Agreement. As part of its consideration to the Employee and subject to the Employee's continued compliance with Section 5.2 of the RSU Agreement (the Non-Compete) through the Termination Date, the Company hereby agrees that the Non-Compete shall have no further force or effect after the Termination Date. However, the Employee acknowledges that the Company Group has a legitimate business interest and right in protecting its Confidential Information (as defined in Section 5.6 of the RSU Agreement), business strategies, employee and customer relationships, and goodwill, and that the Company Group would be seriously damaged by the disclosure of Confidential Information and the loss or deterioration of its business strategies, employee and customer relationships, and goodwill. Accordingly, for and in consideration of the Severance Benefits and the waiver of the Non-Compete, the Employee agrees as follows:

(a) Status of Remaining Restrictive Covenants. The Employee agrees and acknowledges that (i) as of the Offer Date, the restrictive covenants of Article V of the RSU Agreement remain in full force and effect and (ii) following the Termination Date, the Employee shall continue to be subject to Article V of the RSU Agreement as provided therein, except for the Non-Compete as provided above (as in effect from time to time, the Restrictive Covenants ). The Employee agrees and acknowledges that these Restrictive Covenants are fully enforceable in accordance with their terms as if set forth in this Agreement.

(b) Nondisparagement and Response to Inquiries. In addition to the Restrictive Covenants, the Employee hereby agrees not to defame, disparage, or criticize any of the Company Releasees or any of their products, services, finances, financial condition, capabilities, or other aspect of any of their businesses in any medium to any person or entity, without limitation in time. Notwithstanding this provision, the Employee may confer in confidence with his legal representative and make truthful statements as required by law. Following the termination of the Employee's employment with the Company, the Company agrees to direct its directors to not disparage the Employee or the Employee's performance or otherwise make any statement that is critical of the Employee's personal or professional reputation. Each director on the Board agrees not to defame, disparage or criticize the Employee in any medium to any person or entity, without limitation in time. Notwithstanding this provision, any such director may confer in confidence with his legal representatives and make truthful statements as required by law. The Company shall respond to inquiries from third parties concerning Employee's employment with and separation from the Company by stating only his title and dates of employment.

(c) Injunctive Relief; Other Remedies. The Employee acknowledges that a breach or threatened breach by the Employee of this Section 8 would cause immediate and irreparable harm to the Company not fully compensable by money damages or the exact amount of which would be difficult to ascertain, and therefore the Company will not have an adequate monetary remedy at law. Accordingly, the Employee agrees that, in the event of a breach or threatened breach by the Employee of the provisions of this Section 8, the Company shall be entitled to injunctive relief to prevent or curtail any such breach or threatened breach without the necessity of posting any bond or security or showing proof of actual damage or irreparable injury. Nothing herein shall be construed as prohibiting the Company from pursuing any other remedy at law or in equity to which the Company may be entitled under applicable law in the event of a breach or threatened breach of this Agreement by the Employee, including, without limitation, the recovery of damages, costs, and expenses, such as reasonable attorneys' fees, incurred by the Company as a result of any such breach or threatened breach.

9. Successors and Assigns. The parties acknowledge and agree that this Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, legal representatives, successors, and permitted assigns.

10. Severability. If any provision of this Agreement is held by any court of competent jurisdiction to be illegal, void, or unenforceable, such provision will be of no force or effect. The illegality or unenforceability of such provision, however, will have no effect upon and will not impair the enforceability of any other provision of this Agreement.

11. Notices. All notices under this Agreement must be in writing and will be deemed to have been given upon receipt of delivery by: (a) hand (against a receipt for such delivery), (b) certified or registered mail, postage prepaid, return receipt requested, (c) a nationally recognized overnight courier service (against a receipt for such service), or (d) facsimile transmission with confirmation of receipt. All notices to the Company related to this Agreement should be sent to the Company's principal executive offices as disclosed in its filings with the Securities and Exchange Commission, addressed to the Office of General Counsel. All notices to the Employee should be delivered to the most recent address as provided by the Employee to the human resources department of the Company. Either Party may update its address for receipt of notices by providing written notice to the other Party as provided under this Section 11.

12. Entire Agreement. This Agreement, together with the SERP, the SSP, the STI Plan, and the RSU Agreement (including its Restrictive Covenants), constitutes the entire understanding and agreement between the Employee and the Company regarding the Employee's separation from service. This Agreement supersedes all prior negotiations, discussions, correspondence, communications, understandings, and agreements between the Employee and any member of the Company Group and all benefit plans of the Company Group relating to the subject matter of this Agreement, excepting the SERP, the SSP, the STI Plan, and the RSU Agreement (including its Restrictive Covenants). Any changes or amendments of this Agreement can be made only in a writing signed by the Parties.

13. Governing Law Jurisdiction; Waiver of Jury Trial. This Agreement shall be governed by, interpreted, and enforced in accordance with the laws of the State of Texas (without regard to any choice of law principles which might otherwise require the application of the law of another jurisdiction). The parties hereby agree that any action brought with respect to this Agreement and the transactions contemplated hereunder, including, but not limited, to any action for injunctive relief for the breach or threatened breach of any covenant under Section 8 of this Agreement (including the Restrictive Covenants), shall be brought in state or federal court in Harris County, Texas, and further that such venue shall be the exclusive venue for resolving any such disputes. The parties consent to personal jurisdiction in state or federal court in Harris County, Texas, and further waive any objection they may have as to such venue. By execution of this Agreement, the parties are waiving any right to trial by jury in connection with any suit, action, or proceeding under or in connection with this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth below.

TIDEWATER INC.

/s/ John T. Rynd  
By: John T. Rynd  
Title: President, Chief Executive Officer, and  
Director

/s/ Quinn P. Fanning

EMPLOYEE  
Quinn P. Fanning

DATE December 28, 2018

[Signature Page to Fanning Separation Agreement]

**AMENDED AND RESTATED  
EMPLOYMENT AGREEMENT**

This **AMENDED AND RESTATED EMPLOYMENT AGREEMENT** (this *Agreement*), effective as of December 28, 2018 (the *Effective Date*), is by and between Tidewater Inc. (*Tidewater* and, together with its subsidiaries, the *Company*) and Samuel Rubio (*Executive*).

**WHEREAS**, Executive served as the Senior Vice President and Chief Financial Officer of GulfMark Offshore, Inc. (*GulfMark*) until November 15, 2018, when the corporate existence of GulfMark ceased as a result of the previously-announced business combination between Tidewater and GulfMark (the *Business Combination*), which was effected through a two-step reverse merger pursuant to which (i) Gorgon Acquisition Corp., a Delaware corporation and wholly-owned subsidiary of Tidewater merged in with and into GulfMark, with GulfMark continuing as the surviving corporation and a wholly-owned subsidiary of Tidewater and then, immediately afterwards, (ii) GulfMark merged with and into Gorgon NewCo, LLC, a wholly-owned subsidiary of Tidewater (*Gorgon*), with Gorgon continuing as the surviving entity and a wholly-owned subsidiary of Tidewater;

**WHEREAS**, the Tidewater and the Executive have agreed that, effective as of the Effective Date, the Executive will become Vice President, Chief Accounting Officer, and Controller of Tidewater; and

**WHEREAS**, GulfMark and Executive were parties to that certain Employment Agreement, dated April 19, 2018 (the *GLF Agreement*), which governed the Executive's employment with GulfMark and its successors immediately prior to the Effective Date, and Tidewater and the Executive desire to amend and restate the GLF Agreement in order to memorialize in writing the terms and conditions of their understandings and agreements regarding the Executive's employment with the Company as of the Effective Date.

**NOW, THEREFORE**, in consideration of the mutual covenants and obligations contained herein, Tidewater hereby agrees to continue to employ Executive and Executive hereby accepts such continued employment upon the terms and conditions set forth in this Agreement:

**1. Employment Period.**

(a) Subject to Section 4, Tidewater hereby agrees to employ Executive, and Executive hereby agrees to be employed by Tidewater, in accordance with the terms and provisions of this Agreement, for the period commencing as of the Effective Date and ending on the third anniversary of the Effective Date or such later date as mutually agreed by the parties in writing (such period, as it may be extended or truncated under the terms of this Agreement, the *Employment Period*). Following the termination of this Agreement, the Employee may remain employed-at-will with the Company.

(b) During the Employment Period, Executive shall serve as the Vice President, Chief Accounting Officer, and Controller of Tidewater and, in so doing, shall report to the Chief Financial Officer of Tidewater (the *CFO*). Executive shall have such powers and duties (including, but not limited to, holding officer positions with Tidewater and one or more of its subsidiaries) as may from time to time be prescribed by the CFO.

(c) During the Employment Period, and excluding any periods of vacation and sick leave to which Executive is entitled, Executive agrees to devote substantially all of his business time to the business and affairs of the Company and, to the extent necessary to discharge the responsibilities assigned to Executive hereunder or by the CFO hereafter,

to use Executive's reasonable best efforts to perform faithfully, effectively and efficiently such responsibilities. During the Employment Period, it shall not be a violation of this Agreement for Executive to (i) serve on corporate, civic or charitable boards or committees, provided that service on any corporate board or committee shall be subject to the prior approval of the board of directors of Tidewater (the **Board**), (ii) deliver lectures or fulfill speaking engagements, and (iii) manage personal investments, so long as such activities do not materially interfere with the performance of Executive's responsibilities hereunder.

(d) The parties expressly acknowledge that any performance of Executive's responsibilities hereunder shall necessitate, and the Company shall provide, access to or the disclosure of Confidential Information (as defined in Section 6(a) below) to Executive, and that Executive's responsibilities shall include the development of the Company's goodwill through Executive's contacts with the Company's customers and suppliers.

## 2. Compensation.

(a) *Base Salary.* Tidewater shall pay Executive an annual base salary ( *Base Salary* ) at the rate of \$230,000 during the Employment Period. The Board may at its discretion elect to increase Executive's Base Salary at any time if it deems an increase is warranted. Subject to Section 4(c)(ii) hereof, during the Employment Period, the Board may not decrease Executive's annual Base Salary without his prior written approval. Base Salary shall be payable in accordance with the ordinary payroll practices of the Company, but in no event shall the Base Salary be paid to Executive less frequently than monthly. The term *Base Salary* as used in this Agreement shall refer to the Base Salary as it may be so adjusted from time to time.

(b) *Annual Bonus.* With respect to each calendar year during the Employment Period, beginning with 2019, Executive shall be eligible to earn an annual bonus (the *Annual Bonus* ) in an amount to be determined by the Compensation Committee of the Board ( *Committee* ) based on performance goals established by the Committee, with Executive being eligible to earn a target bonus equal to no less than 70% of his Base Salary. Any Annual Bonus earned with regard to a particular calendar year shall be paid to Executive no later than March 15 of the following calendar year, subject to Executive's continued employment with the Company on the actual date of payment.

(c) *Additional Consideration.* In consideration of Executive entering into this Agreement and as an inducement to join the Company, Tidewater agrees to provide the following additional compensation and benefits (together, the *Additional Consideration* ):

(i) The parties agree and acknowledge that, as of the Effective Date, the Executive holds 10,431 unvested time-based restricted stock units (the *Converted RSUs* ), each of which represents the right to receive one share of Tidewater common stock, par value \$0.001 per share (the *Common Stock* ). The Converted RSUs, originally granted to Executive by GulfMark, were converted and assumed by Tidewater in the Business Combination and are subject to the terms and conditions of the Legacy GLF Management Incentive Plan (as adopted by Tidewater following the Business Combination, the *Legacy GLF Plan* ) and the applicable award agreement. In consideration of Executive entering into this Agreement, all Converted RSUs shall accelerate and vest in full automatically on the Effective Date.

(ii) On the Effective Date, the Committee shall grant to the Executive two equity grants: (1) a grant of 10,000 time-based restricted stock units (the *First Grant* ) and (2) a grant of time-based restricted stock units with a grant date fair value of \$360,950, with the number of restricted stock units granted determined by dividing by the closing price of a share of Common Stock on the Effective Date, rounded up to the next whole share (the *Second Grant* and, together with the First Grant, the *LTI Grants* ). Both LTI Grants shall be granted under the Legacy GLF Plan and the Company's standard form of award agreement, and each LTI Grant shall vest in three equal installments on the first three anniversaries of the Effective Date, subject to the Executive's continued employment through the applicable vesting date (except as provided in the award agreement or Section 4).

(iii) The Company shall pay the Executive a lump sum cash signing bonus of \$68,750 (the *Signing Bonus* ) within ten (10) days following the Effective Date.



3. **Employee Benefits.**

(a) During the Employment Period, the Company shall provide Executive with coverage under all employee pension and welfare benefit programs, plans and practices, which Tidewater makes available to its officers (including, but not limited to, participation in health, dental, group life, disability, retirement and all other plans and fringe benefits to the extent generally provided to such officers), commensurate with his position in the Company, to the extent permitted under the employee benefit plan or program, and in accordance with the terms of the program and/or plan.

(b) Executive shall be entitled to vacation time in accordance with the Company's vacation policy, as in effect from time to time.

(c) Executive is authorized to incur reasonable expenses in carrying out his duties and responsibilities under this Agreement and promoting the business of the Company, including, but not limited to, reasonable expenses for travel, lodgings, entertainment and similar items related to such duties and responsibilities, in each case in accordance with applicable Company policies. The Company will promptly reimburse Executive for all such expenses upon presentation by Executive of appropriately itemized and approved accounts of such expenditures, in accordance with the Company's expense reimbursement policy; provided, however, that in no event shall the expense reimbursement be made after the last day of the taxable year following the year in which the expense was incurred by Executive, although in the event that the reimbursement would constitute taxable income to Executive, such reimbursements will be paid no later than March 15th of the calendar year following the calendar year in which the expense was incurred. No reimbursement or expenses eligible for reimbursement in any taxable year shall affect the expenses eligible for reimbursement in any other taxable year, nor may the right to receive a reimbursement of expenses be subject to liquidation or exchanged for another benefit.

#### 4. **Termination of Employment.**

(a) *Accrued Obligations.* Unless otherwise specified in a separate provision of this Section 4, either party may terminate this Agreement and Executive's employment for any reason during the Employment Period after providing thirty (30) days written notice to the non-terminating party. Upon termination of the Executive's employment for any reason during the Employment Period, then, in addition to any amounts due to Executive pursuant to another subsection of this Section 4 and any other amounts or benefits to which Executive may be entitled under a separate plan, policy or program maintained by the Company, Tidewater shall pay Executive, within ten (10) business days after the Date of Termination (as defined below), (i) all accrued but unpaid Base Salary, (ii) a prorated amount of Executive's Base Salary for accrued but unused vacation days, and (iii) yet unpaid reimbursements for any reasonable and necessary business expenses incurred by Executive prior to the Date of Termination in connection with his duties hereunder (such amounts collectively, the *Accrued Obligations* ).

(b) *Termination by Company.* During the Employment Period, Tidewater may terminate this Agreement and Executive's employment with or without Cause (as defined below). Upon such termination, Executive shall be entitled to receive the (1) Accrued Obligations, which amount shall be paid within ten (10) business days after the Date of Termination and (2) any other amounts or benefits to which Executive may be entitled under a separate plan, policy or program maintained by the Company. In addition to the foregoing, if such termination was without Cause, any outstanding but unvested portion of the Second Grant shall vest immediately as of the Date of Termination. For purposes of this Agreement, *Cause* means any of the following:

(i) Executive's commission of theft, embezzlement, any other act of dishonesty relating to his employment or service, or any willful violation of any law, rules or regulation applicable to the Company, including, but not limited to, those laws, rules or regulations established by the Securities and Exchange Commission, or any self-regulatory organization having jurisdiction or authority over Executive or the Company; or

(ii) Executive's conviction of, or Executive's plea of guilty or *nolo contendere* to, any felony or of any other crime involving fraud, dishonesty or moral turpitude; or

(iii) A determination by the Board that Executive has materially breached this Agreement (other than during any period of Disability, as defined below) where such breach is not remedied within ten (10) business days after written demand by the Board for substantial performance is received by Executive which identifies the manner in which the Board believes Executive has so breached this Agreement; or

(iv) Executive's willful failure to perform the reasonable and customary duties of his position with the Company, which failure is not remedied within ten (10) business days after written demand by the Board for substantial performance is received by Executive which specifically identifies the nature of such failure.

(c) *Termination by Executive.* During the Employment Period, the Executive may terminate this Agreement and his employment with or without Good Reason (as defined below). Upon such termination, Executive shall be entitled to receive the (1) Accrued Obligations, which amount shall be paid within ten (10) business days after the Date of Termination and (2) any other amounts or benefits to which Executive may be entitled under a separate plan, policy or program maintained by the Company. In addition to the foregoing, if such termination was with Good Reason, any outstanding but unvested portion of the Second Grant shall vest immediately as of the Date of Termination. For purposes of this Agreement, **Good Reason** means any of the following that occurs without Executive's consent:

- (i) Any reduction in Executive's Base Salary, other than an across the board reduction of less than 10% of Executive's Base Salary; or
- (ii) Relocation of Executive's principal place of business to a location fifty (50) or more miles from its location as of the Effective Date; or
- (iii) A material breach by Tidewater of this Agreement, which materially and adversely affects Executive; or
- (iv) Tidewater's failure to make any material payment to Executive required to be made under the terms of this Agreement;

*provided, however,* that Executive's termination shall not be considered to be with Good Reason unless (y) Executive provides at least thirty (30) days' written notice to Tidewater of the condition constituting Good Reason (which notice must be given within ninety (90) days after the occurrence of such condition and describe condition in reasonable detail) and (z) such condition is not cured by the Company within thirty (30) days after Tidewater receives such written notice.

(d) *Termination due to Disability.* Tidewater may terminate this Agreement at any time if Executive shall be deemed in the reasonable judgment of the Board to have sustained a Disability. Executive shall be deemed to have sustained a **Disability** if he shall have been unable to substantially perform his duties as an employee of Tidewater as a result of sickness or injury, and shall have remained unable to perform any such duties for a period of more than one-hundred eighty (180) consecutive days in any twelve (12) month period. Upon termination of this Agreement for Disability, Executive shall only be entitled to (i) Accrued Obligations, which amount shall be paid within ten (10) business days after the Date of Termination, (ii) accelerated vesting, as of the Date of Termination, of any outstanding but unvested portion of the LTI Grants, and (iii) any other amounts or benefits to which Executive may be entitled under a separate plan, policy or program maintained by the Company.

(e) *Termination by Death.* This Agreement will terminate automatically upon Executive's death. Upon termination of this Agreement due to Executive's death, Tidewater shall pay or provide Executive's estate with the following:  
(i) Accrued Obligations, which amount shall be paid within ten (10) business days after the Date of Termination,  
(ii) accelerated vesting, as of the Date of Termination, of any outstanding but unvested portion of the LTI Grants, and  
(iii) any other amounts or benefits to which Executive may be entitled under a separate plan, policy or program maintained by the Company.

(f) *Date of Termination.* As used in this Agreement, **Date of Termination** means (i) if Executive's employment is terminated by his death, the date of his death; (ii) if Executive's employment is terminated as a result of a Disability or by Tidewater for Cause or without Cause, then the date specified in a notice delivered to Executive by Tidewater of such termination, (iii) if Executive's employment is terminated by Executive for Good Reason, then the date specified

in the notice of such termination delivered to Tidewater by Executive, and (iv) if Executive's employment is terminated for any other reason, the date specified therefore in the notice of such termination. The Employment Period will terminate upon any termination of Executive's employment pursuant to this Section 4.

## 5. Release and Continued Compliance.

Notwithstanding any other provision in this Agreement to the contrary, as a condition precedent to receiving any payments or benefits under this Agreement (other than the Accrued Obligations), including, without limitation, any accelerated vesting of the LTI Grants in connection with any applicable termination scenario, Executive agrees to execute a separation and release agreement in a form specified by Tidewater, containing a waiver of all claims against the Company (the **Release**), within the forty-five (45) day period immediately following the Date of Termination, and subsequently not revoke the Release during any period for revocation contained therein. All revocation rights and timing restrictions shall be set forth in such Release. If Executive fails to execute and deliver the Release, or revokes the Release, Executive agrees that he shall not be entitled to receive any payments or benefits under this Agreement (other than the Accrued Obligations), including, without limitation, any accelerated vesting of the LTI Grants in connection with any applicable termination scenario. For purposes of this Agreement, the Release shall be considered to have been executed by Executive if it is signed by his legal representative in the case of legal incompetence or on behalf of Executive's estate in the case of his death. Executive's receipt of any payments or benefits under this Agreement (other than the Accrued Obligations), including, without limitation, any accelerated vesting of the LTI Grants in connection with any applicable termination scenario, will also be subject to Executive's continued compliance with Sections 6, 7 and 12 hereof.

## 6. Nondisclosure.

(a) It is understood that Executive during his tenure with the Company has received and will continue to receive access to some or all of the Company's various trade secrets and confidential or proprietary information, including, but not limited to, information he has not received before, consisting of, but not limited to, information relating to (i) business operations and methods, (ii) existing and proposed investments and investment strategies, (iii) financial performance, (iv) compensation arrangements and amounts (whether relating to the Company or to any of its employees), (v) contractual relationships, (vi) business partners and relationships, and (vii) marketing strategies (all of the forgoing, **Confidential Information**). Confidential Information shall not include information that (A) becomes generally available to the public by means other than Executive's breach of this Section 6 (for example, not as a result of Executive's unauthorized release of marketing materials), (B) is in Executive's possession, or becomes available to Executive, on a non-confidential basis, from a source other than the Company or (C) Executive is required by law, regulation, court order or discovery demand to disclose; provided, however, that in the case of this clause (C), Executive gives the Company, to the extent permitted by law, reasonable notice prior to the disclosure of the Confidential Information and the reasons and circumstances surrounding such disclosure to provide the Company an opportunity to seek a protective order or other appropriate request for confidential treatment of the applicable Confidential Information.

(b) Executive agrees that all Confidential Information, whether prepared by Executive or otherwise coming into his possession, shall remain the exclusive property of the Company during and after Executive's employment with the Company. Executive further agrees that Executive shall not, except for the benefit of the Company pursuant to the proper exercise of his duties in accordance with this Agreement or with the prior written consent of the Board, use or disclose to any third party any of the Confidential Information described herein, directly or indirectly, either during Executive's employment with the Company or at any time following the termination of Executive's employment with the Company.

(c) Upon termination of this Agreement, Executive agrees that all Confidential Information and other files, documents, materials, records, notebooks, customer lists, business proposals, contracts, agreements and other

repositories containing information concerning the Company or the business of the Company (together with all copies thereof in any physical or electronic medium) in Executive's possession, custody or control, whether prepared by Executive or others, shall remain with or be returned to the Company as soon as practicable after the Date of Termination. Executive agrees to provide the Company with access to Executive's personally-owned computer, server, e-mail system, mobile phone, portable electronic and other electronic devices for the purpose of verifying that Executive has complied with this Section 6(c).

(d) Nothing in this Agreement will preclude, prohibit or restrict Executive from (i) communicating with, any federal, state or local administrative or regulatory agency or authority, including, but not limited to, the Securities and Exchange Commission (the *SEC*); (ii) participating or cooperating in any investigation conducted by any governmental agency or authority; or (iii) filing a charge of discrimination with the United States Equal Employment Opportunity Commission or any other federal state or local administrative agency or regulatory authority. Nothing in this Agreement, or any other agreement between the parties, prohibits or is intended in any manner to prohibit, Executive from (A) reporting a possible violation of federal or other applicable law or regulation to any governmental agency or entity, including, but not limited to, the Department of Justice, the SEC, the U.S. Congress, and any governmental agency Inspector General, or (B) making other disclosures that are protected under whistleblower provisions of federal law or regulation. This Agreement does not limit Executive's right to receive an award (including, without limitation, a monetary reward) for information provided to the SEC. Executive does not need the prior authorization of anyone at the Company to make any such reports or disclosures, and Executive is not required to notify the Company that Executive has made such reports or disclosures. Nothing in this Agreement or any other agreement or policy of the Company is intended to interfere with or restrain the immunity provided under 18 U.S.C. §1833(b). Executive cannot be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) (A) in confidence to federal, state or local government officials, directly or indirectly, or to an attorney, and (B) for the purpose of reporting or investigating a suspected violation of law; (ii) in a complaint or other document filed in a lawsuit or other proceeding, if filed under seal; or (iii) in connection with a lawsuit alleging retaliation for reporting a suspected violation of law, if filed under seal and does not disclose the trade secret, except pursuant to a court order. The foregoing provisions regarding protected disclosures are intended to comply with all applicable laws. If any laws are adopted, amended or repealed after the execution of this Agreement, this Section 6(d) shall be deemed to be amended to reflect the same.

#### **7. Non-Competition, Non-solicitation, Non-Disparagement.**

(a) As part of the consideration for the compensation and benefits to be paid to Executive hereunder, to protect Confidential Information of the Company and its customers and clients that have been and will be entrusted to Executive, the business goodwill of the Company and its subsidiaries that will be developed in and through Executive and the business opportunities that will be disclosed or entrusted to Executive by the Company and its subsidiaries, and as an additional incentive for the Company to enter into this Agreement, from the date hereof through the first anniversary of the Date of Termination (the *Restricted Period*), Executive will not (other than for the benefit of the Company pursuant to the proper exercise of his duties in accordance with this Agreement), directly or indirectly:

(i) engage in, or carry on or assist, individually or as a principal, owner, officer, director, employee, shareholder, consultant, contractor, partner, member, joint venturer, agent, equity owner or in any other capacity whatsoever, any (A) business competitive with any business in which the Company is engaged from time to time (a *Competing Business*) or (B) Business Enterprise (as defined below) that is otherwise competitive with the Company within the states in which the Company conducts business;

(ii) perform for any corporation, partnership, limited liability company, sole proprietorship, joint venture or other business association or entity (a *Business Enterprise*) engaged in any Competing Business any duty Executive has performed for the Company that involved Executive's access to, or knowledge or application of, Confidential Information;

(iii) induce or attempt to induce any customer, supplier, licensee or other business relation of the Company to cease doing business with the Company or in any way interfere with the relationship between any such customer, supplier,



licensee or business relation and the Company; or

(iv) solicit with the purpose of hiring or retaining, or hire or retain, any person who is or, within one hundred eighty (180) days after such person ceased to be an employee, consultant or independent contractor of the Company, was an employee, consultant or independent contractor of the Company.

(b) Notwithstanding the foregoing restrictions of this Section 7, nothing in this Section 7 shall prohibit any investment by Executive, directly or indirectly, in publicly-traded securities which are issued by a Business Enterprise involved in or conducting a Competing Business, provided that Executive (i) in the aggregate directly and indirectly, does not own more than five percent (5%) of the outstanding equity or voting securities of such Business Enterprise and (ii) does not have the right through the ownership of a voting interest or otherwise, to direct the activities of or associated with the business of such Business Enterprise.

(c) Executive acknowledges that each of the covenants contained in Sections 6 and 7(a) are in addition to, and shall not be construed as a limitation upon, any other covenant provided in Section 7(a). Executive agrees that the geographic boundaries, scope of prohibited activities, and time duration of each of the covenants set forth in Sections 6 and 7(a) are reasonable in nature and are no broader than are necessary to maintain the confidentiality and the goodwill of the Company's proprietary information and Confidential Information, and its plans and services, and to protect the other legitimate business interests of the Company, including without limitation the goodwill developed by Executive with the Company's customers, suppliers, licensees and business relations.

(d) If, during any portion of the Restricted Period, Executive is not in compliance with the terms of Section 7(a), the Company shall be entitled to, among other remedies (and not in limitation of any other such remedies), compliance by Executive with the terms of Section 7(a) for an additional period of time (*i.e.*, in addition to the Restricted Period) that shall equal the period(s) over which such noncompliance occurred.

(e) The parties hereto intend that the covenants contained in Section 7(a) be construed as a series of separate covenants, one for each defined province in each geographic area in which Executive on behalf of the Company conducts business. Except for geographic coverage, each such separate covenant shall be deemed identical in terms to the applicable covenant contained in Section 7(a). Furthermore, each of the covenants in Section 7 shall be deemed a separate and independent covenant, each being enforceable irrespective of the enforceability (with or without reformation) of the other covenants contained in Section 7(a).

(f) Further, at no time during or after the Employment Period will Executive utter, issue or circulate publicly any false or disparaging statements, remarks or rumors about Tidewater, any of its subsidiaries, and/or any of Tidewater's or any of its subsidiaries' respective businesses, or any of their respective officers, employees or directors. Nothing in this Section 7(f) shall prohibit Executive from providing truthful and accurate facts where he is required to do so by law.

## 8. Notices.

All notices and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given if delivered personally, mailed by certified mail (return receipt requested) or sent by overnight delivery service to the parties at the following addresses or at such other addresses as shall be specified by the parties by like notice, in order of preference of the recipient:

To Tidewater or the Company:

Board of Directors

To Executive:

At the most recent address on file with the Company

Tidewater Inc.

6002 Rogerdale Road

Suite 600

Houston, TX 7702477072

Notice so given shall, in the case of mail, be deemed to be given and received on the fifth calendar day after posting, and in the case overnight delivery service, on the date of actual delivery.

**9. Severability and Reformation.**

If any one or more of the terms, provisions, covenants or restrictions of this Agreement shall be determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions shall remain in full force and effect, and the invalid, void or unenforceable provisions shall be deemed severable. Moreover, if any one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be reformed by limiting and reducing it to the minimum extent necessary, so as to be enforceable to the extent compatible with the applicable law as it shall then appear.

10. **Assignment.**

This Agreement shall be binding upon and inure to the benefit of the heirs and legal representatives of Executive and the permitted assigns and successors of Tidewater, but neither this Agreement nor any rights or obligations hereunder shall be assignable or otherwise subject to hypothecation by Executive without the express written consent of Tidewater (except in the case of death by will or by operation of the laws of intestate succession) or by Tidewater, except that Tidewater may assign this Agreement to any successor (whether by merger, purchase or otherwise) to all or substantially all of the stock assets or businesses of Tidewater.

11. **Amendment.**

This Agreement may be amended only by writing signed by both Executive and by a duly authorized representative of Tidewater (other than Executive).

12. **Assistance in Litigation.**

Executive shall reasonably cooperate with the Company and its agents in the defense or prosecution of any claims or actions now in existence or that may be brought in the future against or on behalf of the Company that relate to events or occurrences that transpired while Executive was employed by the Company or with respect to which Executive has any knowledge. Executive's cooperation in connection with such claims or actions shall include, but not be limited to, being reasonably available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company. Executive also shall cooperate fully with the Company in connection with any investigation or review by any Federal, state, or local regulatory authority as any such investigation or review relates, to events or occurrences that transpired while Executive was employed by the Company or with respect to which Executive has any knowledge.

13. **Beneficiaries; References.**

Executive shall be entitled to select (and change, to the extent permitted under any applicable law) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following Executive's death, and may change such election, in either case by giving the Company written notice thereof. In the event of Executive's death or a judicial determination of his incompetence, reference in this Agreement to Executive shall be deemed, where appropriate, to refer to his beneficiary, estate or other legal representative. Any reference to the masculine gender in this Agreement shall include, where appropriate, the feminine.

14. **Use of Name, Likeness and Biography.**

The Company shall have the right (but not the obligation) to use, publish and broadcast, and to authorize others to do so, the name, likeness and biographical material of Executive to advertise, publicize and promote the business of the Company and its affiliates. This right shall terminate upon the termination of this Agreement. A likeness and biographical material shall be, respectively, any photograph or other depiction of Executive, or any biographical information or life story concerning the professional career of Executive.

15. **Governing Law.**

THIS AGREEMENT SHALL BE CONSTRUED, INTERPRETED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS WITHOUT REFERENCE TO RULES RELATING TO CONFLICTS OF LAW.

16. **Entire Agreement.**

This Agreement contains the entire understanding between the parties hereto with respect to the subject matter hereof and supersedes in all respects any prior or other agreement (including, but not limited to, the Prior Agreement) or understanding, written or oral, between the Executive and any of GulfMark, its successors, the Company or any affiliate of the foregoing with respect to such subject matter. Without limiting the foregoing, Executive (a) acknowledges and agrees that

GulfMark and/or the Company have satisfied all obligations that they have owed, and that they ever could have owed, under the Prior Agreement and (b) represents and warrants that, except as specifically referenced in this Agreement, the Executive has no further rights or claims under the Prior Agreement or any other employment-related agreements with GulfMark, its successors, the Company, or any affiliate of the foregoing including, but not limited to, any claims of having been constructively terminated or having cause to terminate employment for Good Reason and receive additional compensation. Each subsidiary of Tidewater is an intended third-party beneficiary of this Agreement and may enforce its rights hereunder as though it were a party hereto.

17. **Withholding**.

The Company shall be entitled to withhold from payment to Executive of any amount of withholding required by law.

18. **Counterparts**.

This Agreement may be executed in two or more counterparts, each of which will be deemed an original.

19. **Remedies**.

The parties recognize and affirm that in the event of a breach of Sections 6 or 7, money damages would be inadequate and Tidewater would not have an adequate remedy at law. Accordingly, the parties agree that in the event of a breach or a threatened breach of Sections 6 or 7, Tidewater may, in addition and supplementary to other rights and remedies existing in its favor, obtain from any court of law or equity of competent jurisdiction specific performance and/or injunctive or other relief in order to enforce or prevent any violations of the provisions hereof (without posting a bond or other security). In addition, Executive agrees that in the event a court of competent jurisdiction or an arbitrator finds that Executive violated Section 6 or 7, the time periods set forth in those Sections shall be tolled until such breach or violation has been cured. Executive further agrees that Tidewater shall have the right to offset the amount of any damages resulting from a breach by Executive of Section 6 or 7 against any payments due to Executive under this Agreement (or otherwise from the Company). The parties agree that if one of the parties is found to have breached this Agreement by a court of competent jurisdiction or arbitrator, the breaching party will be required to pay the non-breaching party's attorneys' fees reasonably incurred in prosecuting the non-breaching party's claim of breach.

20. **Non-Waiver**.

The failure by either party to insist upon the performance of any one or more terms, covenants or conditions of this Agreement shall not be construed as a waiver or relinquishment of any right granted hereunder or of any future performance of any such term, covenant or condition, and the obligation of either party with respect hereto shall continue in full force and effect, unless such waiver shall be in writing signed by Tidewater (other than Executive) and Executive.

21. **Announcement**.

The Company shall have the right to make public announcements concerning the execution of this Agreement and the terms contained herein, and to publicly disclose this Agreement and its terms, at the Company's discretion.

22. **Construction**.

The headings and captions of this Agreement are provided for convenience only and are intended to have no effect in construing or interpreting this Agreement. The language in all parts of this Agreement shall be in all cases construed in accordance to its fair meaning and not strictly for or against the Company or Executive. Unless otherwise specified, all references to a Section shall be deemed to refer to a Section of this Agreement.

**23. Right to Insure.**

The Company shall have the right to secure, in its own name or otherwise, and at its own expense, life, health, accident or other insurance covering Executive, and Executive shall have no right, title or interest in and to such insurance. Executive shall assist the Company in procuring such insurance by submitting to examinations and by signing such applications and other instruments as may be required by the insurance carriers to which application is made for any such insurance.

**24. No Inconsistent Obligations.**

Executive represents and warrants that he has no obligations, legal, in contract, or otherwise, inconsistent with the terms of this Agreement or with his undertaking or continuing employment with the Company to perform the duties described herein. Executive will not disclose to the Company, or use, or induce the Company to use, any confidential, proprietary, or trade secret information of others. Executive represents and warrants that he has returned all property and confidential information belonging to all prior employers, if he is obligated to do so.

**25. Binding Agreement.**

This Agreement shall inure to the benefit of and be binding upon Executive, his heirs and personal representatives, and the Company, its successors and assigns.

**26. Voluntary Agreement.**

Each party to this Agreement has read and fully understands the terms and provisions hereof, has had an opportunity to review this Agreement with legal counsel, has executed this Agreement based upon such party's own judgment and advice of counsel (if any), and knowingly, voluntarily, and without duress, agrees to all of the terms set forth in this Agreement. The parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties and no presumption or burden of proof will arise favoring or disfavoring any party because of authorship of any provision of this Agreement. Except as expressly set forth in this Agreement, neither the parties nor their affiliates, advisors and/or their attorneys have made any representation or warranty, express or implied, at law or in equity with respect of the subject matter contained herein. Without limiting the generality of the previous sentence, the Companies, their affiliates, advisors, and/or attorneys have made no representation or warranty to Executive concerning any tax consequences (including, but not limited to, state or Federal tax consequences) to Executive regarding the transactions contemplated by this Agreement.

**27. Section 409A of the Code.**

This Agreement is intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended (the *Code*), and the Treasury regulations and other interpretive guidance issued thereunder (collectively, *Section 409A*), or to be treated as exempt therefrom, and shall be construed and administered in accordance with such intent. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service, as a short-term deferral, or as any other compensation that is otherwise exempt from Section 409A shall be excluded from Section 409A to the maximum extent possible. Any payments to be made under this Agreement upon a termination of Executive's employment that are deemed to constitute non-qualified deferred compensation subject to Section 409A shall only be made if such termination of employment constitutes a



separation from service under Section 409A. Notwithstanding any provision in this Agreement to the contrary, if any payment or benefit provided for herein would be subject to additional taxes and interest under Section 409A if Executive's receipt of such payment or benefit is not delayed until the earlier of (i) the date of Executive's death or (ii) the date that is six (6) months after the Date of Termination of Executive's employment hereunder (such applicable date, the **Section 409A Payment Date**), then such payment or benefit shall not be provided to Executive (or Executive's estate, if applicable) until the Section 409A Payment Date. Each payment under this Agreement is intended to be a separate payment and not one of a series of payments for purposes of Section 409A. Notwithstanding the foregoing, the Company does not guarantee any particular tax effect, and Executive shall be solely responsible and liable for the satisfaction of all taxes, penalties and interest that may be imposed on or for the account of Executive in connection with the Agreement (including, but not limited to, any taxes, penalties and interest under Section 409A), and neither the Company, nor any of its affiliates, shall have any obligation to indemnify or otherwise hold Executive (or any beneficiary) harmless from any or all taxes, penalties or interest.

28. **Excise Tax.** (a) Notwithstanding any other provisions in this Agreement, in the event that any payment or benefit received or to be received by Executive (including, but not limited to, any payment or benefit received in connection with a change in control of Tidewater or the termination of Executive's employment, whether pursuant to the terms of this Agreement or any other plan, program, arrangement or agreement) (all such payments and benefits, together, the **Total Payments**) would be subject (in whole or part), to any excise tax imposed under Section 4999 of the Code, or any successor provision thereto (the **Excise Tax**), then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other plan, program, arrangement or agreement, the Company will reduce the Total Payments to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax (but in no event to less than zero); provided, however, that the Total Payments will only be reduced if (i) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state, municipal and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments), is greater than or equal to (ii) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state, municipal and local income taxes on such Total Payments and the amount of Excise Tax to which Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments).

(b) In the case of a reduction in the Total Payments, the Total Payments will be reduced in the following order: (i) payments that are payable in cash that are valued at full value under Treasury Regulation Section 1.280G-1, Q&A 24(a) will be reduced (if necessary, to zero), with amounts that are payable last reduced first; (ii) payments and benefits due in respect of any equity valued at full value under Treasury Regulation Section 1.280G-1, Q&A 24(a), with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) will next be reduced; (iii) payments that are payable in cash that are valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24, with amounts that are payable last reduced first, will next be reduced; (iv) payments and benefits due in respect of any equity valued at less than full value under Treasury Regulation Section 1.280G-1, Q&A 24, with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24) will next be reduced; and (v) all other non-cash benefits not otherwise described in clauses (ii) or (iv) will be next reduced pro-rata. Any reductions made pursuant to each of clauses (i)-(v) above will be made in the following manner: first, a pro-rata reduction of cash payment and payments and benefits due in respect of any equity not subject to Section 409A, and second, a pro-rata reduction of cash payments and payments and benefits due in respect of any equity subject to Section 409A as deferred compensation.

(c) For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax: (i) no portion of the Total Payments the receipt or enjoyment of which Executive shall have waived at such time and in such manner as not to constitute a payment within the meaning of Section 280G(b) of the Code will be taken into account; (ii) no portion of the Total Payments will be taken into account which, in the opinion of tax counsel (**Tax Counsel**) reasonably acceptable to Executive and selected by the accounting firm which was, immediately prior to the change in control, the Company's independent auditor (the **Auditor**), does not constitute a parachute payment within the meaning of Section 280G(b)(2) of the Code (including, but not limited to, by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Total Payments will be taken into account which, in the opinion of Tax Counsel, constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the base amount (as set forth in Section 280G(b)(3) of the Code) that is allocable to such reasonable compensation; and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Total Payments will be determined by the Auditor in accordance with the principles of Sections 280G(d)(3) and (4) of the Code. All determinations required by this Section 28 will be at the expense of the Company.

29. **Indemnification.**

Tidewater will defend and indemnify Executive as required by Tidewater's Bylaws and Certificate of Incorporation, to the maximum extent permitted by applicable law. During the Employment Period and thereafter (with respect to events occurring during the Employment Period), Tidewater will maintain and provide Executive with coverage under its directors' and officers' liability policy to the same extent that it provides such coverage to its other officers and directors generally.

30. **Survival.**

The provisions and obligations of this Agreement which, by their nature, require or contemplate full or partial performance after the termination or expiration of this Agreement or Executive's employment with the Company (including, without limitation, Sections 4-7, 12, 19, 29 and 31) shall survive termination of Executive's employment or this Agreement.

31. **Clawback.**

Notwithstanding any other provisions in this Agreement to the contrary, any compensation paid to Executive pursuant to this Agreement or any other agreement or arrangement with the Company, which is subject to recovery under any law, government regulation or stock exchange listing requirement, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation or stock exchange listing requirement (or any policy adopted by the Company pursuant to any such law, government regulation or stock exchange listing requirement). In no event will any such deduction or clawback be deemed to constitute or contribute to Good Reason.

*(Signature Page to Follow)*

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the respective dates below, effective as of the Effective Date.

**TIDEWATER INC.**

By: /s/ John T. Rynd  
John T. Rynd  
President, Chief Executive Officer and  
Director

Date: December 28, 2018

**EXECUTIVE**

/s/ Samuel Rubio  
Samuel Rubio

Date: December 28, 2018

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

**FORM 8-K/A**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d)**  
**of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): November 15, 2018**

**TIDEWATER INC.**

**(Exact name of registrant as specified in its charter)**

**Delaware**  
**(State of incorporation)**

**1-6311**  
**(Commission File Number)**

**72-0487776**  
**(IRS Employer Identification No.)**

**6002 Rogerdale Road, Suite 600**

**Houston, Texas**  
**(Address of principal executive offices)**  
**(713) 470-5300**

**77072**  
**(Zip Code)**

**(Registrant's telephone number, including area code)**

N/A

**(Former name or former address, if changed since last report)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))  
Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Explanatory Note**

Tidewater Inc. ( Tidewater ) filed a Current Report on Form 8-K with the Securities and Exchange Commission (the SEC ) on November 16, 2018 (the Original Report ) to report, among other things, under Item 2.01 thereof the completion of Tidewater s previously-announced business combination with GulfMark Offshore, Inc. ( GulfMark ), effective as of November 15, 2018. This Form 8-K/A amends and supplements Item 9.01 of the Original Report to include the historical financial statements and pro forma financial information required by Item 9.01(a) and (b) of Form 8-K, respectively. Such financial information was excluded from the Original Report in reliance on Items 9.01(a)(4) and 9.01(b)(2) of Form 8-K. This Form 8-K/A should be read in conjunction with the Original Report and makes no other amendments to the Original Report.

**Item 9.01 Financial Statements and Exhibits.**

(a) Financial statements of businesses acquired.

The audited consolidated financial statements of GulfMark for the year ended December 31, 2017 and accompanying notes are included in Exhibit 99.2 hereto and incorporated herein by reference.

The unaudited condensed consolidated financial statements of GulfMark for the three and nine months ended September 30, 2018 and September 30, 2017 and accompanying notes are included in Exhibit 99.3 hereto and incorporated herein by reference.

(b) Pro forma financial information.

The unaudited pro forma condensed combined consolidated financial statements of Tidewater, as adjusted for the business combination with GulfMark, for the year ended December 31, 2017 and for the nine months ended September 30, 2018, including the notes related thereto, are included in Exhibit 99.4 hereto and incorporated herein by reference.

(d) Exhibits.

The following exhibits are filed herewith:

<b>Exhibit No.</b>	<b>Description</b>
2.1	Agreement and Plan of Merger, dated as of July 15, 2018, by and between Tidewater Inc. and GulfMark Offshore, Inc. (incorporated by reference herein to Exhibit 2.1 to Tidewater s Form 8-K filed on July 16, 2018, File No. 1-6311).*
3.1	Second Amended and Restated By-laws of Tidewater Inc., effective November 15, 2018 (incorporated by reference herein to Exhibit 3.2 to Tidewater s Registration Statement on Form 8-A filed on November 15, 2018, File No. 1-6311).*
4.1	



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Noteholder Warrant Agreement, dated as of November 14, 2017, between GulfMark Offshore, Inc. and American Stock Transfer & Trust Company, LLC, as warrant agent (incorporated by reference herein to Exhibit 4.1 to Tidewater's Form 8-K filed on November 16, 2018, File No. 1-6311).\*

- 4.2 Assignment, Assumption and Amendment Agreement Jones Act Warrants, dated as of and effective November 15, 2018, by and among GulfMark Offshore, Inc., Tidewater Inc. and American Stock Transfer & Trust Company, LLC, as warrant agent (incorporated by reference herein to Exhibit 4.2 to Tidewater's Form 8-K filed on November 16, 2018, File No. 1-6311).\*

- 4.3 Equity Warrant Agreement, dated as of November 14, 2017, between GulfMark Offshore, Inc. and American Stock Transfer & Trust Company, LLC, as warrant agent (incorporated by reference herein to Exhibit 4.1 to Tidewater's Registration Statement on Form 8-A filed on November 15, 2018, File No. 1-6311).\*
- 4.4 Assignment, Assumption and Amendment Agreement – Equity Warrants, dated as of and effective November 15, 2018, by and among GulfMark Offshore, Inc., Tidewater Inc. and American Stock Transfer & Trust Company, LLC, as warrant agent (incorporated by reference herein to Exhibit 4.2 to Tidewater's Registration Statement on Form 8-A filed on November 15, 2018, File No. 1-6311).\*
- 10.1 Legacy GLF Management Incentive Plan (incorporated by reference herein to Exhibit 10.1 to Tidewater's Registration Statement on Form S-8 filed on November 15, 2018, File No. 333-228401).\*
- 23.1 Consent of KPMG LLP
- 99.1 Press Release dated November 15, 2018, announcing completion of the Business Combination (incorporated by reference herein to Exhibit 99.1 to Tidewater's Form 8-K filed on November 16, 2018, File No. 1-6311).\*
- 99.2 Audited Consolidated Financial Statements and Related Notes of GulfMark Offshore, Inc. for the Year Ended December 31, 2017.
- 99.3 Unaudited Condensed Consolidated Financial Statements and Related Notes of GulfMark Offshore, Inc. for the Three and Nine Months Ended September 30, 2018 and September 30, 2017.
- 99.4 Unaudited Pro Forma Condensed Combined Consolidated Financial Statements and Related Notes of Tidewater Inc., as adjusted for the business combination with GulfMark Offshore, Inc., for the Year Ended December 31, 2017 and for the Nine Months Ended September 30, 2018.

\* Previously filed.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TIDEWATER INC.

By: /s/ Bruce D. Lundstrom  
Bruce D. Lundstrom  
Executive Vice President, General  
Counsel and Secretary

Date: December 21, 2018

**Consent of Independent Registered Public Accounting Firm**

The Board of Directors

Tidewater Inc.:

We consent to the incorporation by reference, in the registration statement (No. 333-228029) on Form S-1 and the registration statements (No. 333-219793, No. 333-228401, and No. 333-227111) on Form S-8 of Tidewater Inc., of our report dated April 2, 2018, with respect to the consolidated balance sheets of GulfMark Offshore, Inc. and consolidated subsidiaries as of December 31, 2017 (Successor) and December 31, 2016 (Predecessor), and the related consolidated statements of operations, comprehensive income (loss), stockholders' equity, and cash flows for the periods of November 15, 2017 to December 31, 2017 (Successor), January 1, 2017 to November 14, 2017 (Predecessor), and for the years ended December 31, 2016 and 2015 (Predecessor), and the related notes (the consolidated financial statements ) which report appears in the Form 8-K of Tidewater Inc. dated December 21, 2018.

Our report on the consolidated financial statements refers to a change in the basis of presentation for GulfMark Offshore, Inc.'s emergence from bankruptcy.

/s/ KPMG LLP

Houston, Texas

December 21, 2018

**Report of Independent Registered Public Accounting Firm**

To the Stockholders and Board of Directors

GulfMark Offshore, Inc.:

*Opinion on the Consolidated Financial Statements*

We have audited the accompanying consolidated balance sheets of GulfMark Offshore, Inc. and consolidated subsidiaries (the Company) as of December 31, 2017 (Successor) and 2016 (Predecessor), the related consolidated statements of operations, comprehensive income (loss), stockholders' equity, and cash flows for the periods of November 15, 2017 to December 31, 2017 (Successor), January 1, 2017 to November 14, 2017 (Predecessor), and for the years ended December 31, 2016 and 2015 (Predecessor), and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017 (Successor) and 2016 (Predecessor), and the results of its operations and its cash flows for the periods of November 15, 2017 to December 31, 2017 (Successor), January 1, 2017 to November 14, 2017 (Predecessor) and for the years ended December 31, 2016 and 2015 (Predecessor), in conformity with U.S. generally accepted accounting principles.

*New Basis of Presentation*

As discussed in Note 1 to the consolidated financial statements, on October 4, 2017, the United States Bankruptcy Court in the District of Delaware entered an order confirming the Company's plan for reorganization under Chapter 11 of the Bankruptcy Code, which became effective on November 14, 2017. Accordingly, the accompanying consolidated financial statements have been prepared in conformity with Accounting Standards Codification 852-10, *Reorganizations*, for the Successor as a new entity with assets, liabilities and a capital structure having carrying amounts not comparable with prior periods as described in Note 2.

*Basis for Opinion*

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Company's auditor since 2011.

/s/ KPMG LLP

Houston, Texas

April 2, 2018

**GULFMARK OFFSHORE, INC. AND SUBSIDIARIES****CONSOLIDATED BALANCE SHEETS**

(in thousands)

	Successor December 31, 2017	Predecessor December 31, 2016
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 64,613	\$ 8,822
Trade accounts receivable, net of allowance for doubtful accounts of \$3,470 and \$2,482, respectively	20,378	22,043
Other accounts receivable	7,471	7,650
Inventory	1,323	7,465
Prepaid expenses	4,319	3,799
Other current assets	5,416	1,813
<b>Total current assets</b>	<b>103,520</b>	<b>51,592</b>
Vessels, equipment, and other fixed assets at cost, net of accumulated depreciation and amortization of \$4,392 and \$468,817, respectively		
Construction in progress	283	24,698
Deferred costs and other assets	4,307	5,713
<b>Total assets</b>	<b>\$ 471,955</b>	<b>\$ 1,052,525</b>

**LIABILITIES AND STOCKHOLDERS EQUITY**

Current liabilities:		
Current maturities of long-term debt	\$	\$ 483,326
Accounts payable	12,770	11,666
Income and other taxes payable	1,540	3,678
Accrued personnel costs	5,040	9,109
Accrued interest expense	451	8,163
Accrued restructuring charges	7,458	
Accrued professional fees	1,825	5,791
Other accrued liabilities	3,406	3,514
<b>Total current liabilities</b>	<b>32,490</b>	<b>525,247</b>
Long-term debt	92,365	
Long-term income taxes:		
Deferred income tax liabilities	2,992	56,716
Other income taxes payable	18,374	17,768
Other liabilities	1,244	3,173
Stockholders' equity:		
Successor:		

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Preferred stock, \$0.01 par value; 5,000 shares authorized; no shares issued		
Common stock, \$0.01 par value; 25,000 shares authorized; 7,043 shares issued and 7,042 outstanding	70	
Additional paid-in capital	317,932	
Retained earnings	3,511	
Accumulated other comprehensive income	2,977	
Treasury stock	(70)	
Deferred compensation	70	
Predecessor:		
Preferred stock, \$0.01 par value; 2,000 shares authorized; no shares issued		
Class A Common stock, \$0.01 par value; 60,000 shares authorized; 29,104 shares issued and 27,122 outstanding; Class B Common Stock \$0.01 par value; 60,000 shares authorized; no shares issued	278	
Additional paid-in capital	411,983	
Retained earnings	241,207	
Accumulated other comprehensive loss	(148,402)	
Treasury stock, at cost	(64,580)	
Deferred compensation	9,135	
Total stockholders' equity	324,490	449,621
Total liabilities and stockholders' equity	\$ 471,955	\$ 1,052,525

The accompanying notes are an integral part of these consolidated financial statements.



**GULFMARK OFFSHORE, INC. AND SUBSIDIARIES****CONSOLIDATED STATEMENTS OF OPERATIONS****(in thousands, except per share amounts)**

	<b>Successor Period  from  November 15, 2017 Through December 31, 2017</b>	<b>Period  from  January 1, 2017 Through November 14, 2017</b>	<b>Predecessor      Year Ended December 31,  2016 2015</b>	
Revenue	\$ 13,593	\$ 88,229	\$ 123,719	\$ 274,806
Costs and expenses:				
Direct operating expenses	9,859	69,821	83,165	169,837
Drydock expenses		5,432	4,662	15,387
General and administrative expenses	3,407	32,369	37,663	47,280
Pre-petition restructuring charges	1	17,861		
Depreciation and amortization	4,425	47,721	58,182	72,591
Impairment charges			162,808	152,103
Loss on sale of assets and other		5,207	8,564	1,160
Total costs and expenses	17,692	178,411	355,044	458,358
Operating loss	(4,099)	(90,182)	(231,325)	(183,552)
Other income (expense):				
Interest expense	(1,343)	(28,815)	(33,486)	(36,946)
Interest income	57	26	133	260
Gain on extinguishment of debt			35,912	458
Reorganization items	(969)	(319,922)		
Other financing costs			(11,287)	
Foreign currency loss and other	(439)	(270)	(2,384)	(1,088)
Total other expense	(2,694)	(348,981)	(11,112)	(37,316)
Loss before income taxes	(6,793)	(439,163)	(242,437)	(220,868)
Income tax benefit	10,304	38,244	39,458	5,633
Net income (loss)	\$ 3,511	\$ (400,919)	\$ (202,979)	\$ (215,235)
Earnings (loss) per share:				
Basic	\$ 0.35	\$ (15.47)	\$ (8.09)	\$ (8.70)

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Diluted	\$	0.35	\$ (15.47)	\$ (8.09)	\$ (8.70)
Weighted average shares outstanding:					
Basic		9,998	25,917	25,094	24,729
Diluted		9,998	25,917	25,094	24,729

The accompanying notes are an integral part of these consolidated financial statements.

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**GULFMARK OFFSHORE, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

	<b>Successor Period from</b>	<b>Period from</b>	<b>Predecessor</b>	
	<b>November 15 Through December 31, 2017</b>	<b>January 1 Through November 14, 2017</b>	<b>Year Ended December 31, 2016      2015</b>	
	<b>(In thousands)</b>			
Net income (loss)	\$ 3,511	\$ (400,919)	\$ (202,979)	\$ (215,235)
Comprehensive income:				
Foreign currency and other gain (loss)	2,977	29,301	(52,168)	(65,569)
Total comprehensive income (loss)	\$ 6,488	\$ (371,618)	\$ (255,147)	\$ (280,804)

The accompanying notes are an integral part of these consolidated financial statements.

## GULFMARK OFFSHORE, INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY

(In thousands)

	Common Stock at \$0.01 Par Value	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (loss)	Treasury Stock Shares	Share Value	Deferred Compensation	Total Stockholders Equity
<b>Predecessor</b>								
Balance at December 31, 2014	\$ 271	\$ 410,641	\$ 659,403	\$ (30,665)	(2,484)	\$ (78,441)	\$ 7,544	\$ 968,753
Net loss			(215,235)					(215,235)
Issuance of common stock	3	9,890						9,893
Deferred compensation plan		(3,242)			(104)	(1,176)	1,176	(3,242)
Treasury stock activity (net)					45	3,695		3,695
Forfeiture of dividends			13					13
Translation adjustment				(65,569)				(65,569)
Balance at December 31, 2015	274	417,289	444,181	(96,234)	(2,543)	(75,922)	8,720	698,308
Net loss			(202,979)					(202,979)
Issuance of common stock	4	6,265						6,269
Deferred compensation plan		(11,571)			(263)	(415)	415	(11,571)
Treasury stock activity (net)					220	11,757		11,757
Dividends paid			5					5
Translation adjustment				(52,168)				(52,168)
Balance at December 31, 2016	278	411,983	241,207	(148,402)	(2,586)	(64,580)	9,135	449,621
Net loss			(400,919)					(400,919)

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Issuance of common stock	18	3,718							3,736
Deferred compensation plan		(29,685)		(945)	(193)	193			(29,685)
Treasury stock activity (net)				842	29,892				29,892
Stock compensation tax adjustment			5,931						5,931
Translation adjustment				29,301					29,301
Balance at November 14, 2017 (Predecessor)	296	386,016	(153,781)	(119,101)	(2,689)	(34,881)	9,328		87,877
Cancellation of Predecessor equity	(296)	(386,016)	153,781	119,101	2,689	34,881	(9,328)		(87,877)
Balance at November 14, 2017 (Predecessor)	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Successor</b>									
Issuance of Successor common stock- Rights offering	\$ 43	\$ 124,936	\$	\$	\$	\$	\$	\$	\$ 124,979
Backstop commitment premium	4	7,496							7,500
Exchange of claims	23	185,500							185,523
Net income			3,511						3,511
Deferred compensation plan					(2)	(70)	70		
Translation adjustment				2,977					2,977
Balance at December 31, 2017	\$ 70	\$ 317,932	\$ 3,511	\$ 2,977	(2)	(70)	\$ 70	\$	\$ 324,490

The accompanying notes are an integral part of these consolidated financial statements.

## GULFMARK OFFSHORE, INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

	Successor Period from		Predecessor Period from	
	November 15 to December 31, 2017	January 1, 2017 to November 14, 2017	Year Ended December 31, 2016 2015	
	(In thousands)			
Cash flows from operating activities:				
Net income (loss)	\$ 3,511	\$ (400,919)	\$ (202,979)	\$ (215,235)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation and amortization	4,425	47,721	58,182	72,591
Amortization of deferred financing costs	275	10,314	3,254	2,394
Amortization of stock-based compensation		2,805	5,209	6,735
Provision for doubtful accounts receivable, net of write offs		879	1,801	(862)
Deferred income tax provision (benefit)	(9,658)	66,004	(38,456)	(3,784)
Loss on sale of assets		5,207	8,564	1,160
Impairment charges			162,808	152,103
Gain on extinguishment of debt			(35,912)	(458)
Other financing costs			5,988	
Foreign currency (gain) loss	392	(428)	1,025	(160)
Reorganization items, net		188,286		
Change in operating assets and liabilities				
Accounts receivable	(1,275)	3,205	15,144	47,317
Prepays and other	714	(3,229)	1,677	214
Accounts payable	424	238	(593)	(8,602)
Other accrued liabilities and other	(8,064)	16,099	(9,051)	(10,056)
Net cash (used in) provided by operating activities	(9,256)	(63,818)	(23,339)	43,357
Cash flows from investing activities:				
Purchases of vessels, equipment and other fixed assets	(141)	(24,983)	(16,188)	(35,428)
Release of deposits held in escrow				3,683
Proceeds from disposition of vessels, equipment and other fixed assets		3,065	6,529	8,910
Net cash used in investing activities	(141)	(21,918)	(9,659)	(22,835)
Cash flows from financing activities:				
Proceeds from debt, net of direct financing cost		227,443		
Repayments of debt		(187,637)		
Rights offering proceeds		124,979		

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Repurchase of 6.375% senior notes			(33,448)	(542)
Repayment of revolving loan facility			(5,000)	(91,000)
Borrowings under revolving loan facility, net			65,194	47,000
Debt issuance costs	(862)	(9,398)	(971)	(3,566)
Other financing costs		(4,299)	(5,988)	
Proceeds from issuance of stock			380	827
Net cash provided by (used in) financing activities	(862)	151,088	20,167	(47,281)
Effect of exchange rate changes on cash	(67)	765	(286)	(2,087)
Net increase (decrease) in cash and cash equivalents	(10,326)	66,117	(13,117)	(28,846)
Cash and cash equivalents at beginning of year	74,939	8,822	21,939	50,785
Cash and cash equivalents at end of year	\$ 64,613	\$ 74,939	\$ 8,822	\$ 21,939
<b>Supplemental cash flow information:</b>				
Interest paid, net of interest capitalized	\$ 1	\$ 7,514	\$ 30,820	\$ 29,834
Income taxes paid, net	\$	\$ 1,456	\$ 2,124	\$ 2,048

The accompanying notes are an integral part of these consolidated financial statements.

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**GULFMARK OFFSHORE, INC. AND SUBSIDIARIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**(1) NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Nature of Operations*

GulfMark Offshore, Inc. and its subsidiaries (collectively referred to as we, us, our or the Company) own and operate offshore supply vessels, principally in the North Sea, offshore Southeast Asia and offshore the Americas. The vessels provide transportation of materials, supplies and personnel to and from offshore platforms and drilling rigs. Some of these vessels also perform anchor handling and towing services.

On May 17, 2017, GulfMark Offshore, Inc. filed a voluntary petition, or the Chapter 11 Case, under chapter 11 of title 11 of the United States Code, or the Bankruptcy Code, in the United States Bankruptcy Court for the District of Delaware, or the Bankruptcy Court. On October 4, 2017, the Bankruptcy Court entered an order, or the Confirmation Order, approving the Amended Chapter 11 Plan of Reorganization, as confirmed, or the Plan. On November 14, 2017, or the Effective Date, the Plan became effective pursuant to its terms and we emerged from the Chapter 11 Case. For a more detailed discussion of our bankruptcy proceedings and our emergence from bankruptcy, see Note 2.

On the Effective Date, we adopted and applied the relevant guidance with respect to the accounting and financial reporting for entities that have emerged from bankruptcy proceedings, or Fresh Start Accounting. Under Fresh Start Accounting, our balance sheet on the Effective Date reflects all of our assets and liabilities at their fair values. Our emergence and the adoption of Fresh Start Accounting resulted in a new reporting entity, or the Successor, for financial reporting purposes. To facilitate our discussion and analysis of our vessels, financial condition and results of operations herein, we refer to the reorganized company as the Successor for periods subsequent to November 14, 2017 and the Predecessor for periods prior to November 15, 2017. For a more detailed discussion, including the disclosure of our final Predecessor balance sheet as of November 14, 2017 and our beginning Successor balance sheet as of November 15, 2017, see Note 2.

*Principles of Consolidation*

Our consolidated financial statements include our accounts and those of our majority-owned subsidiaries. All significant inter-company accounts and transactions have been eliminated.

*Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, or U.S. GAAP, requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. The accompanying consolidated financial statements include significant estimates for allowance for doubtful accounts receivable, depreciable lives of vessels and equipment, income taxes and commitments and contingencies. While we believe current estimates are reasonable and appropriate, actual results could differ from these estimates.

*Cash and Cash Equivalents*

Our investments, consisting of U.S. Government securities and commercial paper with original maturities of up to three months, are included in cash and cash equivalents in the accompanying consolidated balance sheets and consolidated statements of cash flows.



*Vessels and Equipment*

Vessels and equipment are stated at cost, net of accumulated depreciation, which is provided by the straight-line method over their estimated useful life. At the date of emergence from bankruptcy, we adopted new accounting policies to reflect our change in estimates related to useful lives of our vessels and estimated salvage value of our vessels. The Successor is depreciating the cost of our vessels over 20 years to an estimated salvage value of five percent of original cost. The Predecessor depreciated the cost of our vessels over 25 years to an estimated salvage value of 15 percent of original cost. Interest is capitalized in connection with the construction of vessels. The capitalized interest is included as part of the asset to which it relates and is depreciated over the asset's estimated useful life. In the Successor 2017 period we did not capitalize any interest. In the Predecessor 2017 period we capitalized \$0.1 million and in the Predecessor years ended December 31, 2016 and 2015 we capitalized \$2.6 million and \$5.0 million, respectively. Office equipment, furniture and fixtures, and vehicles are depreciated over two to five years.

We incur significant costs for each vessel every 30 months for scheduled drydocks which are required to maintain our vessels in class. At the date of emergence from bankruptcy, the Successor adopted an accounting policy whereby we capitalize drydock costs and amortize the expense over 30 months. The Predecessor expensed drydock costs as they were incurred.

Major renovation costs and modifications that extend the life or usefulness of the related assets are capitalized and depreciated over the assets' estimated remaining useful lives. Maintenance and repair costs are expensed as incurred. Included in the consolidated statements of operations for the Successor 2017 period is \$1.5 million of maintenance and repairs. In the Predecessor 2017 period and the Predecessor years ended December 31, 2016 and 2015, we recorded \$9.0 million, \$9.3 million and \$19.3 million, respectively, of costs for maintenance and repairs.

#### *Impairment of Long-Lived Assets*

We review long-lived assets for impairment whenever there is evidence that the carrying amount of such assets may not be recoverable. This review consists of comparing the carrying amount of the asset with its expected future undiscounted cash flows before tax and interest costs. If the asset's carrying amount is less than such cash flow estimate, it is written down to its fair value on a discounted cash flow basis. Estimates of expected future cash flows represent management's best estimate based on currently available information and reasonable and supportable assumptions. Any impairment recognized is permanent and may not be restored. See Note 3 for the results of our impairment analyses.

#### *Fair Value of Financial Instruments*

Our financial instruments consist primarily of accounts receivable and payable (which are stated at carrying value which approximates fair value) and long-term debt. Periodically, we enter into forward derivative contracts to hedge our exposure to interest rate or foreign currency fluctuations. In the past, we have had open positions in such derivative contracts that are considered financial instruments for which we would disclose certain fair value information. As of December 31, 2017 for the Successor and December 31, 2016 for the Predecessor, there were no forward derivative open contracts.

#### *Deferred Costs and Other Assets*

Deferred costs and other assets consist primarily of deferred financing costs for revolving credit arrangements, deferred vessel mobilization costs and deferred drydock costs. Deferred financing costs are amortized over the expected term of the related debt. Should the debt for which a deferred financing cost has been recorded terminate by means of payment in full, tender offer or lender termination, the associated deferred financing costs would be immediately expensed.

In connection with new long-term contracts, costs incurred that directly relate to mobilization of a vessel from one region to another are deferred and recognized over the primary contract term. Should either party terminate the contract prior to the end of the original contract term, the deferred amount would be immediately expensed. Costs of relocating vessels from one region to another without a contract are expensed as incurred.

#### *Revenue Recognition*

Revenue from charters for offshore marine services is recognized as performed based on contractual charter rates and when collectability is reasonably assured. Currently, charter terms range from as short as several days to as long as 5 years in duration. Management services revenue is recognized in the period in which the services are performed.

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*Income Taxes*

We recognize the amount of current year income taxes payable or refundable and deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the financial statements or tax returns previously filed. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement carrying amounts and tax bases of assets and liabilities using enacted tax rates and laws in effect for the years in which the differences are expected to reverse. The likelihood and amount of future taxable income and tax planning strategies are included in the criteria used to determine the timing and amount of net deferred tax assets recognized for net operating loss and tax credit carry-forwards in our consolidated financial statements. These deferred tax assets are, when appropriate, reduced by a valuation allowance resulting in net deferred tax assets that are more likely than not to be realized.

A significant amount of judgment in our use of assumptions and estimates is required in our methodology for determining and recording income taxes. In some instances we use forecasts of expected operations and related tax implications and we consider the possibility of implementing tax planning strategies. Such variables can result in uncertainty and measurable variation between anticipated and actual results can occur. Changes to these variables as a result of unforeseen events may have a material impact on our income tax accounts.

In recent years we have had operations in over 40 countries and are or have been subject to a significant number of taxing jurisdictions. Our income earned in these jurisdictions is taxed on various bases, including actual income earned, deemed profits, and revenue based withholding taxes. Our income tax determinations involve the interpretation of applicable tax laws, tax treaties, and related tax rules and regulations of those jurisdictions. Changes in tax law, currency/repatriation controls and interpretation of local tax laws by the relevant tax authority could impact our income tax liabilities or assets in those jurisdictions.

On December 22, 2017, the statute originally named the Tax Cuts and Jobs Act, or the 2017 Tax Act, was signed into law making significant changes to the Internal Revenue Code, or the Code. Changes include, but are not limited to, a federal corporate tax rate decrease from 35% to 21% for tax years beginning after December 31, 2017 as well as a one-time transition tax related to the U.S. taxation of foreign earnings and profits that had not been previously taxed in the U.S. We have estimated our provision for income taxes in accordance with the 2017 Tax Act guidance available as of the date of this report and as a result have recorded \$15.2 million as additional income tax benefit in the fourth quarter of 2017, the period in which the legislation was enacted.

On December 22, 2017, Staff Accounting Bulletin No. 118, or SAB 118, was issued to address the application of U.S. GAAP in situations when a registrant does not have the necessary information available, prepared, or analyzed (including computations) in reasonable detail to complete the accounting for certain income tax effects of the 2017 Tax Act. In accordance with SAB 118, we have determined that the \$15.2 million of the deferred tax benefit recorded in connection with the one-time transition tax on foreign earnings and profits and the remeasurement of certain deferred tax assets and liabilities are provisional amounts and represent a reasonable estimate at December 31, 2017. Any subsequent adjustment to these amounts will be recorded to income tax expense in the quarter of 2018 when the analysis is complete.

In addition, we also account for uncertainty in income taxes by utilizing a more likely than not, or greater than 50% probability, minimum recognition threshold for measurement of a tax position taken or expected to be taken in a tax return that would be sustained upon examination by the relevant tax authorities. We recognize penalties and/or interest related to uncertain tax benefits as a component of income tax expense. Numerous factors contribute to our evaluation and estimation of our tax positions and related tax liabilities and /or benefits, which may be adjusted periodically and may be resolved differently than we anticipate. See Note 7.

*Foreign Currency Translation*

The local currencies of the majority of our foreign operations have been determined to be their functional currencies, except for certain foreign operations whose functional currency has been determined to be the U.S. Dollar, based on an assessment of the economic circumstances of the foreign operations. Assets and liabilities of our foreign affiliates are translated at year-end exchange rates, while revenue and expenses are translated at average rates for the period. As a result, amounts related to changes in assets and liabilities reported in the consolidated statements of cash flows will not necessarily agree to changes in the corresponding balances on the consolidated balance sheets. We consider most intercompany loans to be long-term

investments; accordingly, the related translation gains and losses are reported as a component of stockholders' equity. Transaction gains and losses are reported directly in the consolidated statements of operations. In the Successor 2017 period, the Predecessor 2017 period and during the Predecessor years ended December 31, 2016 and 2015 we reported net foreign currency losses in the amounts of \$0.1 million, \$0.3 million, \$2.4 million and \$1.1 million, respectively.

#### *Concentration of Credit Risk*

We extend credit to various companies in the energy industry that may be affected by changes in economic or other external conditions. Our policy is to manage our exposure to credit risk through credit approvals and limits. Our trade accounts receivable are aged based on contractual payment terms and an allowance for doubtful accounts is established in accordance with our written corporate policy. The age of the trade accounts receivable, customer collection history and management's judgment as to the customer's ability to pay are considered in determining whether an allowance is necessary. For the Successor period ended December 31, 2017, there were no significant write-offs or increases in our allowance for doubtful accounts and no customer accounted for 10% or more of the Successor's total consolidated revenue. For the Predecessor period ended November 14, 2017, the Predecessor reserved \$1.0 million related to Southeast Asia and Americas customers and had revenue from one customer in the Americas which accounted for 10% or more of total consolidated revenue, totaling \$9.0 million or 10.2% of total consolidated revenue. In 2016, the Predecessor reserved \$1.8 million related to three Southeast Asia customers. For the year ended December 31, 2016, no customer accounted for 10% or more of the Predecessor's total consolidated revenue. For the year ended December 31, 2015, the Predecessor had revenue from one customer in the North Sea and one customer in the Americas which each accounted for 10% or more of total consolidated revenue, totaling \$32.4 million and \$31.9 million, respectively, or 23.5% of total consolidated revenue.

#### *Stock-Based Compensation*

The Predecessor had share-based compensation plans covering officers and other employees as well as the Predecessor Board of Directors. Stock-based grants made under the Predecessor's stock plans were recorded at fair value on the date of the grant and the cost was recognized ratably over the vesting period for the restricted stock and the stock options. The fair value of stock option awards was determined using the Black-Scholes option-pricing model. Restricted stock awards were valued using the market price of the Predecessor's Class A common stock on the grant date. Our stock-based compensation plans are more fully described in Note 9.

Our employee stock purchase plan would be considered compensatory whereby it allowed all of our U.S. employees and employees of participating subsidiaries to acquire shares of the Predecessor's Class A common stock at 85% of the fair market value of the Class A common stock under a qualified plan as defined by Section 423 of the Code. The employee stock purchase plan was terminated in the first quarter of 2017.

#### *Warrants*

We account for common stock warrants as either equity instruments or derivative liabilities depending on the specific terms of the warrant agreement. The warrants to acquire shares of Successor common stock at an exercise price of \$.01 per share, or the Noteholder Warrants, and the warrants to acquire shares of Successor common stock at an exercise price of \$100.00 per share, or the Equity Warrants, both qualify for the scope exception in Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or ASC, No. 815, Derivatives and Hedging, for derivative accounting and therefore qualify for classification as equity. The equity scope exception is subject to review in each subsequent reporting period.

#### *Earnings Per Share*

Basic earnings per share, or EPS, is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the year. Diluted EPS is computed using the treasury stock method for common stock equivalents. The Successor issued Noteholder Warrants to purchase common stock to certain of holders of the Predecessor's long-term debt in the emergence from bankruptcy. The Noteholder

Warrants have an exercise price of \$.01 per share and are immediately exercisable. As a result, the Noteholder Warrants are considered to be outstanding shares of common stock and are included in the denominator of both basic and diluted EPS. The Equity Warrants issued to the Predecessor's stockholders are not participating securities and do not impact basic EPS prior to exercise.

### *Reclassifications*

Certain reclassifications of previously reported information have been made to conform to the current year presentation.

### *New Accounting Pronouncements*

In May 2014, the FASB, issued Accounting Standards Update, or ASU, 2014-09, Revenue from Contracts with Customers. The ASU will replace most existing revenue recognition guidance in U.S. GAAP. The core principle of the new standard is that a company will recognize revenue when it transfers control of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for these goods or services. We have determined that the adoption of this standard will not have a material effect on our financial condition, results of operations, or cash flows. We are adopting this standard effective January 1, 2018 using the retrospective option with practical expedients.

In February 2016, the FASB issued ASU 2016-02, Leases to increase transparency and comparability among organizations by recognizing all leases on the balance sheet and disclosing key information about leasing arrangements. The main difference between current accounting standards and ASU 2016-02 is the recognition of assets and liabilities by lessees for those leases classified as operating leases under current accounting standards. While we are continuing to assess all potential impacts of these standards, we expect the measurement and recording of our revenues related to the offshore marine support and transportation services to remain substantially unchanged. However, the actual revenue recognition treatment required under the new standard may be dependent on contract-specific terms and may vary in some instances. The new standard is effective for fiscal years beginning after December 15, 2018. We intend to adopt the new lease standard on January 1, 2019.

In August 2016, the FASB issued ASU 2016-15, Statement of Cash Flows Classification of Certain Cash Receipts and Cash Payments. The objective of the new standard is to eliminate diversity in practice related to the classification of certain cash receipts and payments by adding or clarifying guidance on eight classification issues related to the statement of cash flows. This standard is effective for annual and interim periods in fiscal years beginning after December 15, 2017. The standard should be applied retrospectively to all periods presented. The adoption of this standard will not have a material effect on our financial condition or results of operations. We are adopting this standard effective January 1, 2018.

In October 2016, the FASB issued ASU 2016-16, Income Taxes, Intra-Entity Transfers of Assets Other Than Inventory. This standard requires recognition of tax consequences in the period in which a transfer takes place, with the exception of inventory transfers. There will be an immediate effect on earnings if the tax rates in the tax jurisdictions of the selling entity and buying entity are different. The new standard is effective for fiscal years beginning after December 15, 2017. The adoption of this standard will not have a material effect on our financial condition or results of operations. We are adopting this standard effective January 1, 2018.

In November 2016, the FASB issued ASU 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash. The ASU is intended to reduce diversity in the presentation of restricted cash and restricted cash equivalents in the statement of cash flows and requires that restricted cash and restricted cash equivalents be included as components of total cash and cash equivalents as presented on the statement of cash flows. The new standard is effective for fiscal years beginning after December 15, 2017. The adoption of this standard will not have a material effect on our financial condition or

results of operations. We are adopting this standard January 1, 2018.

In January 2017, the FASB issued ASU 2017-01, Business Combinations - Clarifying the Definition of a Business to clarify the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The definition of a business affects many areas of accounting including acquisitions, disposals, goodwill and consolidation. ASU 2017-01 is effective in annual periods beginning after December 15, 2017. The adoption of this standard will not have a material effect on our financial condition or results of operations. We are adopting this standard effective January 1, 2018.



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## (2) EMERGENCE FROM BANKRUPTCY PROCEEDINGS AND FRESH START ACCOUNTING

On May 17, 2017, GulfMark Offshore, Inc. filed the Chapter 11 Case under the Bankruptcy Code in the Bankruptcy Court, and on October 4, 2017, the Bankruptcy Court entered the Confirmation Order approving the Plan. On the Effective Date, November 14, 2017, the Plan became effective pursuant to its terms and we emerged from the Chapter 11 Case.

### *Restructuring Support Agreement*

On May 15, 2017, the Predecessor entered into a restructuring support agreement, or the RSA, with holders, or the Noteholders, of approximately 50% of the aggregate outstanding principal amount of the Predecessor's senior notes, to support a restructuring on the terms of the Plan. The RSA provided for, among other things, the Predecessor's \$125 million cash rights offering, or the Rights Offering. Upon emergence from bankruptcy, we implemented the provisions of the RSA in accordance with the Plan on the Effective Date as follows:

Pursuant to the Rights Offering (subject to Jones Act limitations described below), eligible Noteholders purchased their pro rata share of 60% of the common stock of the Successor, or as applicable, Noteholder Warrants, or the Successor Equity. The Rights Offering was backstopped by certain Noteholders for a 6.0% commitment premium that was paid with an additional 3.6% of the Successor Equity. The participants in the Rights Offering received 4,340,733 shares of common stock and 1,659,269 Noteholder Warrants. In addition, the Noteholders that agreed to backstop the Rights Offering received 360,000 shares of common stock.

Each holder of the Predecessor's senior notes received (subject to Jones Act limitations described below) its pro rata share of 35.65% of the Successor Equity, or 2,267,408 shares of common stock and 1,297,590 Noteholder Warrants.

The Jones Act, which applies to companies that engage in coastwise trade, requires that, among other things, with respect to a publicly traded company, the aggregate ownership of common stock by non-U.S. citizens be not more than 25% of its outstanding common stock. On the Effective Date, certain Noteholders who were eligible to receive common stock of the Successor pursuant to the Plan or the Rights Offering but who were non-U.S. holders received Noteholder Warrants to acquire common stock of the Successor at an exercise price of \$.01 per share.

Outstanding Class A common stock of the Predecessor was cancelled and each holder of such Class A common stock received its pro rata share of (a) common stock representing in the aggregate 0.75% of the Successor Equity, or 75,000 shares, and (b) Equity Warrants with an exercise price of \$100 per share for 7.5% of the equity of the Successor, or 810,811 Equity Warrants.

The Successor Equity purchased in the Rights Offering, issued to pay the backstop premium, issued in exchange for the Predecessor's senior notes or in exchange for Predecessor's Class A common stock is subject to dilution by the Successor Equity issued or issuable under the proposed management incentive plan and upon exercise of the Equity Warrants.

The Predecessor repaid in full its debtor-in-possession financing. Holders of allowed claims arising under administrative expense claims, priority claims and other secured claims of the Predecessor have received or will receive payment in full in cash. The Successor will continue to pay any general unsecured claims in the ordinary course of business.

*Fresh Start Accounting*

We adopted Fresh Start Accounting on the Effective Date in connection with our emergence from bankruptcy. Upon emergence from the Chapter 11 Case, we qualified for and adopted Fresh Start Accounting in accordance with the provisions set forth in FASB ASC No. 852, Reorganizations as (i) holders of existing shares of the Predecessor immediately before the Effective Date received less than 50 percent of the voting shares of the Successor entity and (ii) the reorganization value of the Successor was less than its post-petition liabilities and estimated allowed claims immediately before the Effective Date. Under Fresh Start Accounting, our balance sheet on the date of emergence reflects all of our assets and liabilities at their fair

values. Our emergence and the adoption of Fresh Start Accounting resulted in a new reporting entity, or the Successor, for financial reporting purposes. To facilitate our discussion and analysis of our vessels, financial condition and results of operations herein, we refer to the reorganized company as the Successor for periods subsequent to November 14, 2017 and the Predecessor for periods prior to November 15, 2017. In addition, we adopted new accounting policies related to drydock expenditures and depreciation of our long-lived assets. See Note 1. As a result, our consolidated financial statements and the accompanying notes thereto after November 14, 2017 are not comparable to our consolidated financial statements and the accompanying notes thereto prior to November 15, 2017. Our presentations herein include a black line division to delineate and reinforce this lack of comparability. The effects of the Plan and the application of Fresh Start Accounting were reflected in the consolidated balance sheet as of November 14, 2017, and the related adjustments thereto were recorded in the consolidated statement of operations for the Predecessor period ended November 14, 2017.

### *Reorganization Value*

As part of Fresh Start Accounting, we were required to determine the Reorganization Value of the Successor upon emergence from the Chapter 11 Case. Reorganization value represents the fair value of the Successor's total assets prior to the consideration of liabilities and is intended to approximate the amount a willing buyer would pay for our assets immediately after a restructuring. The reorganization value, which was derived from the Successor's enterprise value, was allocated to our individual assets based on their estimated fair values (except for deferred income taxes) in accordance with FASB ASC No. 805, Business Combinations. The amount of deferred income taxes recorded was determined in accordance with FASB ASC No. 740, Income Taxes.

Enterprise value represents the estimated fair value of our long-term debt and shareholders' equity. The Successor's enterprise value, as approved by the Bankruptcy Court in support of the Plan, was estimated to be within a range of \$300 million to \$400 million. Based on the estimates and assumptions utilized in our Fresh Start Accounting process, we estimated the Successor's enterprise value to be approximately \$336 million. Fair values are inherently subject to significant uncertainties and contingencies beyond our control. Accordingly, there can be no assurance that the estimates, assumptions, valuations, appraisals and financial projections will be realized, and actual results could vary materially.

The following table reconciles the enterprise value to the estimated fair value of our Successor common stock as of the Effective Date (in thousands, except shares outstanding):

Enterprise value	\$ 335,862
Plus: Cash and cash equivalents	74,939
Less: Fair value of debt	(92,799)
Less: Fair value of warrants	(88,228)
<b>Fair value of Successor common stock</b>	<b>\$ 229,774</b>
Shares outstanding as of November 14, 2017	7,041,521

The following table reconciles the enterprise value to the reorganization value of the Successor's assets as of the Effective Date (in thousands):

Enterprise value	\$ 335,862
Plus: Cash and cash equivalents	74,939
Plus: Current liabilities	36,138

Plus: Non-current liabilities excluding long-term debt	35,075
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Reorganization value	\$ 482,014
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*Reorganization Items*

Our consolidated statements of operations for the Successor period ended December 31, 2017 and the Predecessor period ended November 14, 2017 include reorganization items which reflect gains recognized on the settlement of liabilities subject to compromise and costs and other expenses associated with the bankruptcy proceedings, principally professional fees as well as the Fresh Start Accounting adjustments. Similar costs that were incurred during the pre-petition periods have been reported as pre-petition restructuring charges in our consolidated statements of operations.

The following table summarizes the components included in reorganization items, in our consolidation statements of operations for the periods presented (in thousands):

	<b>Successor November 15 Through December 31, 2017</b>	<b>Predecessor January 1 Through November 14, 2017</b>
Gains on the settlement of liabilities subject to compromise	\$	\$ (342,969)
Fresh start accounting adjustments		633,970
Legal and professional fees and expenses	969	28,921
Total reduction in value of assets	\$ 969	\$ 319,922

#### *Valuation Process*

The fair values of the Successor's assets were determined with the assistance of a third-party valuation expert. The reorganization value was allocated to our individual assets and liabilities based on their estimated fair values. Our principal assets are our platform supply vessels. For purposes of estimating the fair value of our vessels we used a combination of the discounted cash flow method (income approach) that we discounted at rates ranging between 18% to 29%, the guideline public company method (market approach) and the cost approach. The income approach was utilized to estimate the fair value of vessels that generated positive returns on projected cash flows over the remaining economic useful life of the vessels. The market approach was used to estimate the fair value of vessels with projected cash flow losses. The fair value of our other personal property was determined utilizing cost approach adjusted, as needed, for asset type, age, physical deterioration and obsolescence.

The spare parts inventory were valued primarily using a combination of either (i) a cost approach that incorporated depreciation and obsolescence to the extent applicable on an asset-by-asset basis or (ii) market data for comparable assets to the extent that such information was available.

The remaining reorganization value is attributable to cash and cash equivalents and working capital assets including accounts receivable and prepaids. Accounts receivable were subjected to analysis on an individual basis and reserved to the extent appropriate. The remaining assets approximate their fair values on the Effective Date.

Liabilities on the Effective Date include borrowings under our Term Loan Facility, working capital liabilities, long-term deferred income tax, other long-term income taxes payable and other liabilities which are primarily multi-employer pension obligations. The fair value of borrowings under our Term Loan Facility was determined by reviewing the agreement governing the Term Loan Facility, analyzing the terms and comparing the interest rate to market rates. It was determined that the face value of the borrowings under our Term Loan Facility approximates fair value. See Note 5. Our working capital liabilities are obligations in the ordinary course of business and their carrying amounts approximate their fair values. The multi-employer pension obligations were valued at the present value of amounts expected to be paid. Other income taxes payable reflects amounts expected to be paid for income tax related penalties and interest as well as liabilities for uncertain tax positions.

The fair value of the Noteholder Warrants was determined utilizing the closing trading price of our common stock, subsequent to the Effective Date, less the \$0.01 strike price. The fair value of the Equity Warrants was determined utilizing the Black Scholes Valuation model.

Although we believe the assumptions and estimates used to develop enterprise value and reorganization value are reasonable and appropriate, different assumptions and estimates could materially impact the analysis and resulting conclusions. The assumptions used in estimating these values are inherently uncertain and require judgment.

*Successor Balance Sheet*

The following table reflects the reorganization and application of Fresh Start Accounting adjustments the Predecessor's Consolidated Balance Sheet as of November 14, 2017:

	Predecessor	Reorganization Adjustments	Fresh Start Adjustments	Successor
(In thousands)				
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 14,900	\$ 60,039	(1)	\$ 74,939
Trade accounts receivable, net	18,722			18,722
Other accounts receivable	7,638			7,638
Inventory	7,489		(6,189)	(15) 1,300
Prepaid expenses	4,948	150	(2)	5,098
Restricted cash	3,460			3,460
Other current assets	1,880			1,880
Total current assets	59,037	60,189	(6,189)	113,037
Vessels, equipment, and other fixed assets, net				
	992,085		(626,429)	(15) 365,656
Construction in progress	1,166		(1,026)	(15) 140
Deferred costs and other assets	2,837	755	(3) (411)	(15) 3,181
Total assets	\$ 1,055,125	\$ 60,944	\$ (634,055)	\$ 482,014
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>				
Current liabilities:				
Current maturities of long-term debt	\$ 118,066	\$ (118,066)	(4)	\$
Debtor in possession financing	29,000	(29,000)	(5)	
Accounts payable	12,447	(196)	(6)	12,251
Income and other taxes payable	2,155			2,155
Accrued personnel costs	12,015	(5,126)	(7)	6,889
Accrued interest expense	1,503	(1,503)	(8)	
Other accrued liabilities	4,255	10,588	(9)	14,843
Total current liabilities	179,441	(143,303)		36,138
Long-term debt		92,799	(10)	92,799
Long-term income taxes:				
Deferred income tax liabilities	115,917		(102,239)	(15) 13,678
Other income taxes payable	18,489			18,489
Other liabilities	3,469		(561)	(15) 2,908
Total liabilities not subject to compromise	317,316	(50,504)	(102,800)	164,012

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Liabilities subject to compromise	448,124	(448,124)	(11)	
Stockholders equity:				
Common stock (Predecessor)	296	(296)	(12)	
Additional paid-in capital (Predecessor)	386,016	(386,016)	(12)	
Accumulated other comprehensive loss (Predecessor)	(119,101)	119,101	(12)	
Treasury stock, at cost (Predecessor)	(34,881)	34,881	(12)	
Deferred compensation expense (Predecessor)	9,328	(9,328)	(12)	
Common stock (Successor)		70	(13)	70
Additional paid-in capital (Successor)		317,932	(13)	317,932
Retained earnings	48,027	483,228	(14)	(531,255) (16)
<b>Total stockholders equity</b>	<b>289,685</b>	<b>559,572</b>		<b>(531,255) 318,002</b>
<b>Total liabilities and stockholders equity</b>	<b>\$ 1,055,125</b>	<b>\$ 60,944</b>		<b>\$ (634,055) \$ 482,014</b>



**Reorganization adjustments**

(1) Represents the net cash payments that occurred on the Effective Date

<b>Sources:</b>	
Proceeds from the Term Loan	\$ 100,000
Proceeds from the Rights Offering	124,979
<b>Total sources</b>	<b>\$ 224,979</b>
<b>Uses:</b>	
Repayment of Multi Currency Facility Agreement	\$ 72,000
Accrued interest payable on Multi Currency Facility Agreement	958
Repayment of Norwegian Facility Agreement	45,817
Accrued interest payable on Norwegian Facility Agreement	502
Repayment of Debtor in Possession financing	29,000
Accrued interest payable on Debtor in Possession financing	187
Debt issuance costs on the Term Loan and Revolving Credit Facility	6,706
Professional and success fees paid on the Effective Date	4,394
Payment of certain allowed claims	5,376
<b>Total uses</b>	<b>164,940</b>
	<b>\$ 60,039</b>

- (2) Represents the capitalization of annual administration fee attributable to the \$25 million Revolving Credit Facility and the \$100 million Term Loan
- (3) Represents capitalization of debt issuance costs attributable to the \$25 million Revolving Credit Facility
- (4) Represents repayment of Multi Currency Facility Agreement and Norwegian Facility Agreement
- (5) Represents repayment of Debtor in Possession financing
- (6) Represents payment of allowed claims
- (7) Represents payments of cash obligations under deferred compensation arrangements
- (8) Represents payments of interest payable on the Multi Currency Facility Agreement, the Norwegian Facility Agreement and the Debtor in Possession financing
- (9) Represents accrual for the remaining unpaid administrative expense claims
- (10) Represents initial borrowings under the Term Loan of \$100 million, less debt issuance costs of \$7.2 million
- (11) Liabilities subject to compromise and gain on settlement of liabilities subject to compromise are as follows:

Senior Notes	\$ 429,640
Accrued interest on the Senior Notes	18,484