

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2018 or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 1-37966

SEACOR Marine Holdings Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

47-2564547
(IRS Employer
Identification No.)

7910 Main Street, 2nd Floor
Houma, LA
(Address of Principal Executive Offices)

70360
(Zip Code)

985-876-5400
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company 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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The total number of shares of common stock, par value \$.01 per share, outstanding as of November 13, 2018 was 20,437,818. The Registrant has no other class of common stock outstanding.

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PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SEACOR MARINE HOLDINGS INC.
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	<u>September 30, 2018</u>	<u>December 31, 2017</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 102,864	\$ 110,234
Restricted cash	1,655	2,317
Receivables:		
Trade, net of allowance for doubtful accounts of \$4,077 and \$4,039 in 2018 and 2017, respectively	75,349	45,616
Other	16,552	12,341
Inventories	3,646	3,756
Prepaid expenses and other	2,692	3,026
Total current assets	<u>202,758</u>	<u>177,290</u>
Property and Equipment:		
Historical cost	1,279,000	1,179,836
Accumulated depreciation	<u>(568,752)</u>	<u>(560,160)</u>
	710,248	619,676
Construction in progress	<u>82,953</u>	<u>70,157</u>
Net property and equipment	<u>793,201</u>	<u>689,833</u>
Investments, at Equity, and Advances to 50% or Less Owned Companies	120,340	92,169
Construction Reserve Funds	35,596	45,361
Other Assets	3,582	3,851
	<u>\$ 1,155,477</u>	<u>\$ 1,008,504</u>
LIABILITIES AND EQUITY		
Current Liabilities:		
Current portion of long-term debt	\$ 17,426	\$ 22,858
Accounts payable and accrued expenses	20,480	24,024
Due to SEACOR Holdings	463	1,358
Accrued wages and benefits	4,497	5,087
Accrued income taxes	4,454	4,290
Accrued capital, repair and maintenance expenditures	27,812	19,618
Deferred revenues	9,754	10,104
Other current liabilities	17,255	11,879
Total current liabilities	<u>102,141</u>	<u>99,218</u>
Long-Term Debt	397,738	292,041
Conversion Option Liability on Convertible Senior Notes	17,928	6,832
Deferred Income Taxes	46,120	55,506
Deferred Gains and Other Liabilities	26,662	31,741
Total liabilities	<u>590,589</u>	<u>485,338</u>
Equity:		
SEACOR Marine Holdings Inc. stockholders' equity:		
Common stock, \$.01 par value, 60,000,000 shares authorized; 20,441,590 and 17,675,356 shares issued in 2018 and 2017, respectively	204	177
Additional paid-in capital	414,460	303,996
Retained earnings	134,628	216,511
Shares held in treasury	(86)	—
Accumulated other comprehensive loss, net of tax	<u>(13,945)</u>	<u>(12,493)</u>
	535,261	508,191
Noncontrolling interests in subsidiaries	<u>29,627</u>	<u>14,975</u>
Total equity	<u>564,888</u>	<u>523,166</u>
	<u>\$ 1,155,477</u>	<u>\$ 1,008,504</u>

The accompanying notes are an integral part of these condensed consolidated financial statements
and should be read in conjunction herewith.

SEACOR MARINE HOLDINGS INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF LOSS
(in thousands, except share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Operating Revenues	\$ 70,255	\$ 47,813	\$ 182,677	\$ 124,440
Costs and Expenses:				
Operating	51,423	41,258	141,416	119,119
Administrative and general	12,234	10,318	40,573	43,849
Depreciation and amortization	17,342	15,622	55,260	42,758
	<u>80,999</u>	<u>67,198</u>	<u>237,249</u>	<u>205,726</u>
Gains (Losses) on Asset Dispositions and Impairments, Net	586	(9,744)	(1,002)	(11,243)
Operating Loss	<u>(10,158)</u>	<u>(29,129)</u>	<u>(55,574)</u>	<u>(92,529)</u>
Other Income (Expense):				
Interest income	309	354	877	1,479
Interest expense	(7,761)	(4,295)	(20,383)	(12,023)
SEACOR Holdings management fees	—	—	—	(3,208)
SEACOR Holdings guarantee fees	(5)	(21)	(24)	(172)
Loss on Debt Extinguishment	(638)	—	(638)	—
Marketable security (losses) gains, net	—	(698)	—	10,931
Derivative gains (losses), net	4,387	13,022	(9,797)	12,720
Foreign currency losses, net	(302)	(106)	(981)	(1,389)
Other, net	678	—	678	(1)
	<u>(3,332)</u>	<u>8,256</u>	<u>(30,268)</u>	<u>8,337</u>
Loss Before Income Tax Benefit and Equity in Earnings of 50% or Less Owned Companies	(13,490)	(20,873)	(85,842)	(84,192)
Income Tax Expense (Benefit)	1,249	(5,823)	(13,299)	(23,045)
Loss Before Equity in Earnings of 50% or Less Owned Companies	(14,739)	(15,050)	(72,543)	(61,147)
Equity in (Losses) Earnings of 50% or Less Owned Companies, Net of Tax	(1,027)	(7,306)	(1,540)	(5,297)
Net Loss	(15,766)	(22,356)	(74,083)	(66,444)
Net Income (Loss) attributable to Noncontrolling Interests in Subsidiaries	191	(1,881)	(4,269)	(4,582)
Net Loss attributable to SEACOR Marine Holdings Inc.	<u>\$ (15,957)</u>	<u>\$ (20,475)</u>	<u>\$ (69,814)</u>	<u>\$ (61,862)</u>
Basic Loss Per Common Share and Warrants of SEACOR Marine Holdings Inc.	\$ (0.71)	\$ (1.17)	\$ (3.42)	\$ (3.51)
Diluted Loss Per Common Share and Warrants of SEACOR Marine Holdings Inc.	\$ (0.71)	\$ (1.25)	\$ (3.42)	\$ (3.51)
Weighted Average Common Shares and Warrants Outstanding:				
Basic	22,512,886	17,550,663	20,391,297	17,617,420
Diluted	22,512,886	21,621,163	20,391,297	17,617,420

The accompanying notes are an integral part of these condensed consolidated financial statements and should be read in conjunction herewith.

SEACOR MARINE HOLDINGS INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(in thousands)

	Three Months Ended September		Nine Months Ended September	
	30,		30,	
	2018	2017	2018	2017
Net Loss	\$ (15,766)	\$ (22,356)	\$ (74,083)	\$ (66,444)
Other Comprehensive Loss:				
Foreign currency translation (losses) gains	(533)	1,433	(1,406)	4,217
Derivative (losses) gains on cash flow hedges	(32)	91	36	(347)
Reclassification of derivative (gains) losses on cash flow hedges to interest expense	(305)	32	(305)	81
Reclassification of derivative losses on cash flow hedges to equity in earnings of 50% or less owned companies	46	49	217	384
	(824)	1,605	(1,458)	4,335
Income tax benefit	(11)	(541)	(46)	(1,428)
	(835)	1,064	(1,504)	2,907
Comprehensive Loss	(16,601)	(21,292)	(75,587)	(63,537)
Comprehensive Income (Loss) attributable to Noncontrolling Interests in Subsidiaries	172	(1,822)	(4,321)	(4,327)
Comprehensive Loss attributable to SEACOR Marine Holdings Inc.	\$ (16,773)	\$ (19,470)	\$ (71,266)	\$ (59,210)

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SEACOR MARINE HOLDINGS INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(in thousands)

	<i>Common Stock</i>	<i>Additional Paid-In Capital</i>	<i>Shares Held in Treasury</i>	<i>Retained Earnings</i>	<i>Accumulated Other Comprehensive Loss</i>	<i>Non- Controlling Interests In Subsidiaries</i>	<i>Total Equity</i>
December 31, 2017	177	303,996	—	216,511	(12,493)	14,975	523,166
Impact of adoption of accounting principle	—	—	—	(12,069)	—	—	(12,069)
December 31, 2017 as adjusted	177	303,996	—	204,442	(12,493)	14,975	511,097
Issuance of Common Stock	23	42,973	—	—	—	—	42,996
Issuance of Warrants	—	62,809	—	—	—	—	62,809
Amortization of employee share awards	—	2,602	—	—	—	—	2,602
Exercise of options	1	812	—	—	—	—	813
Exercise of Warrants	3	—	(3)	—	—	—	—
Restricted stock vesting	—	—	(83)	—	—	—	(83)
Director share awards	—	893	—	—	—	—	893
Acquisition of consolidated joint venture	—	—	—	—	—	(12,037)	(12,037)
Issuance of noncontrolling interests	—	375	—	—	—	31,010	31,385
Net loss	—	—	—	(69,814)	—	(4,269)	(74,083)
Other comprehensive loss	—	—	—	—	(1,452)	(52)	(1,504)
September 30, 2018	<u>204</u>	<u>414,460</u>	<u>(86)</u>	<u>134,628</u>	<u>(13,945)</u>	<u>29,627</u>	<u>564,888</u>

The accompanying notes are an integral part of these condensed consolidated financial statements and should be read in conjunction herewith.

SEACOR MARINE HOLDINGS INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Nine Months Ended September 30,	
	2018	2017
Cash Flows from Operating Activities		
Net Loss	\$ (74,083)	\$ (66,444)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation and amortization	55,260	42,758
Deferred financing costs amortization	1,784	2,028
Restricted stock amortization	2,602	363
Restricted stock vesting	(83)	—
Director share awards	893	—
Debt discount amortization	4,025	3,316
Amortization of deferred gains against charter expense	(6,028)	(6,109)
Bad debt expense	86	(516)
Loss from equipment sales, retirements or impairments	1,002	11,243
Gain from other sales	(428)	—
Gains from sale of marketable securities, net	—	(10,931)
Proceeds from sale of securities	—	51,877
Derivative losses (gains)	9,797	(12,720)
Cash settlement on derivative transactions, net	(48)	(372)
Currency loss	980	1,389
Deferred income taxes	(20,980)	(12,534)
Equity losses, net	1,540	5,297
Dividends received from equity investees	1,324	2,442
Changes in Operating Assets and Liabilities:		
Accounts receivables	(29,246)	735
Other assets	1,003	3,575
Accounts payable and accrued liabilities	479	19,747
Net cash (used in) provided by operating activities	<u>(50,121)</u>	<u>35,144</u>
Cash Flows from Investing Activities:		
Purchases of property and equipment	(37,763)	(52,353)
Cash settlements on derivative transactions, net	—	(369)
Proceeds from disposition of property and equipment	5,384	9,797
Net change in construction reserve fund	9,765	32,754
Sale of subsidiary joint venture	8,017	—
Investments in and advances to 50% or less owned companies	(30,253)	(5,302)
Return of investments and advances from 50% or less owned companies	—	7,350
Capital distributions from equity investees	6,463	—
Proceeds from sale of investment in equity investees	—	89
Payments received on third party notes receivable, net	99	—
Principal payments on notes due from equity investees	—	313
Cash assumed on consolidation of 50% or less owned companies	—	1,943
Business acquisitions, net of cash acquired	—	(9,751)
Net cash used in investing activities	<u>(38,288)</u>	<u>(15,529)</u>
Cash Flows from Financing Activities:		
Payments on long-term debt	(38,053)	(8,572)
Proceeds from issuance of long-term debt, net of issue costs	62,353	6,845
SMHI Restricted Stock	—	(2,656)
Purchase of subsidiary shares from noncontrolling interests	—	(3,693)
Proceeds from exercise of stock options and Warrants	813	—
Issuance of stock	42,996	—
Issuance of Warrants	12,809	—
Net cash provided by (used in) financing activities	<u>80,918</u>	<u>(8,076)</u>
Effects of Exchange Rate Changes on Cash and Cash Equivalents	(541)	1,666
Net (Decrease) Increase in Cash, Cash Equivalents and Restricted Cash	(8,032)	13,205
Cash, Restricted Cash and Cash Equivalents, Beginning of Period	112,551	118,771
Cash, Restricted Cash and Cash Equivalents, End of Period	<u>\$ 104,519</u>	<u>\$ 131,976</u>

The accompanying notes are an integral part of these condensed consolidated financial statements and should be read in conjunction herewith.

SEACOR MARINE HOLDINGS INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

The condensed consolidated financial statements include the accounts of SEACOR Marine Holdings Inc. and its consolidated subsidiaries (the “Company”). In the opinion of management, all adjustments (consisting of normal recurring adjustments) have been made to fairly present the unaudited condensed consolidated financial statements for the periods indicated. Results of operations for the interim periods presented are not necessarily indicative of operating results for the full year or any future periods.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles in the United States have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with the Company’s financial statements and related notes thereto included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2017.

Unless the context otherwise indicates, any reference in this Quarterly Report on Form 10-Q to the “Company” refers to SEACOR Marine Holdings Inc. and its consolidated subsidiaries and any reference in this Quarterly Report on Form 10-Q to “SEACOR Marine” refers to SEACOR Marine Holdings Inc. without its consolidated subsidiaries. Capitalized terms used and not specifically defined herein have the same meaning given those terms in the Company’s Annual Report on Form 10-K for the year ended December 31, 2017.

SEACOR Marine was previously a subsidiary of SEACOR Holdings Inc. (along with its consolidated subsidiaries, other than SEACOR Marine and its subsidiaries, collectively referred to as “SEACOR Holdings”). On June 1, 2017, SEACOR Holdings completed a spin-off of SEACOR Marine by way of a pro rata dividend of SEACOR Marine’s common stock, par value \$0.01 per share (“Common Stock”), all of which was then held by SEACOR Holdings, to SEACOR Holdings’ shareholders of record as of May 22, 2017 (the “Spin-off”). SEACOR Marine entered into certain agreements with SEACOR Holdings to govern SEACOR Marine’s relationship with SEACOR Holdings following the Spin-off, including a Distribution Agreement, two Transition Services Agreements, an Employee Matters Agreement and a Tax Matters Agreement. Immediately following the Spin-off, SEACOR Marine began to operate as an independent, publicly traded company.

Recently Adopted Accounting Standards. In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2014-09, “*Revenue from Contracts with Customers (Topic 606)*” to clarify the principles for recognizing revenue and to develop a common revenue standard and disclosure requirements. The new standard supersedes current revenue recognition requirements and industry-specific guidance. Under the new standard, revenue is recognized when a customer obtains control of promised goods or services in an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. The Company adopted this new standard on January 1, 2018 using the modified retrospective approach by recognizing the cumulative effect of initially applying the new standard as an adjustment to the opening balance of accumulated deficit. The Company implemented the necessary changes to its business processes, systems and controls to support recognition and disclosure of this ASU upon adoption. The Company’s revenues are primarily based on leases or rental agreements with customers which are not addressed in the new standard. As a result, the adoption of the standard did not have a material effect on the Company’s financial position, results of operations or cash flows, but did result in increased disclosures related to revenue recognition policies.

In November 2016, the FASB issued ASU 2016-18, “*Statement of Cash Flows (Topic 230) – Restricted Cash*”, which requires that amounts generally described as restricted cash be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period amounts shown on the statement of cash flows. The Company adopted this new standard on January 1, 2018. Retrospective presentation was required. The adoption of the standard did not have a material effect on the Company’s financial position, results of operations or cash flows. In accordance with ASU 2016-18, the Company has included restricted cash as part of the beginning-of-period and end-of-period cash balances on the condensed consolidated statement of cash flows.

Revenue Recognition. Revenue is recognized when (or as) the Company transfers promised goods or services to its customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services, which occurs when (or as) the Company satisfies its contractual obligations and transfers over control of the promised goods or services to its customers. Costs to obtain or fulfill a contract are expensed as incurred.

Lease Revenues. The primary source of the Company’s revenues is earned through time charter and bareboat agreements. Time charter and bareboat agreements are rental agreements that are recognized ratably over the lease term as the services are provided, typically on a per day basis. The charterer will take the vessel on hire for a specific period of time and uses the vessel to move cargo, people or equipment and will pay the Company a rate per day. Under a time charter the Company provides a vessel to a customer for a set term and is responsible for all operating expenses, typically excluding fuel. Under a bareboat charter, the Company provides a vessel to a customer for a set term and the customer assumes responsibility for all operating expenses and the risk of operation (see Note 15).

Revenues from Customers. The Company contracts with various customers to carry out management services for vessels as agents for and on behalf of ship owners. These services include crew management, technical management, commercial management, insurance arrangements, sale and purchase of vessel, provisions and bunkering. As the manager, the Company undertakes to use its best endeavors to provide the agreed management services as agents for and on behalf of the owners in accordance with sound ship management practice and to protect and promote the interest of the owners in all matters relating to the provision of services hereunder. The Company also contracts with various customers to carry out management services regarding engineering for vessel construction and vessel conversions. The vast majority of the ship management agreements span over the length of one to three years and are typically billed on a monthly basis. The Company transfers control of the service to the customer and satisfies its performance obligation over the term of the contract, and therefore recognizes revenue over the term of the contract while related costs are expensed as incurred (see Note 15).

Revenue that does not meet these criteria is deferred until the criteria is met and are considered contract liabilities. Contract liabilities, included in other current liabilities in the accompanying condensed consolidated balance sheets, for the nine months ended September 30 were as follows (in thousands):

	2018	2017
Balance at beginning of period	\$ 10,104	\$ 6,953
Revenues deferred during the period	2,756	3,147
Revenues recognized during the period	(3,191)	—
Balance at end of period	<u>\$ 9,669</u>	<u>\$ 10,100</u>

As of September 30, 2018, contract liabilities of \$6.8 million related to the time charter of several offshore support vessels paid through the conveyance of an overriding royalty interest (the "Conveyance") in developmental oil and gas producing properties operated by a customer in the U.S. Gulf of Mexico. Payments under the Conveyance, and the timing of such payments, were contingent upon production and energy sale prices. On August 17, 2012, the customer filed a voluntary petition for Chapter 11 bankruptcy. The Company is vigorously defending its interest in connection with the bankruptcy filing; however, payments received under the Conveyance subsequent to May 19, 2012 are subject to creditors' claims in bankruptcy court. The Company will recognize revenues when reasonably assured of a judgment in its favor. All costs and expenses related to these charters were recognized as incurred.

As of September 30, 2018, contract liabilities of \$2.5 million related to the time charter of an offshore support vessel to a customer for which collection was not reasonably assured. The Company will recognize revenues when collected or when collection is reasonably assured. All costs and expenses related to this charter were recognized as incurred.

The remaining balance of \$0.4 million as of September 30, 2018 is comprised of contract liabilities to two customers for which collection is not reasonably assured.

Property and Equipment. Equipment, stated at cost, is depreciated using the straight-line method over the estimated useful life of the asset to an estimated salvage value. With respect to each class of asset, the estimated useful life is based upon a newly built asset being placed into service and represents the time period beyond which it is typically not justifiable for the Company to continue to operate the asset in the same or similar manner. From time to time, the Company may acquire older assets that have already exceeded the Company's useful life policy, in which case the Company depreciates such assets based on its best estimate of remaining useful life, typically the next survey or certification date.

As of September 30, 2018, the estimated useful life (in years) of each of the Company's major categories of new equipment was as follows:

Offshore Support Vessels:	
Wind farm utility vessels	10
All other offshore support vessels (excluding wind farm utility)	20

Equipment maintenance and repair costs and the costs of routine overhauls, drydockings and inspections performed on vessels and equipment are charged to operating expense as incurred. Expenditures that extend the useful life or improve the marketing and commercial characteristics of equipment as well as major renewals and improvements to other properties are capitalized.

Certain interest costs incurred during the construction of equipment are capitalized as part of the assets' carrying values and are amortized over such assets' estimated useful lives. During the nine months ended September 30, 2018, capitalized interest totaled \$1.6 million.

Impairment of Long-Lived Assets. The Company performs an impairment analysis of long-lived assets used in operations, including intangible assets, when indicators of impairment are present. These indicators may include a significant decrease in the market price of a long-lived asset or asset group, a significant adverse change in the extent or manner in which a long-lived asset or asset group is being used or in its physical condition, or a current period operating or cash flow loss combined with a history of operating or cash flow losses or a forecast that demonstrates continuing losses associated with the use of a long-lived asset or asset group. If the carrying values of the assets are not recoverable, as determined by the estimated undiscounted cash flows, the estimated fair value of the assets or asset groups are compared to their current carrying values and impairment charges are recorded if the carrying value exceeds fair value. The Company performs its testing on an asset or asset group basis. Generally, fair value is determined using valuation techniques, such as expected discounted cash flows or appraisals, as appropriate. During the nine months ended September 30, 2018, the Company recognized \$3.0 million of impairment charges primarily related to four anchor handling towing supply vessels removed from service and adjusted to scrap value.

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Impairment of 50% or Less Owned Companies. Investments in 50% or less owned companies are reviewed periodically to assess whether there is an other-than-temporary decline in the carrying value of the investment. In its evaluation, the Company considers, among other items, recent and expected financial performance and returns, impairments recorded by the investee and the capital structure of the investee. When the Company determines the estimated fair value of an investment is below carrying value and the decline is other-than-temporary, the investment is written down to its estimated fair value. Actual results may vary from the Company's estimates due to the uncertainty regarding projected financial performance, the severity and expected duration of declines in value and the available liquidity in the capital markets to support the continuing operations of the investee, among other factors. Although the Company believes its assumptions and estimates are reasonable, the investee's actual performance compared with the estimates could produce different results and lead to additional impairment charges in future periods. During the nine months ended September 30, 2018, the Company recognized impairment charges of \$1.2 million related to one of its 50% or less owned companies which the Company believes will be unable to meet all of its liabilities.

Income Taxes. During the nine months ended September 30, 2018, the Company's effective income tax rate of 15.5% was primarily due to taxes provided on income attributable to noncontrolling interests, foreign sourced income not subject to U.S. income taxes, foreign taxes not creditable against U.S. income taxes, a return-to-provision adjustment and a reversal of an unrecognized tax benefit. During the nine months ended September 30, 2017, the Company's effective income tax rate of 27.4% was primarily due to losses of foreign subsidiaries not benefited, non-deductible expenses associated with the Company's participation in SEACOR Holdings' share award plans and non-deductible Spin-off related expenses reimbursed to SEACOR Holdings.

Deferred Gains. The Company has sold certain equipment to its 50% or less owned companies, entered into vessel sale-leaseback transactions with finance companies and provided seller financing on sales of its equipment to third parties and its 50% or less owned companies. A portion of the gains realized from these transactions were deferred and recorded in deferred gains and other liabilities in the accompanying condensed consolidated balance sheets. Deferred gain activity related to these transactions for the nine months ended September 30 was as follows (in thousands):

	2018	2017
Balance at beginning of period	\$ 25,006	\$ 33,910
Amortization of deferred gains included in operating expenses as a reduction to rental expense	(6,053)	(6,109)
Other adjustments	(416)	(364)
Balance at end of period	\$ 18,537	\$ 27,437

Accumulated Other Comprehensive Income (Loss). The components of accumulated other comprehensive loss were as follows (in thousands):

	SEACOR Marine Holdings Inc. Stockholders' Equity			Noncontrolling Interests			
	Foreign Currency Translation Adjustments	Derivative Income (Losses) on Cash Flow Hedges, net		Foreign Currency Translation Adjustments	Derivative Income (Losses) on Cash Flow Hedges, net		Other Comprehensive Income (Loss)
		Total					
December 31, 2017	\$ (13,195)	\$ 702	\$ (12,493)	\$ (1,357)	\$ 1		
Other comprehensive income (loss)	(1,358)	(48)	(1,406)	(48)	(4)	\$ (1,458)	
Income tax expense	—	(46)	(46)	—	—	(46)	
Nine months Ended September 30, 2018	\$ (14,553)	\$ 608	\$ (13,945)	\$ (1,405)	\$ (3)	\$ (1,504)	

Loss Per Share. Basic loss per common share of the Company is computed based on the weighted average number of common shares and warrants to purchase common shares at an exercise price of \$0.01 per share ("Warrants") issued and outstanding during the relevant periods. The Warrants are included in the basic loss per common share because the shares issuable upon exercise of the Warrants are issuable for de minimis cash consideration and therefore not anti-dilutive. Diluted loss per common share of the Company is computed based on the weighted average number of common shares and Warrants issued and outstanding plus the effect of potentially dilutive securities through the application of the if-converted method that assumes all common shares have been issued and outstanding during the relevant periods pursuant to the conversion of the Convertible Senior Notes. For the nine months ended September 30, 2018 and 2017, diluted earnings per common share of the Company excluded 2,183,708 and 4,070,500 common shares, respectively, issuable pursuant to the Company's Convertible Senior Notes (see Note 4) as the effect of their inclusion in the computation would be anti-dilutive. In addition, for the nine months ended September 30, 2018, diluted loss per common share of the Company excluded 196,338 shares of restricted stock and 732,191 shares of stock issuable upon exercise of outstanding stock options as the effect of their inclusion in the computation would be anti-dilutive.

While calculating the weighted average basic and diluted number of common shares and warrants issued and outstanding for the quarter ending September 30, 2018, the Company discovered that it had understated the weighted average basic and diluted common shares and warrants issued and outstanding for both the three months and six months ended June 30, 2018. As a result of this error, the Company also overstated the basic and diluted loss per common share and warrant for the same two periods. The correct weighted average basic and diluted common shares and warrants for the three months ended June 30, 2018 was 21,035,214, an increase of 1,056,698 versus the number previously reported. This increase results in a corrected basic and diluted loss per common share and warrant of \$1.19 versus \$1.25 previously reported. The correct weighted average basic and diluted common shares and warrants for the six months ended June 30, 2018 was 19,312,923, an increase of 1,345,681 versus the number previously reported. This increase results in a corrected basic and diluted loss per common share and warrant of \$2.79 versus \$3.00 previously reported. The net loss attributable to the Company for the three and six months ended June 30, 2018, as well as all prior year numbers were not impacted.

Upon assessing the error from both a quantitative and qualitative perspective, the Company concluded the error was not material to the June 30, 2018 financial statements and has no impact on the September 30, 2018 financial statements presented herein.

New Accounting Pronouncements. On February 25, 2016, the Financial Accounting Standards Board ("FASB") issued a comprehensive new leasing standard meant to improve transparency and comparability among companies by requiring lessees to recognize a lease liability and a

corresponding right-of-use asset for virtually all lease contracts. It also requires additional disclosures about leasing arrangements. The Company will adopt the new standard on January 1, 2019 and will apply the transition provisions of the new standard at its adoption date with recognition of a cumulative-effect adjustment to the opening balance of retained earnings. The Company believes the adoption of the new standard will have a material impact on its consolidated financial position, results of operations and cash flows, estimated to be \$40 million to \$75 million in new right-of-use assets and corresponding lease liabilities for certain of its equipment, office and land leases. The Company's estimates are preliminary and are based on its current inventory of leases. If the Company enters into or exits material lease arrangements prior to adoption or makes material changes to certain of its assumptions, including lease discount rates, the Company's estimates may change and those changes may be material.

In February 2018, the FASB issued a new accounting standard which allows a reclassification from accumulated other comprehensive income to retained earnings of stranded tax effects resulting from the Tax Cuts and Jobs Act passed in December 2017. The standard is effective for interim and annual periods beginning after December 15, 2018. The Company does not expect the adoption of the new standard to have a material impact on its consolidated financial position or its results of operations and cash flows.

In June 2018, the FASB issued a new accounting standard which addresses aspects of the accounting for nonemployee share-based payment transactions. The standard is effective for interim and annual periods beginning after December 15, 2018. The Company does not expect the adoption of the new standard to have a material impact on its consolidated financial position or its results of operations and cash flows.

In August 2018, the FASB issued a new accounting standard which provided guidance regarding the accounting for fees paid by a customer in a cloud computing arrangement (hosting arrangement). The standard is effective for interim and annual periods beginning after December 15, 2019. The Company is evaluating the provisions of the standard, but does not expect the adoption of the new standard to have a material impact on its consolidated financial position or its results of operations and cash flows.

2. EQUIPMENT ACQUISITIONS AND DISPOSITIONS

During the nine months ended September 30, 2018, capital acquisitions were \$44.6 million. Equipment deliveries during the nine months ended September 30, 2018 include two wind farm utility vessels and two platform supply vessels which were constructed through the SEACOSCO joint venture as described in Note 3 below. Equipment acquisitions include six liftboats contributed from Montco Offshore, LLC (“MOI”) to certain wholly-owned subsidiaries of Falcon Global Holdings LLC (“FGH”) as described in Note 4 below, and two anchor handling towing supply vessels that were previously managed (but not owned) by the Company.

During the nine months ended September 30, 2018, the Company sold one fast support vessel and two supply vessels previously retired and removed from service, one anchor handling towing supply vessel, two standby safety vessels, three fast support vessels, one wind farm utility vessel, and other property and equipment for net proceeds of \$4.0 million (\$3.9 million in cash and \$0.1 million of previously received deposits) and gains of \$2.0 million. In addition, the Company received \$1.4 million in deposits for future asset sales.

3. INVESTMENTS, AT EQUITY AND ADVANCES TO 50% OR LESS OWNED COMPANIES

SEACOSCO. On January 17, 2018, the Company announced the formation of SEACOSCO Offshore LLC (“SEACOSCO”), a Marshall Islands entity jointly owned by the Company and affiliates of COSCO SHIPPING GROUP (“COSCO SHIPPING”). SEACOSCO entered into contracts for the purchase of eight Rolls-Royce designed, new construction platform supply vessels (“PSVs”) from COSCO SHIPPING HEAVY INDUSTRY (GUANGDONG) CO., LTD (the “Shipyard”), an affiliate of COSCO SHIPPING, for approximately \$161.1 million, of which 70% will be financed by the Shipyard and secured by the PSVs on a non-recourse basis to the Company. SEACOSCO took delivery of two vessels in the quarter ending March 31, 2018, took title to another five of the PSVs in the quarter ending June 30, 2018 and expects to take title to one vessel in 2019. Thereafter, the Shipyard, at its cost, will store the PSVs at its facility for periods ranging from six to 18 months. The Company owns an unconsolidated 50% interest in SEACOSCO. During the nine months ended September 30, 2018, the Company contributed capital of \$27.0 million in cash. The expected remaining capital commitment of approximately \$5.3 million will be due over the remainder of 2018 and the first half of 2019. The Company is responsible for full commercial, operational, and technical management of the vessels on a worldwide basis.

SEACOR Grant DIS. As of September 30, 2018, the Company estimates that SEACOR Grant DIS will be unable to meet all its liabilities and has recorded a bad debt reserve of \$0.5 million against SEACOR Grant DIS’s liability to the Company and an impairment charge of \$1.2 million to reduce its investment carrying value to zero. SEACOR Grant DIS is currently in discussions to sell its one vessel to a third party, which may provide proceeds that are available to its debt holders including the Company.

SEACOR Marlin. The Company created a new subsidiary, SEACOR Marlin LLC (“SMLLC”) and contributed the Seacor Marlin supply vessel into SMLLC. On September 13, 2018, the Company sold 51% of SMLLC to MexMar Offshore (MI) LLC (“MexMar Offshore”), a wholly-owned subsidiary of MexMar, for \$8.0 million in cash, which generated a gain of \$0.4 million. The Seacor Marlin supply vessel was pledged as collateral under the MexMar credit facility, for which the Company receives an annual collateral fee. SMLLC is a 50% or less owned company and will be accounted for using the equity method of accounting.

OSV Partners. SEACOR OSV Partners I LP (“OSV Partners”), which owns and operates five offshore support vessels, had been in non-compliance with certain financial covenants under its term loan facility. On September 28, 2018, such facility, in the principal amount outstanding of \$27.3 million, was restructured to, among other things, extend its maturity to September 28, 2021 and, in connection therewith, the Company participated in a \$5.0 million preferred equity offering of OSV Partners and a subordinated loan in the amount of \$5.0 million, investing \$1.1 million in such preferred equity (and committing to invest an additional \$1.1 million in such preferred equity if called by the general partner of OSV Partners prior to September 30, 2020) and providing \$2.1 million of such loan. The lenders to OSV Partners have no recourse to the Company for outstanding amounts under the facility and the Company is not obligated to make any future investment in or loan any money to OSV Partners.

Guarantees. The Company has guaranteed certain of the outstanding charter receivables of one of its managed 50% or less owned companies if a customer defaults in payment and the Company either fails to take enforcement action against the defaulting customer or fails to assign its right of recovery against the defaulting customer. As of September 30, 2018, the total amount guaranteed by the Company under this arrangement is \$0.5 million.

In addition, as of September 30, 2018, two of the Company's 50% or less owned companies have bank debt secured by, among other things, a first preferred mortgage on the Company's vessels. The banks also have the authority to require the Company and its partners to fund uncalled capital commitments, as defined in the partnership agreements. In such event, the Company would be required to contribute its allocable share of uncalled capital, which was, as of September 30, 2018, \$1.0 million in the aggregate. This liability is included in other long-term liabilities.

4. LONG-TERM DEBT

Convertible Senior Notes. On December 1, 2015, the Company issued \$175.0 million in aggregate principal amount of its Convertible Senior Notes (the “Convertible Senior Notes”), at an interest rate of 3.75%, due December 1, 2022, to investment funds managed and controlled by the Carlyle Group (collectively “Carlyle”). The Convertible Senior Notes are convertible into shares of

Common Stock at a conversion rate of 23.26 shares per \$1,000 in principal amount of such notes, subject to certain conditions, or, into Warrants to purchase an equal number of shares of Common Stock at an exercise price of \$0.01 per share in order to facilitate the Company's compliance with the provisions of the Jones Act.

On May 2, 2018, the Company and Carlyle entered into an exchange transaction (the "Exchange") pursuant to which Carlyle exchanged \$50 million in principal amount of the Convertible Senior Notes for Warrants to purchase 1,886,792 shares of Common Stock (to facilitate compliance with the provisions of the Jones Act) at an exercise price of \$0.01 per share, subject to adjustments (the "Carlyle Warrants"), representing an implied exchange rate of approximately 37.73 shares per \$1,000 in principal amount of the Convertible Senior Notes (equivalent to an exchange price of \$26.50 per share). The Carlyle Warrants have a 25-year term, which commenced May 2, 2018. The Company and Carlyle also amended the \$125.0 million in principal amount of Convertible Senior Notes that remained outstanding following the Exchange to (i) increase the interest rate from 3.75% per annum to 4.25% per annum and (ii) extend the maturity date of the Convertible Senior Notes by 12 months to December 1, 2023. Interest on the Convertible Senior Notes is payable semi-annually on June 15 and December 15 of each year.

MOI Joint Venture. On February 8, 2018, a wholly-owned subsidiary of SEACOR Marine and MOI formed and capitalized a joint venture named Falcon Global Holdings LLC. In connection therewith and MOI's plan of reorganization, which was confirmed on January 18, 2018, MOI emerged from its Chapter 11 bankruptcy case. In accordance with the terms of a Joint Venture Contribution and Formation Agreement, the Company and MOI contributed certain liftboat vessels and other related assets to FGH and its designated subsidiaries and FGH and its designated subsidiaries assumed certain operating liabilities and indebtedness associated with the liftboat vessels and related assets. On February 8, 2018, Falcon Global USA LLC ("FGUSA"), a wholly-owned subsidiary of FGH, paid \$15.0 million of MOI's debtor-in-possession obligations and entered into a \$131.1 million credit agreement comprised of a \$116.1 million term loan (the "FGUSA Term Loan") and a \$15.0 million revolving loan facility (the "FGUSA Revolving Loan Facility") bearing interest at a variable rate (currently 6.63%), maturing in 2024 and secured by vessels owned by wholly-owned subsidiaries of FGUSA (collectively, the "FGUSA Credit Facility"). The full amount of the FGUSA Term Loan and other amounts paid by affiliates of MOI satisfied in full the amounts outstanding under MOI's pre-petition credit facilities. The FGUSA Credit Facility, apart from a guarantee of certain interest payments and participation fees for two years after the closing of the transactions, is non-recourse to SEACOR Marine and its subsidiaries other than FGUSA. The Company performed a fair market valuation of the debt reflecting a debt discount of \$10.0 million, which will be amortized over the life of the FGUSA Credit Facility. Scheduled principal payments begin in 2020. During the nine months ending September 30, 2018, the Company borrowed \$15.0 million under the FGUSA Revolving Loan Facility for working capital purposes. The Company consolidates FGH as the Company holds 72% of the equity interest in FGH and is entitled to appoint a majority of the board of managers of FGH.

Windcat. During the nine months ended September 30, 2018, the Company converted €6.0 million denominated debt to pound sterling denominated debt, paying off approximately \$7.5 million in euro denominated debt and borrowing approximately \$8.5 million in pound sterling denominated debt, resulting in a net increase in USD borrowings of \$1.0 million to be used for future capital commitments.

Seacor 88/888. On July 5, 2018, a wholly-owned subsidiary of SEACOR Marine entered into a new term loan of \$11.0 million and used the funds to acquire two vessels that were previously managed (but not owned) by the Company. The term loan matures in 2023, bears interest at a variable rate (currently 5.9%) and is secured by the two vessels. SEACOR Marine provided a limited guaranty of such loan under which claims recoverable from SEACOR Marine shall not exceed the lesser of (x) \$5.5 million and (y) 50% of the obligations outstanding at the time a claim is made thereunder. In October 2018, the Company entered into an interest rate swap agreement on the notional value of \$5.5 million related to this loan.

Seacor Marine Foreign Holdings. On September 26, 2018, SEACOR Marine Foreign Holdings Inc. ("SMFH"), a wholly-owned subsidiary of SEACOR Marine, entered into a \$130.0 million loan facility with a syndicate of lenders administered by DNB Bank ASA. SMFH's obligations pursuant to the loan facility are secured by mortgages on 20 vessels owned by the Company's vessel owning subsidiaries as well as an assignment of earnings from those subsidiaries. The loan matures in 2023 and bears interest at a variable rate (currently 6.1875%). The obligations of SMFH under the loan facility are guaranteed by SEACOR Marine. The proceeds from the syndicated loan facility were used to pay off other credit facilities of subsidiaries of the Company (\$101.3 million, made up of \$99.9 million principal and \$1.4 million accrued interest), resulting in a net increase in term debt of \$30.1 million. Principal payments of \$3.3 million per quarter will begin in December 2018. In October 2018, the Company entered into an interest rate swap agreement on the notional value of \$65.5 million related to this debt. As a result of this transaction, the Company recognized a loss of \$0.6 million upon the extinguishment of debt.

Letters of Credit. As of September 30, 2018, the Company had outstanding letters of credit of \$5.8 million securing one long-term debt obligation, \$0.3 million securing one lease obligation and \$2.5 million for labor and performance guarantees.

5. INCOME TAXES

The following table reconciles the difference between the statutory federal income tax rate for the Company and the effective income tax rate on continuing operations for the nine months ended September 30, 2018:

Statutory rate	21.0%
Noncontrolling interests	(1.0%)
Foreign earnings not subject to U.S. income tax	(3.2%)
Foreign taxes not creditable against U.S. income tax	(2.9%)
Unrecognized tax benefit	4.5%
Return to provision adjustment	(4.0%)
Other	1.1%
	<u>15.5%</u>

As of December 31, 2017, the Company's net operating loss carryforwards excluded potential tax benefits of \$3.9 million as a result of uncertainty regarding interpretation of the new U.S. tax legislation signed into law on December 22, 2017. Subsequent guidance has confirmed that the Company should recognize the tax benefits of \$3.9 million and therefore, for the nine months ending September 30, 2018, the Company removed the valuation allowance previously established against the net operating loss carryforwards.

During the preparation of the 2017 federal income tax return in the third quarter of 2018, the Company realized management overestimated the available foreign taxes that could be credited against the 2017 transition tax. This resulted in an additional tax liability of \$3.4 million on its 2017 federal income tax return. This additional liability was recorded as a return-to-provision adjustment

to tax expense during the three months ended September 30, 2018. Upon assessing the out of period adjustment from both a quantitative and qualitative perspective, the Company believes that this out of period adjustment is immaterial to both the year ended December 31, 2017 and the three months ended September 30, 2018 financial statements.

6. DERIVATIVE INSTRUMENTS AND HEDGING STRATEGIES

Derivative instruments are classified as either assets or liabilities based on their individual fair values. The fair values of the Company's derivative instruments as of September 30, 2018 were as follows (in thousands):

	Derivative Asset ⁽¹⁾	Derivative Liability
Derivatives designated as hedging instruments:		
Interest rate swap agreements (cash flow hedges)	\$ —	\$ 10 ⁽²⁾
	<u>—</u>	<u>10</u>
Derivatives not designated as hedging instruments:		
Conversion option liability on Convertible Senior Notes	—	17,928
Interest rate swap agreements	1,565	25 ⁽²⁾
	<u>\$ 1,565</u>	<u>\$ 17,963</u>

(1) Included in other receivables in the accompanying condensed consolidated balance sheets.

(2) Included in other current liabilities in the accompanying condensed consolidated balance sheets.

Cash Flow Hedges. The Company and certain of its 50% or less owned companies have interest rate swap agreements designated as cash flow hedges. By entering into these interest rate swap agreements, the Company and its 50% or less owned companies have converted the variable LIBOR or EURIBOR component of certain of their outstanding borrowings to a fixed interest rate. The Company recognized immaterial losses on derivative instruments designated as cash flow hedges during the nine months ended September 30, 2018. As of September 30, 2018, the interest rate swaps held by the Company and its 50% or less owned companies were as follows:

- Windcat Workboats had two interest rate swap agreements maturing in 2021 that call for the Company to pay a fixed rate of interest of (0.03)% on the aggregate notional value of €15.0 million (approximately \$17.5 million) and receive a variable interest rate based on EURIBOR on the aggregate notional value.
- MexMar had five interest rate swap agreements with maturities in 2023 that call for MexMar to pay a fixed rate of interest ranging from 1.71% to 2.10% on the aggregate amortized notional value of \$100.5 million and receive a variable interest rate based on LIBOR on the aggregate amortized notional value.

Other Derivative Instruments. The Company recognized (losses) gains on derivative instruments not designated as hedging instruments for the nine months ended September 30 as follows (in thousands):

	2018	2017
Conversion option liability on Convertible Senior Notes	\$ (11,096)	\$ 13,119
Forward currency exchange, option and future contracts	—	(78)
Interest rate swap agreements	1,299	(321)
	<u>\$ (9,797)</u>	<u>\$ 12,720</u>

The conversion option liability relates to the bifurcated embedded conversion option in the Convertible Senior Notes (see Note 4 in this Quarterly Report on Form 10-Q and Note 7 in the Company's Annual Report on Form 10-K for the year ended December 31, 2017).

The Company and certain of its 50% or less owned companies have entered into interest rate swap agreements for the general purpose of providing protection against increases in interest rates, which might lead to higher interest costs. As of September 30, 2018, the interest rate swaps held by the Company or its 50% or less owned companies were as follows:

- OSV Partners had two interest rate swap agreements with maturities in 2020 that call for OSV Partners to pay a fixed rate of interest ranging from 1.89% to 2.27% on the aggregate amortized notional value of \$29.2 million and receive a variable interest rate based on LIBOR on the aggregate amortized notional value.

On September 28, 2018, the Company refinanced and extinguished its debts related to the following interest rate swaps:

- Falcon Global International had an interest rate swap agreement maturing in 2022 that called for the Company to pay a fixed interest rate of 2.06% on the amortized notional value of \$51.6 million and receive a variable interest rate based on LIBOR on the amortized notional value. The swap was terminated on September 28, 2018 with de minimis breakage costs, and the \$1.2 million fair market value of the swap was received in October 2018.
- Sea-Cat Crewzer II had an interest rate swap agreement maturing in 2019 that called for Sea-Cat Crewzer II to pay a fixed rate of interest of 1.52% on the amortized notional value of \$19.1 million and receive a variable interest rate based on LIBOR on the amortized notional value. The swap was terminated on September 28, 2018 with de minimis breakage costs, and the \$0.2 million fair market value of the swap was received in October 2018.
- Sea-Cat Crewzer had an interest rate swap agreement maturing in 2019 that called for Sea-Cat Crewzer to pay a fixed rate of interest of 1.52% on the amortized notional value of \$16.9 million and receive a variable interest rate based on LIBOR on the amortized notional value. The swap was terminated on September 28, 2018 with de minimis breakage costs, and the \$0.2 million fair market value of the swap was received in October 2018.

7. FAIR VALUE MEASUREMENTS

The fair value of an asset or liability is the price that would be received to sell an asset or transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company utilizes a fair value hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value and defines three levels of inputs that may be used to measure fair value. *Level 1* inputs are quoted prices in active markets for identical assets or liabilities. *Level 2* inputs are observable inputs other than quoted prices included in *Level 1* that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, or inputs derived from observable market data. *Level 3* inputs are unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities.

The Company's financial assets and liabilities as of September 30, 2018 that are measured at fair value on a recurring basis were as follows (in thousands):

	Level 1	Level 2	Level 3
ASSETS			
Derivative instruments (included in other receivables)	\$ —	\$ 1,565	\$ —
Construction reserve funds	35,596	—	—
LIABILITIES			
Derivative instruments	—	35	17,928
	11		

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Level 3 Measurement. The fair value of the conversion option liability on the Convertible Senior Notes is estimated with significant inputs that are both observable and unobservable in the market and therefore is considered a *Level 3* fair value measurement. The Company used a binomial lattice model that assumes the holders will maximize their value by finding the optimal decision between redeeming at the redemption price or converting into shares of Common Stock. This model estimates the fair value of the conversion option as the differential in the fair value of the notes including the conversion option compared with the fair value of the notes excluding the conversion option. The significant observable inputs used in the fair value measurement include the price of Common Stock and the risk free interest rate. The significant unobservable inputs are the estimated Company credit spread and Common Stock volatility, which were based on comparable companies in the transportation and energy industries.

The estimated fair values of the Company’s other financial assets and liabilities as of September 30, 2018 were as follows (in thousands):

	Carrying Amount	Estimated Fair Value		
		Level 1	Level 2	Level 3
ASSETS				
Cash, cash equivalents and restricted cash	\$ 104,519	\$ 104,519	\$ —	\$ —
Investments, at cost, in 50% or less owned companies (included in other assets)	132	<i>see below</i>		
LIABILITIES				
Long-term debt, including current portion	415,164	—	416,888	—

The carrying value of cash, cash equivalents and restricted cash approximates fair value. The fair value of the Company’s long-term debt was estimated based upon quoted market prices or by using discounted cash flow analysis based on estimated current rates for similar types of arrangements. It was not practicable to estimate the fair value of certain of the Company’s investments, at cost, in 50% or less owned companies because of the lack of quoted market prices and the inability to estimate fair value without incurring excessive costs. Considerable judgment was required in developing certain of the estimates of fair value and, accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

The Company’s other assets and liabilities that were measured at fair value during the nine months ended September 30, 2018 were as follows (in thousands):

	Level 1	Level 2	Level 3
ASSETS			
Property and equipment:			
Anchor handling towing supply	\$ —	\$ 2,000	\$ —
Liftboats	—	—	134,775

Property and equipment. During the nine months ended September 30, 2018, the Company recognized impairment charges of \$3.0 million primarily associated with certain vessels (see Note 1). The *Level 2* fair values were determined based on the sales prices of similar property and equipment at scrap value.

The *Level 3* vessels listed above were contributed by MOI to wholly-owned subsidiaries of FGH and recorded at fair value. The *Level 3* fair values were determined based on two separate third party valuations using significant inputs that are unobservable in the market. Due to limited market transactions, the primary valuation methodology applied by both appraisers was an estimated cost approach less economic depreciation for comparable aged vessels. The *Level 3* fair value of the vessels was based on a simple average between the two appraisals.

The significant unobservable inputs used in the fair value measurement for the liftboats provided by the appraisers were based on i) quotes from local shipyards, ii) economic life ranging from 25 to 40 years and iii) economic obsolescence factor ranging from 45% to 50%. The calculated yearly physical depreciation was multiplied by the remaining useful life of each vessel, based on the date of build and the residual value was added back to arrive at a base cost approach value for each vessel.

8. WARRANTS

On April 26, 2018, the Company closed a private placement of its Common Stock and Warrants to purchase its Common Stock (which were issued to certain investors in place of Common Stock to facilitate compliance with Jones Act restrictions) for aggregate gross proceeds of \$56,855,000 (the “PIPE Private Placement”) with certain qualified institutional buyers and other accredited investors. The PIPE Private Placement included the issuance of 2,168,586 shares of Common Stock (the “PIPE Shares”) and Warrants to purchase 674,164 shares of the Common Stock at an exercise price of \$0.01 per share (the “PIPE Warrants”). The PIPE Warrants were issued to Proyectos Globales de Energia y Servicios CME, S.A. de C.V. a variable capital corporation (sociedad anónima de capital variable) incorporated and existing under the laws of the United Mexican States (“CME”) and have a 25-year term, which commenced April 26, 2018.

As indicated in Note 4, on May 2, 2018, the Company and Carlyle entered into the Exchange pursuant to which Carlyle exchanged \$50.0 million in principal amount of the Convertible Senior Notes for the Carlyle Warrants. The Carlyle Warrants have a 25-year term, which commenced May 2, 2018.

On May 31, 2018, Carlyle exercised Carlyle Warrants to purchase a total of 250,585 shares of Common Stock (after giving effect to the withholding of 108 shares of Common Stock as payment for the exercise price of the Warrants - see Note 14) (the “Carlyle Warrant Exercise”). Following the Carlyle Warrant Exercise, Carlyle holds Warrants to purchase 1,636,099 shares of Common Stock at an exercise price of \$0.01 per share.

On June 8, 2018, CME exercised PIPE Warrants and paid an aggregate cash exercise price of \$0.01 per share to purchase a total of 38,857 shares of Common Stock (the “CME Warrant Exercise”). Following the CME Warrant Exercise, CME holds Warrants to purchase 635,307 shares of Common Stock at an exercise price of \$0.01 per share.

	<u>Weighted Average Exercise Price</u>	<u>Number of Warrants</u>
Balance as of December 31, 2017	—	—
Warrants issued - January 1 - September 30, 2018	\$ 0.01	2,560,956
Warrants exercised - January 1 - September 30, 2018	\$ 0.01	(289,550)
Balance as of September 30, 2018	\$ 0.01	<u>2,271,406</u>

9. STOCKHOLDERS' EQUITY

On January 1, 2018, the Company adopted a new accounting standard issued by the FASB on October 24, 2016, which requires companies to account for the income tax effects of intercompany sales and transfers of assets other than inventory. The impact of the adoption of the new standard resulted in a reduction of \$12.1 million to the Company’s opening retained earnings.

On February 8, 2018, the Company formed FGH, a joint venture between the Company and MOI. In accordance with the terms of the Joint Venture Contribution and Formation Agreement, the Company and MOI contributed certain liftboat vessels and other related assets to the joint venture and assumed certain operating liabilities and indebtedness associated with the liftboat vessels and related assets. The transaction consolidates the fifteen liftboat vessels operated by the Company and six liftboat vessels previously operated by MOI. FGUSA, a wholly-owned subsidiary of FGH, paid \$15.0 million of MOI’s debtor-in-possession obligations and entered into a \$131.1 million credit agreement comprised of the FGUSA Term Loan and the FGUSA Revolving Loan Facility. The Company performed a fair market valuation of the debt reflecting a debt discount of \$10.0 million, which will be amortized over the life of the FGUSA Credit Facility.

On March 26, 2018, the Company issued 103,213 shares of Common Stock to an accredited investor for a total of \$1.8 million in gross proceeds pursuant to a private placement in reliance on the exemption from registration set forth in Section 4(a)(2) of the Securities Act.

As indicated in Note 8, on April 26, 2018, the Company closed the PIPE Private Placement for aggregate gross proceeds of \$56,855,000 with certain qualified institutional buyers and other accredited investors. The PIPE Private Placement included the issuance of the PIPE Shares and the PIPE Warrants. The PIPE Shares and PIPE Warrants were issued in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act.

As indicated in Notes 4 and 8, on May 2, 2018, the Company and Carlyle entered into the Exchange pursuant to which Carlyle exchanged \$50.0 million in principal amount of the Convertible Senior Notes for the Carlyle Warrants. The Carlyle Warrants were issued in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act.

10. NONCONTROLLING INTERESTS IN SUBSIDIARIES

Noncontrolling interests in the Company’s consolidated subsidiaries were as follows (in thousands):

	<u>Noncontrolling Interests</u>	<u>September 30, 2018</u>	<u>December 31, 2017</u>
Falcon Global Holdings	28.0%	\$ 27,024	\$ 12,087
Windcat Workboats	12.5%	2,311	2,608
Other	1.8%	292	280
		<u>\$ 29,627</u>	<u>\$ 14,975</u>

Falcon Global Holdings. The Company formed FGH, a joint venture between the Company and MOI. The Company and MOI contributed certain liftboat vessels and other related assets to FGH and its designated subsidiaries and assumed certain operating liabilities and indebtedness associated with the liftboat vessels and related assets, including a previous joint venture (“Falcon Global International” or “FGI”) that owned and operated two liftboats. The transaction consolidates the 15 liftboat vessels operated by the Company and six liftboat vessels previously operated by MOI. The total capital contributed to FGH was approximately \$112.5 million of which, \$43.3 million was transferred from FGI and \$18.8 million was contributed by MOI and recorded at fair value, with the remaining capital contributed by the Company. As a result of the transaction, the noncontrolling interest in the joint venture held by MOI is 28.0%.

During the nine months ended September 30, 2018, the net loss of Falcon Global Holdings was \$14.2 million, of which \$4.0 million was attributable to noncontrolling interests.

Windcat Workboats. Windcat Workboats owns and operates the Company's wind farm utility vessels that are primarily used to move personnel and supplies in the major offshore wind markets of Europe. As of September 30, 2018, the net assets of Windcat Workboats were \$18.5 million. During the nine months ended September 30, 2018, the net loss of Windcat Workboats was \$2.0 million, of which \$0.2 million was attributable to noncontrolling interests.

11. COMMITMENTS AND CONTINGENCIES

As of September 30, 2018, the Company's unfunded capital commitments were \$34.5 million for two fast support vessels, three supply vessels, two wind farm utility vessels and a conversion of one supply vessel to standby safety vessel. Of the amount of unfunded capital commitments, \$2.7 million is payable during the remainder of 2018, \$17.3 million is payable during 2019 and \$14.5 million is payable during 2020. The Company has indefinitely deferred an additional \$20.8 million of orders with respect to two fast support vessels for which the Company had previously reported unfunded capital commitments. The delivery dates and payment of certain costs (originally scheduled for payment in 2018, 2019 and 2020) for such vessels are uncertain as the Company, at its option, may defer their construction for an indefinite period of time. The Company's remaining commitment related to capital commitments for SEACOSCO is approximately \$5.3 million.

As of September 30, 2018, the Company has guaranteed certain performance contracts of one of its subsidiaries by setting aside £0.9 million from its available borrowing under an unsecured line of credit. If the contract were not fulfilled, the line of credit would be drawn to fund the guarantee.

As of September 30, 2018, SEACOR Holdings has guaranteed \$46.1 million on behalf of the Company for various obligations including: letter of credit obligations, performance obligations under sale-leaseback arrangements and invoiced amounts for funding deficits under the MNOFF. Pursuant to a Distribution Agreement with SEACOR Holdings, SEACOR Holdings charges the Company a fee of 0.5% on outstanding guaranteed amounts, which declines as the obligations are settled by the Company.

In the normal course of its business, the Company becomes involved in various other litigation matters including, among other things, claims by third parties for alleged property damages and personal injuries. Management has used estimates in determining the Company's potential exposure to these matters and has recorded reserves in its financial statements related thereto where appropriate. It is possible that a change in the Company's estimates of that exposure could occur, but the Company does not expect such changes in estimated costs would have a material effect on the Company's consolidated financial position, results of operations or cash flows.

12. MULTI-EMPLOYER PENSION PLANS

Merchant Navy Ratings Pension Fund ("MNRPF"). The cumulative funding deficits of the MNRPF are being recovered by additional annual contributions from current employers that are subject to adjustment following the results of tri-annual actuarial valuations. Based on an actuarial valuation as of March 2017, the cumulative funding deficit of the MNRPF was \$291.9 million (£221.0 million). On July 20, 2018, the Company was notified of additional contributions due and recognized in the second quarter of 2018 payroll related expenses of \$1.19 million (£0.9 million) for its allocated share of the cumulative funding deficit including portions deemed uncollectible due to the non-existence or liquidation of certain former employers. These additional contributions are payable in four annual installments, which began in October 2018. Depending upon the results of future actuarial valuations, it is possible that the plan could experience further funding deficits that will require the Company to recognize payroll related operating expenses for those periods.

13. SHARE BASED COMPENSATION

Transactions in connection with the Company's 2017 Equity Incentive Plan during the nine months ended September 30, 2018 were as follows:

Director stock awards granted	19,285
Restricted stock awards granted	120,600
Stock Options Activities:	
Outstanding as of December 31, 2017	613,700
Granted	183,491
Exercised	65,000
Outstanding as of September 30, 2018	732,191
Shares Available for future grants as of September 30, 2018	1,232,924

14. STOCK REPURCHASES

For the nine months ended September 30, 2018, the Company acquired for treasury 3,664 shares of Common Stock for an aggregate purchase price of \$83,922 from its employees to cover their tax withholding obligations upon the lapsing of restrictions on share awards. These shares were purchased in accordance with the terms of the Company's 2017 Equity Incentive Plan and not pursuant

to the repurchase authorizations granted by the Company's Board of Directors. On May 24, 2018, in connection with the net settlement of the Carlyle Warrant Exercise, the Company acquired for treasury 108 shares of Common Stock for an aggregate purchase price of \$2,562 from Carlyle to cover the \$0.01 exercise price of the Carlyle Warrants. (See Note 8).

15. SEGMENT INFORMATION

The Company's segment presentation and basis of measurement of segment profit or loss are as previously described in the Company's Annual Report on Form 10-K for the year ended December 31, 2017. The following tables summarize the operating results, capital expenditures and assets of the Company's reportable segments (in thousands).

	United States (primarily Gulf of Mexico)	Africa (primarily West Africa)	Middle East and Asia	Brazil, Mexico, Central and South America	Europe (primarily North Sea)	Total
For the Three Months Ended September 30, 2018						
Time Charter Statistics:						
Average Rates Per Day	\$ 12,476	\$ 9,315	\$ 8,156	\$ 17,604	\$ 4,287	\$ 7,323
Fleet Utilization	30%	82%	76%	80%	85%	68%
Fleet Available Days	3,433	1,475	2,024	531	5,154	12,617
Operating Revenues:						
Time charter	\$ 12,800	\$ 11,201	\$ 12,590	\$ 7,479	\$ 18,832	\$ 62,902
Bareboat charter	—	—	—	1,168	—	1,168
Other marine services	2,722	1,777	(83)	416	1,353	6,185
	<u>15,522</u>	<u>12,978</u>	<u>12,507</u>	<u>9,063</u>	<u>20,185</u>	<u>70,255</u>
Direct Costs and Expenses:						
Operating:						
Personnel	4,853	4,486	4,361	1,662	9,659	25,021
Repairs and maintenance	1,801	2,438	2,091	312	2,566	9,208
Drydocking	375	1,201	352	103	2,791	4,822
Insurance and loss reserves	612	323	385	163	374	1,857
Fuel, lubes and supplies	1,120	1,081	892	427	1,170	4,690
Other	154	1,103	952	350	441	3,000
	<u>8,915</u>	<u>10,632</u>	<u>9,033</u>	<u>3,017</u>	<u>17,001</u>	<u>48,598</u>
Direct Vessel Profit	<u>\$ 6,607</u>	<u>\$ 2,346</u>	<u>\$ 3,474</u>	<u>\$ 6,046</u>	<u>\$ 3,184</u>	<u>21,657</u>
Other Costs and Expenses:						
Operating:						
Leased-in equipment	<u>\$ 1,853</u>	<u>\$ 960</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 12</u>	<u>2,825</u>
Administrative and general						12,234
Depreciation and amortization	<u>\$ 5,227</u>	<u>\$ 2,381</u>	<u>\$ 4,207</u>	<u>\$ 2,521</u>	<u>\$ 3,006</u>	<u>17,342</u>
						<u>32,401</u>
Gains on Asset Dispositions and Impairments						586
Operating Loss						<u>\$ (10,158)</u>

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	United States (primarily Gulf of Mexico)	Africa (primarily West Africa)	Middle East and Asia	Brazil, Mexico, Central and South America	Europe (primarily North Sea)	Total
For the Nine Months Ended September 30, 2018						
Time Charter Statistics:						
Average Rates Per Day	\$ 10,832	\$ 9,425	\$ 8,156	\$ 17,807	\$ 4,721	\$ 7,229
Fleet Utilization	23%	86%	75%	65%	77%	61%
Fleet Available Days	11,193	4,066	6,161	1,166	15,159	37,746
Operating Revenues:						
Time charter	\$ 27,834	\$ 33,117	\$ 37,555	\$ 13,409	\$ 54,955	\$ 166,870
Bareboat charter	—	—	—	3,467	—	3,467
Other marine services	6,053	3,414	(1,005)	1,371	2,507	12,340
	<u>33,887</u>	<u>36,531</u>	<u>36,550</u>	<u>18,247</u>	<u>57,462</u>	<u>182,677</u>
Direct Costs and Expenses:						
Operating:						
Personnel	13,481	12,873	12,452	3,257	29,367	71,430
Repairs and maintenance	4,024	5,457	8,095	649	7,126	25,351
Drydocking	1,810	2,113	413	114	5,741	10,191
Insurance and loss reserves	1,948	789	982	399	863	4,981
Fuel, lubes and supplies	2,513	2,650	2,848	841	3,505	12,357
Other	208	3,541	2,996	898	973	8,616
	<u>23,984</u>	<u>27,423</u>	<u>27,786</u>	<u>6,158</u>	<u>47,575</u>	<u>132,926</u>
Direct Vessel Profit	<u>\$ 9,903</u>	<u>\$ 9,108</u>	<u>\$ 8,764</u>	<u>\$ 12,089</u>	<u>\$ 9,887</u>	<u>\$ 49,751</u>
Other Costs and Expenses:						
Operating:						
Leased-in equipment	\$ 5,571	\$ 2,885	\$ —	\$ —	\$ 34	8,490
Administrative and general						40,573
Depreciation and amortization	\$ 17,677	\$ 8,112	\$ 14,608	\$ 6,020	\$ 8,843	55,260
						<u>104,323</u>
Losses on Asset Dispositions and Impairment						
						(1,002)
Operating Loss						<u>\$ (55,574)</u>
As of September 30, 2018						
Property and Equipment:						
Historical cost	\$ 479,303	\$ 186,729	\$ 310,110	\$ 102,776	\$ 200,082	\$ 1,279,000
Accumulated depreciation	(242,364)	(53,498)	(81,121)	(47,374)	(144,395)	(568,752)
	<u>\$ 236,939</u>	<u>\$ 133,231</u>	<u>\$ 228,989</u>	<u>\$ 55,402</u>	<u>\$ 55,687</u>	<u>\$ 710,248</u>

	United States (primarily Gulf of Mexico)	Africa (primarily West Africa)	Middle East and Asia	Brazil, Mexico, Central and South America	Europe (primarily North Sea)	Total
For the Three Months Ended September 30, 2017						
Time Charter Statistics:						
Average Rates Per Day	\$ 7,212	\$ 10,611	\$ 7,138	\$ 16,060	\$ 4,390	\$ 6,006
Fleet Utilization	16%	71%	61%	49%	90%	60%
Fleet Available Days	3,859	1,283	2,194	184	5,060	12,580
Operating Revenues:						
Time charter	\$ 4,587	\$ 9,700	\$ 9,490	\$ 1,439	\$ 20,051	\$ 45,267
Bareboat charter	—	—	—	1,168	—	1,168
Other marine services	1,116	(310)	(341)	159	754	1,378
	<u>5,703</u>	<u>9,390</u>	<u>9,149</u>	<u>2,766</u>	<u>20,805</u>	<u>47,813</u>
Direct Costs and Expenses:						
Operating:						
Personnel	4,455	3,588	4,731	326	9,079	22,179
Repairs and maintenance	1,289	1,324	2,309	110	2,378	7,410
Drydocking	1,109	311	(102)	—	961	2,279
Insurance and loss reserves	598	157	363	75	203	1,396
Fuel, lubes and supplies	249	693	1,115	33	790	2,880
Other	123	704	1,192	69	190	2,278
	<u>7,823</u>	<u>6,777</u>	<u>9,608</u>	<u>613</u>	<u>13,601</u>	<u>38,422</u>
Direct Vessel (Loss) Profit	<u>\$ (2,120)</u>	<u>\$ 2,613</u>	<u>\$ (459)</u>	<u>\$ 2,153</u>	<u>\$ 7,204</u>	<u>\$ 9,391</u>
Other Costs and Expenses:						
Operating:						
Leased-in equipment	\$ 1,870	\$ 966	\$ —	\$ —	\$ —	2,836
Administrative and general						10,318
Depreciation and amortization	\$ 5,224	\$ 2,456	\$ 4,320	\$ 1,025	\$ 2,597	15,622
						<u>28,776</u>
Losses on Asset Dispositions and Impairments						(9,744)
Operating Loss						<u>\$ (29,129)</u>

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	United States (primarily Gulf of Mexico)	Africa (primarily West Africa)	Middle East and Asia	Brazil, Mexico, Central and South America	Europe (primarily North Sea)	Total
For the Nine Months Ended September 30, 2017						
Time Charter Statistics:						
Average Rates Per Day	\$ 8,661	\$ 10,192	\$ 6,916	\$ 16,060	\$ 4,328	\$ 5,806
Fleet Utilization	12%	67%	55%	24%	84%	54%
Fleet Available Days	11,920	3,425	5,970	379	15,015	36,709
Operating Revenues:						
Time charter	\$ 12,471	23,333	\$ 22,728	\$ 1,439	\$ 54,829	\$ 114,800
Bareboat charter	—	—	—	3,467	—	3,467
Other marine services	3,140	97	645	396	1,895	6,173
	<u>15,611</u>	<u>23,430</u>	<u>23,373</u>	<u>5,302</u>	<u>56,724</u>	<u>124,440</u>
Direct Costs and Expenses:						
Operating:						
Personnel	11,768	9,624	12,001	487	25,667	59,547
Repairs and maintenance	2,963	5,102	6,832	230	6,303	21,430
Drydocking	1,992	2,051	414	—	3,140	7,597
Insurance and loss reserves	2,608	696	1,062	86	629	5,081
Fuel, lubes and supplies	1,104	1,956	2,547	60	2,745	8,412
Other	246	2,221	3,718	73	677	6,935
	<u>20,681</u>	<u>21,650</u>	<u>26,574</u>	<u>936</u>	<u>39,161</u>	<u>109,002</u>
Direct Vessel (Loss) Profit	<u>\$ (5,070)</u>	<u>\$ 1,780</u>	<u>\$ (3,201)</u>	<u>\$ 4,366</u>	<u>\$ 17,563</u>	<u>15,438</u>
Other Costs and Expenses:						
Operating:						
Leased-in equipment	\$ 6,286	\$ 2,905	\$ 862	\$ —	\$ 64	10,117
Administrative and general						43,849
Depreciation and amortization	\$ 16,573	\$ 6,105	\$ 10,826	\$ 2,474	\$ 6,780	42,758
						<u>96,724</u>
Losses on Asset Dispositions and Impairment						
						(11,243)
Operating Loss						<u>\$ (92,529)</u>
As of September 30, 2017						
Property and Equipment:						
Historical cost	\$ 429,500	\$ 189,845	\$ 328,263	\$ 78,976	\$ 177,825	\$ 1,204,409
Accumulated depreciation	(237,210)	(54,052)	(93,535)	(42,590)	(131,532)	(558,919)
	<u>\$ 192,290</u>	<u>\$ 135,793</u>	<u>\$ 234,728</u>	<u>\$ 36,386</u>	<u>\$ 46,293</u>	<u>\$ 645,490</u>

The Company's investments in 50% or less owned companies, which are accounted for under the equity method, also contribute to its consolidated results of operations. As of September 30, 2018, the Company's investments, at equity and advances to 50% or less owned companies in MexMar and its other 50% or less owned companies were \$63.8 million and \$56.5 million, respectively. Equity in (losses) earnings of 50% or less owned companies, net of tax for the nine months ended September 30 were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
MexMar	\$ 137	\$ 793	\$ 2,644	\$ 3,382
Other	(1,164)	(8,099)	(4,184)	(8,679)
	<u>\$ (1,027)</u>	<u>\$ (7,306)</u>	<u>\$ (1,540)</u>	<u>\$ (5,297)</u>

16. SUBSEQUENT EVENT

In October 2018, the Company entered into interest rate swap agreements for the purpose of providing protection against increases in interest rates, which might lead to higher interest costs on the Company's debt that bear interest at a floating rate. These agreements hedged 50% of the \$11.0 million of debt incurred by Seacor 88 and Seacor 888 and 50% of the \$130.0 million syndicated credit facility incurred by SMFH. The Company is currently evaluating the swap agreements for hedge accounting effectiveness.

Subsequent to September 30, 2018, the Company sold three fast support vessels and two liftboats for gross proceeds of \$8.2 million and a net gain of \$5.1 million. \$7.0 million of such gross proceeds were used for the repayment of existing indebtedness.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Form 10-Q includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Certain statements discussed in this Form 10-Q as well as in other reports, materials and oral statements that the Company releases from time to time to the public constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Generally, words such as "anticipate," "estimate," "expect," "project," "intend," "believe," "plan," "target," "forecast" and similar expressions are intended to identify forward-looking statements. Such forward-looking statements concern management's expectations, strategic objectives, business prospects, anticipated economic performance and financial condition and other similar matters. These statements are not guarantees of future performance and actual events or results may differ significantly from these statements. Actual events or results are subject to significant known and unknown risks, uncertainties and other important factors, including decreased demand and loss of revenues as a result of a decline in the price of oil and resulting decrease in capital spending by oil and gas companies, an oversupply of newly built offshore support vessels, additional safety and certification requirements for drilling activities in the U.S. Gulf of Mexico and delayed approval of applications for such activities, the possibility of U.S. government implemented moratoriums directing operators to cease certain drilling activities in the U.S. Gulf of Mexico and any extension of such moratoriums, weakening demand for the Company's services as a result of unplanned customer suspensions, cancellations, rate reductions or non-renewals of vessel charters or failures to finalize commitments to charter vessels in response to a decline in the price of oil, increased government legislation and regulation of the Company's businesses could increase cost of operations, increased competition if the Jones Act and related regulations are repealed, liability, legal fees and costs in connection with the provision of emergency response services, such as the response to the oil spill as a result of the sinking of the Deepwater Horizon in April 2010, decreased demand for the Company's services as a result of declines in the global economy, declines in valuations in the global financial markets and a lack of liquidity in the credit sectors, including, interest rate fluctuations, availability of credit, inflation rates, change in laws, trade barriers, commodity prices and currency exchange fluctuations, the cyclical nature of the oil and gas industry, activity in foreign countries and changes in foreign political, military and economic conditions, changes to the status of applicable trade treaties including as a result of the U.K.'s impending exit from the European Union, changes in foreign and domestic oil and gas exploration and production activity, safety record requirements, compliance with U.S. and foreign government laws and regulations, including environmental laws and regulations and economic sanctions, the dependence on several key customers, consolidation of the Company's customer base, the ongoing need to replace aging vessels, industry fleet capacity, restrictions imposed by the Jones Act and related regulations on the amount of foreign ownership of the Company's Common Stock, operational risks, effects of adverse weather conditions and seasonality, adequacy of insurance coverage, the ability of the Company to maintain effective internal controls over financial reporting, in accordance with Section 404 of the Sarbanes-Oxley Act, the attraction and retention of qualified personnel by the Company, and various other matters and factors, many of which are beyond the Company's control as well as those discussed in Item 1A (Risk Factors) of the Company's Annual Report on Form 10-K and other reports filed by the Company with the Securities and Exchange Commission ("SEC"). It should be understood that it is not possible to predict or identify all such factors. Consequently, the preceding should not be considered to be a complete discussion of all potential risks or uncertainties and investors and analysts should not place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of the document in which they are made. The Company disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statement to reflect any change in the Company's expectations or any change in events, conditions or circumstances on which the forward-looking statement is based, except as required by law. It is advisable, however, to consult any further disclosures the Company makes on related subjects in its filings with the SEC, including Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K (if any). These statements constitute the Company's cautionary statements under the Private Securities Litigation Reform Act of 1995.

Overview

The Company provides global marine and support transportation services to offshore oil and gas exploration, development and production facilities worldwide. The Company currently operates a diverse fleet of 176 support and specialty vessels, of which 137 are owned or leased-in, 32 are joint ventured and seven are managed on behalf of unaffiliated third parties. The primary users of the Company's services are major integrated oil companies, large independent oil and gas exploration and production companies and emerging independent companies.

The Company operates its fleet in five principal geographic regions: the United States, primarily in the Gulf of Mexico; Africa, primarily in West Africa; the Middle East and Asia; Brazil, Mexico, Central and South America; and Europe, primarily in the North Sea. The Company's vessels are highly mobile and regularly and routinely move between countries within a geographic region. In addition, the Company's vessels are redeployed among its geographic regions, subject to flag restrictions, as changes in market conditions dictate. The number and type of vessels operated, their rates per day worked and their utilization levels are the key determinants of the Company's operating results and cash flows. Unless a vessel is cold-stacked, there is little reduction in daily running costs for the vessels and, consequently, operating margins are most sensitive to changes in rates per day worked and utilization. The Company manages its fleet utilizing a global network of shore side support, administrative and finance personnel.

Offshore oil and gas market conditions deteriorated beginning in 2014 and continued to deteriorate when oil prices hit a thirteen-year low of less than \$27 per barrel (on the New York Mercantile Exchange) in February 2016. As of September 30, 2018, oil prices had increased from the February 2016 lows to a price of approximately \$76 per barrel. While the Company has experienced what it believes is a beginning of a recovery, it continued to experience difficult market conditions through the third quarter of 2018.

These low oil prices and the subsequent decline in offshore exploration forced many operators in the industry to restructure or liquidate assets. The Company continues to closely monitor the reactivation of existing offshore support vessels as well as the delivery of newly built offshore support vessels to the industry-wide fleet, which is creating situations of oversupply, further lowering the demand for the Company's existing offshore support vessel fleet. A continuation of (i) low customer exploration and drilling activity levels and (ii) the increasing size of the global offshore support vessel fleet as vessels are reactivated and newly built vessels are placed into service could, in isolation or together, have a material adverse effect on the Company's results of operations, financial position and cash flows.

As shipyards, finance parties and industry operators have been forced to restructure or liquidate assets, the Company has reviewed discreet opportunities to acquire or takeover the management of certain assets. In this industry context, the Company may from time to time deploy capital in connection with transactions that it determines enhance market coverage and/or represent a substantial discount to replacement value.

Recent Events

Seacor 88/888. On July 5, 2018, the Company acquired 100% of the membership interests in two Marshall Islands limited liability companies, financed by a term loan of \$11.0 million. Each Marshall Islands company owns one 2013-built AHTS vessel which was previously managed (but not owned) by the Company. The vessels are currently operating under contract in the Middle East and West Africa regions. The term loan matures in 2023, bears interest at a variable rate (currently 5.9%) and is secured by the two vessels. SEACOR Marine provided a limited guaranty of such loan under which claims recoverable from SEACOR Marine shall not exceed the lesser of (x) \$5.5 million and (y) 50% of the obligations outstanding at the time a claim is made thereunder. In October 2018, the Company entered into an interest rate swap agreement on the notional value of \$5.5 million related to this loan.

SEACOR Marlin. The Company created a new subsidiary, SEACOR Marlin LLC ("SMLLC") and contributed the Seacor Marlin supply vessel into SMLLC. On September 13, 2018, the Company sold 51% of SMLLC to MexMar Offshore (MI) LLC ("MexMar Offshore"), a wholly-owned subsidiary of MexMar, for \$8.0 million in cash and generated a gain of \$0.4 million. The Seacor Marlin supply vessel was pledged as collateral under the MexMar credit facility, for which the Company receives an annual collateral fee. SMLLC is a 50% or less owned company and will be accounted for using the equity method of accounting.

Seacor Marine Foreign Holdings Debt. On September 26, 2018, SEACOR Marine Foreign Holdings Inc. ("SMFH"), a wholly-owned subsidiary of SEACOR Marine, entered into a \$130.0 million loan facility with a syndicate of lenders administered by DNB Bank ASA. SMFH's obligations pursuant to the loan facility are secured by mortgages on 20 vessels owned by the Company's vessel owning subsidiaries as well as an assignment of earnings from those subsidiaries. The loan matures in 2023 and bears interest at a variable rate (currently 6.1875%). The obligations of SMFH under the loan facility are guaranteed by SEACOR Marine. The proceeds from the syndicated loan facility were used to pay off other credit facilities of subsidiaries of the Company (\$101.3 million, made up of \$99.9 million principal and \$1.4 million accrued interest), resulting in a net increase in term debt of \$30.1 million. Principal payments of \$3.2 million per quarter begin in December 2018. In October, 2018, the Company entered into an interest rate swap agreement on the notional value of \$65.0 million related to this debt. As a result of this transaction, the Company recognized a loss of \$0.6 million upon the early extinguishment of debt.

Consolidated Results of Operations

The sections below provide an analysis of the Company's results of operations for the three months ("Current Year Quarter") and nine months ("Current Nine Months") ended September 30, 2018 compared with the three months ("Prior Year Quarter") and nine months ("Prior Nine Months") ended September 30, 2017. For the periods indicated, the Company's consolidated results of operations were as follows (in thousands, except statistics):

	Three Months Ended September 30,				Nine Months Ended September 30,							
	2018		2017		2018		2017					
Time Charter Statistics:												
Average Rates Per Day Worked (excluding wind farm)	\$	10,186	\$	8,565	\$	9,697	\$	8,439				
Average Rates Per Day	\$	7,323	\$	6,006	\$	7,229	\$	5,806				
Fleet Utilization (excluding wind farm)		60%		49%		56%		43%				
Fleet Utilization		68%		60%		61%		54%				
Fleet Available Days (excluding wind farm)		9,119		9,176		27,461		26,608				
Fleet Available Days		12,617		12,580		37,746		36,709				
Operating Revenues:												
Time charter	\$	62,902	90%	\$	45,267	95%	\$	166,870	92%	\$	114,800	92%
Bareboat charter		1,168	1%		1,168	2%		3,467	2%		3,467	3%
Other marine services		6,185	9%		1,378	3%		12,340	6%		6,173	5%
		<u>70,255</u>	<u>100%</u>		<u>47,813</u>	<u>100%</u>		<u>182,677</u>	<u>100%</u>		<u>124,440</u>	<u>100%</u>
Costs and Expenses:												
Operating:												
Personnel		25,021	35%		22,178	46%		71,430	39%		59,546	48%
Repairs and maintenance		9,208	13%		7,411	15%		25,351	14%		21,431	17%
Drydocking		4,822	7%		2,278	5%		10,191	5%		7,597	6%
Insurance and loss reserves		1,857	3%		1,396	3%		4,981	3%		5,081	4%
Fuel, lubes and supplies		4,690	7%		2,880	6%		12,357	7%		8,412	7%
Other		3,000	4%		2,278	5%		8,616	5%		6,935	6%
Leased-in equipment		2,825	4%		2,837	6%		8,490	5%		10,117	8%
		<u>51,423</u>	<u>73%</u>		<u>41,258</u>	<u>86%</u>		<u>141,416</u>	<u>78%</u>		<u>119,119</u>	<u>96%</u>
Administrative and general		12,234	17%		10,318	22%		40,573	22%		43,849	35%
Depreciation and amortization		17,342	25%		15,622	33%		55,260	30%		42,758	34%
		<u>80,999</u>	<u>115%</u>		<u>67,198</u>	<u>141%</u>		<u>237,249</u>	<u>130%</u>		<u>205,726</u>	<u>165%</u>
Gains (Losses) on Asset Dispositions and Impairments, Net		586	1%		(9,744)	(20)%		(1,002)	—%		(11,243)	(9)%
Operating Loss		(10,158)	(14)%		(29,129)	(61)%		(55,574)	(30)%		(92,529)	(74)%
Other (Expense) Income, Net		(3,332)	(5)%		8,256	17%		(30,268)	(16)%		8,337	7%
Loss Before Income Tax Benefit and Equity in Earnings (Losses) of 50% or Less Owned Companies		(13,490)	(19)%		(20,873)	(44)%		(85,842)	(46)%		(84,192)	(67)%
Income Tax Benefit		1,249	2%		(5,823)	(12)%		(13,299)	(7)%		(23,045)	(18)%
Loss Before Equity in Earnings (Losses) of 50% or Less Owned Companies		(14,739)	(21)%		(15,050)	(32)%		(72,543)	(39)%		(61,147)	(49)%
Equity in (Losses) Earnings of 50% or Less Owned Companies		(1,027)	(2)%		(7,306)	(15)%		(1,540)	(1)%		(5,297)	(4)%
Net Loss		(15,766)	(23)%		(22,356)	(47)%		(74,083)	(40)%		(66,444)	(53)%
Net Loss attributable to Noncontrolling Interests in Subsidiaries		191	—%		(1,881)	(4)%		(4,269)	(2)%		(4,582)	(3)%
Net Loss attributable to SEACOR Marine Holdings Inc.	\$	<u>(15,957)</u>	<u>(23)%</u>	\$	<u>(20,475)</u>	<u>(43)%</u>	\$	<u>(69,814)</u>	<u>(38)%</u>	\$	<u>(61,862)</u>	<u>(50)%</u>

Direct Vessel Profit. Direct vessel profit (defined as operating revenues less operating expenses excluding leased-in equipment, "DVP") is the Company's measure of segment profitability when applied to reportable segments and a non-GAAP measure when applied to individual vessels, fleet categories or the combined fleet. DVP is a critical financial measure used by the Company to analyze and compare the operating performance of its individual vessels, fleet categories, regions and combined fleet, without regard to financing decisions (depreciation for owned vessel vs. leased-in expense for leased-in vessels). DVP is also useful when comparing the Company's fleet's performance against those of its competitors who may have differing fleet financing structures.

DVP by region and by vessel class has material limitations as an analytical tool in that it does not reflect all of the costs associated with the operation of the Company's fleet and it should not be considered in isolation or used as a substitute for the Company's results as reported under GAAP. A reconciliation of DVP by region and by vessel class to operating loss, its most comparable GAAP measure, is included in the tables below.

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The following tables summarize the operating results and property and equipment for the Company's reportable segments for the periods indicated (in thousands, except statistics):

	United States (primarily Gulf of Mexico)	Africa (primarily West Africa)	Middle East and Asia	Brazil, Mexico, Central and South America	Europe (primarily North Sea)	Total
For the Three Months Ended September 30, 2018						
Time Charter Statistics:						
Average Rates Per Day	\$ 12,476	\$ 9,315	\$ 8,156	\$ 17,604	\$ 4,287	\$ 7,323
Fleet Utilization	30%	82%	76%	80%	85%	68%
Fleet Available Days	3,433	1,475	2,024	531	5,154	12,617
Operating Revenues:						
Time charter	\$ 12,800	\$ 11,201	\$ 12,590	\$ 7,479	\$ 18,832	\$ 62,902
Bareboat charter	—	—	—	1,168	—	1,168
Other marine services	2,722	1,777	(83)	416	1,353	6,185
	<u>15,522</u>	<u>12,978</u>	<u>12,507</u>	<u>9,063</u>	<u>20,185</u>	<u>70,255</u>
Direct Costs and Expenses:						
Operating:						
Personnel	4,853	4,486	4,361	1,662	9,659	25,021
Repairs and maintenance	1,801	2,438	2,091	312	2,566	9,208
Drydocking	375	1,201	352	103	2,791	4,822
Insurance and loss reserves	612	323	385	163	374	1,857
Fuel, lubes and supplies	1,120	1,081	892	427	1,170	4,690
Other	154	1,103	952	350	441	3,000
	<u>8,915</u>	<u>10,632</u>	<u>9,033</u>	<u>3,017</u>	<u>17,001</u>	<u>48,598</u>
Direct Vessel Profit	<u>\$ 6,607</u>	<u>\$ 2,346</u>	<u>\$ 3,474</u>	<u>\$ 6,046</u>	<u>\$ 3,184</u>	<u>21,657</u>
Other Costs and Expenses:						
Operating:						
Leased-in equipment	\$ 1,853	\$ 960	\$ —	\$ —	\$ 12	2,825
Administrative and general						12,234
Depreciation and amortization	\$ 5,227	\$ 2,381	\$ 4,207	\$ 2,521	\$ 3,006	17,342
						<u>32,401</u>
Gains on Asset Dispositions and Impairments						586
Operating Loss						<u>\$ (10,158)</u>
For the Nine Months Ended September 30, 2018						
Time Charter Statistics:						
Average Rates Per Day	\$ 10,832	\$ 9,425	\$ 8,156	\$ 17,807	\$ 4,721	\$ 7,229
Fleet Utilization	23%	86%	75%	65%	77%	61%
Fleet Available Days	11,193	4,066	6,161	1,166	15,159	37,746
Operating Revenues:						
Time charter	\$ 27,834	\$ 33,117	\$ 37,555	\$ 13,409	\$ 54,955	\$ 166,870
Bareboat charter	—	—	—	3,467	—	3,467
Other marine services	6,053	3,414	(1,005)	1,371	2,507	12,340
	<u>33,887</u>	<u>36,531</u>	<u>36,550</u>	<u>18,247</u>	<u>57,462</u>	<u>182,677</u>
Direct Costs and Expenses:						
Operating:						
Personnel	13,481	12,873	12,452	3,257	29,367	71,430
Repairs and maintenance	4,024	5,457	8,095	649	7,126	25,351
Drydocking	1,810	2,113	413	114	5,741	10,191
Insurance and loss reserves	1,948	789	982	399	863	4,981
Fuel, lubes and supplies	2,513	2,650	2,848	841	3,505	12,357
Other	208	3,541	2,996	898	973	8,616
	<u>23,984</u>	<u>27,423</u>	<u>27,786</u>	<u>6,158</u>	<u>47,575</u>	<u>132,926</u>
Direct Vessel Profit	<u>\$ 9,903</u>	<u>\$ 9,108</u>	<u>\$ 8,764</u>	<u>\$ 12,089</u>	<u>\$ 9,887</u>	<u>49,751</u>
Other Costs and Expenses:						
Operating:						
Leased-in equipment	\$ 5,571	\$ 2,885	\$ —	\$ —	\$ 34	8,490
Administrative and general						40,573
Depreciation and amortization	\$ 17,677	\$ 8,112	\$ 14,608	\$ 6,020	\$ 8,843	55,260
						<u>104,323</u>
Losses on Asset Dispositions and Impairments						(1,002)
Operating Loss						<u>\$ (55,574)</u>
As of September 30, 2018						
Property and Equipment:						

Historical cost	\$	479,303	\$	186,729	\$	310,110	\$	102,776	\$	200,082	\$	1,279,000
Accumulated depreciation		(242,364)		(53,498)		(81,121)		(47,374)		(144,395)		(568,752)
	\$	<u>236,939</u>	\$	<u>133,231</u>	\$	<u>228,989</u>	\$	<u>55,402</u>	\$	<u>55,687</u>	\$	<u>710,248</u>

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	United States (primarily Gulf of Mexico)	Africa (primarily West Africa)	Middle East and Asia	Brazil, Mexico, Central and South America	Europe (primarily North Sea)	Total
For the Three Months Ended September 30, 2017						
Time Charter Statistics:						
Average Rates Per Day	\$ 7,212	\$ 10,611	\$ 7,138	\$ 16,060	\$ 4,390	\$ 6,006
Fleet Utilization	16%	71%	61%	49%	90%	60%
Fleet Available Days	3,859	1,283	2,194	184	5,060	12,580
Operating Revenues:						
Time charter	\$ 4,587	\$ 9,700	\$ 9,490	\$ 1,439	\$ 20,051	\$ 45,267
Bareboat charter	—	—	—	1,168	—	1,168
Other marine services	1,116	(310)	(341)	159	754	1,378
	<u>5,703</u>	<u>9,390</u>	<u>9,149</u>	<u>2,766</u>	<u>20,805</u>	<u>47,813</u>
Direct Costs and Expenses:						
Operating:						
Personnel	4,455	3,588	4,731	326	9,079	22,179
Repairs and maintenance	1,289	1,324	2,309	110	2,378	7,410
Drydocking	1,109	311	(102)	—	961	2,279
Insurance and loss reserves	598	157	363	75	203	1,396
Fuel, lubes and supplies	249	693	1,115	33	790	2,880
Other	123	704	1,192	69	190	2,278
	<u>7,823</u>	<u>6,777</u>	<u>9,608</u>	<u>613</u>	<u>13,601</u>	<u>38,422</u>
Direct Vessel (Loss) Profit	<u>\$ (2,120)</u>	<u>\$ 2,613</u>	<u>\$ (459)</u>	<u>\$ 2,153</u>	<u>\$ 7,204</u>	<u>\$ 9,391</u>
Other Costs and Expenses:						
Operating:						
Leased-in equipment	\$ 1,870	\$ 966	\$ —	\$ —	\$ —	2,836
Administrative and general						10,318
Depreciation and amortization	\$ 5,224	\$ 2,456	\$ 4,320	\$ 1,025	\$ 2,597	15,622
						<u>28,776</u>
Losses on Asset Dispositions and Impairments						
						(9,744)
Operating Loss						<u>\$ (29,129)</u>
	United States (primarily Gulf of Mexico)	Africa (primarily West Africa)	Middle East and Asia	Brazil, Mexico, Central and South America	Europe (primarily North Sea)	Total
For the Nine Months Ended September 30, 2017						
Time Charter Statistics:						
Average Rates Per Day	\$ 8,661	\$ 10,192	\$ 6,916	\$ 16,060	\$ 4,328	\$ 5,806
Fleet Utilization	12%	67%	55%	24%	84%	54%
Fleet Available Days	11,920	3,425	5,970	379	15,015	36,709
Operating Revenues:						
Time charter	\$ 12,471	\$ 23,333	\$ 22,728	\$ 1,439	\$ 54,829	\$ 114,800
Bareboat charter	—	—	—	3,467	—	3,467
Other marine services	3,140	97	645	396	1,895	6,173
	<u>15,611</u>	<u>23,430</u>	<u>23,373</u>	<u>5,302</u>	<u>56,724</u>	<u>124,440</u>
Direct Costs and Expenses:						
Operating:						
Personnel	11,768	9,624	12,001	487	25,667	59,547
Repairs and maintenance	2,963	5,102	6,832	230	6,303	21,430
Drydocking	1,992	2,051	414	—	3,140	7,597
Insurance and loss reserves	2,608	696	1,062	86	629	5,081
Fuel, lubes and supplies	1,104	1,956	2,547	60	2,745	8,412
Other	246	2,221	3,718	73	677	6,935
	<u>20,681</u>	<u>21,650</u>	<u>26,574</u>	<u>936</u>	<u>39,161</u>	<u>109,002</u>
Direct Vessel (Loss) Profit	<u>\$ (5,070)</u>	<u>\$ 1,780</u>	<u>\$ (3,201)</u>	<u>\$ 4,366</u>	<u>\$ 17,563</u>	<u>\$ 15,438</u>
Other Costs and Expenses:						
Operating:						
Leased-in equipment	\$ 6,286	\$ 2,905	\$ 862	\$ —	\$ 64	10,117
Administrative and general						43,849
Depreciation and amortization	\$ 16,573	\$ 6,105	\$ 10,826	\$ 2,474	\$ 6,780	42,758
						<u>96,724</u>
Losses on Asset Dispositions and Impairments						
						(11,243)
Operating Loss						<u>\$ (92,529)</u>
As of September 30, 2017						
Property and Equipment:						
Historical cost	\$ 429,500	\$ 189,845	\$ 328,263	\$ 78,976	\$ 177,825	\$ 1,204,409
Accumulated depreciation	(237,210)	(54,052)	(93,535)	(42,590)	(131,532)	(558,919)

\$ 192,290

\$ 135,793

\$ 234,728

\$ 36,386

\$ 46,293

\$ 645,490

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For additional information, the following tables summarize the world-wide operating results and property and equipment for each of the Company's vessel classes for the periods indicated (in thousands, except statistics):

	<u>Anchor handling towing supply</u>	<u>Fast support</u>	<u>Supply</u>	<u>Standby safety</u>	<u>Specialty</u>	<u>Liftboats</u>	<u>Wind farm utility</u>	<u>Other activity</u>	<u>Total</u>
For the Three Months Ended September 30, 2018									
Time Charter Statistics:									
Average Rates Per Day	\$ 9,269	\$ 7,148	\$ 7,410	\$ 8,692	\$ —	\$ 18,993	\$ 2,253	\$ —	\$ 7,323
Fleet Utilization	28%	59%	82%	77%	—%	60%	89%	—%	68%
Fleet Available Days	1,012	3,709	565	1,809	92	1,932	3,498	—	12,617
Operating Revenues:									
Time charter	\$ 2,592	\$ 15,678	\$ 3,442	\$ 12,036	\$ —	\$ 22,171	\$ 6,983	\$ —	\$ 62,902
Bareboat charter	—	—	1,168	—	—	—	—	—	1,168
Other marine services	1,244	(834)	1,066	50	—	2,922	657	1,080	6,185
	<u>3,836</u>	<u>14,844</u>	<u>5,676</u>	<u>12,086</u>	<u>—</u>	<u>25,093</u>	<u>7,640</u>	<u>1,080</u>	<u>70,255</u>
Direct Costs and Expenses:									
Operating:									
Personnel	1,667	5,826	1,976	5,855	64	5,621	2,471	1,541	25,021
Repairs and maintenance	1,625	2,641	549	1,627	31	1,827	806	102	9,208
Drydocking	1,168	432	1,624	1,156	—	433	9	—	4,822
Insurance and loss reserves	282	407	145	234	41	630	130	(12)	1,857
Fuel, lubes and supplies	582	1,016	391	975	65	1,482	163	16	4,690
Other	530	1,718	254	351	67	620	104	(644)	3,000
	<u>5,854</u>	<u>12,040</u>	<u>4,939</u>	<u>10,198</u>	<u>268</u>	<u>10,613</u>	<u>3,683</u>	<u>1,003</u>	<u>48,598</u>
Direct Vessel (Loss) Profit	<u>\$ (2,018)</u>	<u>\$ 2,804</u>	<u>\$ 737</u>	<u>\$ 1,888</u>	<u>\$ (268)</u>	<u>\$ 14,480</u>	<u>\$ 3,957</u>	<u>\$ 77</u>	<u>21,657</u>
Other Costs and Expenses:									
Operating:									
Leased-in equipment	\$ 1,851	\$ 342	\$ 34	\$ —	\$ —	\$ 641	\$ (22)	\$ (21)	2,825
Administrative and general									12,234
Depreciation and amortization	\$ 689	\$ 5,780	\$ 1,173	\$ 945	\$ 282	\$ 6,188	\$ 2,093	\$ 192	17,342
									<u>32,401</u>
Gains on Asset Dispositions and Impairments									586
Operating Loss									<u>\$ (10,158)</u>

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	<u>Anchor handling towing supply</u>	<u>Fast support</u>	<u>Supply</u>	<u>Standby safety</u>	<u>Specialty</u>	<u>Liftboats</u>	<u>Wind farm utility</u>	<u>Other activity</u>	<u>Total</u>
For the Nine Months Ended September 30, 2018									
Time Charter Statistics:									
Average Rates Per Day	\$ 10,755	\$ 7,263	\$ 7,009	\$ 8,971	\$ —	\$ 18,475	\$ 2,292	\$ —	\$ 7,229
Fleet Utilization	24%	58%	75%	78%	—%	45%	75%	—%	61%
Fleet Available Days	3,138	11,309	1,835	5,404	273	5,502	10,285	—	37,746
Operating Revenues:									
Time charter	\$ 8,091	\$ 47,593	\$ 9,593	\$ 37,878	\$ —	\$ 46,085	\$ 17,630	\$ —	\$ 166,870
Bareboat charter	—	—	3,467	—	—	—	—	—	3,467
Other marine services	2,591	(1,995)	1,087	129	—	5,247	1,649	3,632	12,340
	<u>10,682</u>	<u>45,598</u>	<u>14,147</u>	<u>38,007</u>	<u>—</u>	<u>51,332</u>	<u>19,279</u>	<u>3,632</u>	<u>182,677</u>
Direct Costs and Expenses:									
Operating:									
Personnel	4,657	15,840	5,931	20,941	307	13,753	6,988	3,013	71,430
Repairs and maintenance	3,300	8,591	1,253	4,645	81	4,514	2,618	349	25,351
Drydocking	2,593	538	2,209	3,521	(6)	1,326	10	—	10,191
Insurance and loss reserves	638	1,045	381	515	76	2,170	326	(170)	4,981
Fuel, lubes and supplies	1,321	2,826	1,402	2,809	119	3,303	526	51	12,357
Other	1,671	4,644	2,021	656	264	1,373	373	(2,386)	8,616
	<u>14,180</u>	<u>33,484</u>	<u>13,197</u>	<u>33,087</u>	<u>841</u>	<u>26,439</u>	<u>10,841</u>	<u>857</u>	<u>132,926</u>
Direct Vessel Profit	<u>\$ (3,498)</u>	<u>\$ 12,114</u>	<u>\$ 950</u>	<u>\$ 4,920</u>	<u>\$ (841)</u>	<u>\$ 24,893</u>	<u>\$ 8,438</u>	<u>\$ 2,775</u>	<u>\$ 49,751</u>
Other Costs and Expenses:									
Operating:									
Leased-in equipment	\$ 5,564	\$ 1,026	\$ 34	\$ —	\$ —	\$ 1,923	\$ —	\$ (57)	8,490
Administrative and general									40,573
Depreciation and amortization	\$ 2,711	\$ 18,950	\$ 5,310	\$ 2,320	\$ 847	\$ 17,546	\$ 6,901	\$ 675	55,260
									<u>104,323</u>
Losses on Asset Dispositions and Impairments									
									(1,002)
Operating Loss									
									<u>\$ (55,574)</u>
As of September 30, 2018									
Property and Equipment:									
Historical cost	\$ 199,672	\$ 413,584	\$ 64,284	\$ 127,811	\$ 30,529	\$ 337,057	\$ 74,685	\$ 31,378	\$ 1,279,000
Accumulated depreciation	(169,530)	(98,076)	(36,236)	(100,383)	(20,151)	(72,081)	(45,356)	(26,939)	\$ (568,752)
	<u>\$ 30,142</u>	<u>\$ 315,508</u>	<u>\$ 28,048</u>	<u>\$ 27,428</u>	<u>\$ 10,378</u>	<u>\$ 264,976</u>	<u>\$ 29,329</u>	<u>\$ 4,439</u>	<u>\$ 710,248</u>

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	<u>Anchor handling towing supply</u>	<u>Fast support</u>	<u>Supply</u>	<u>Standby safety</u>	<u>Specialty</u>	<u>Liftboats</u>	<u>Wind farm utility</u>	<u>Other activity</u>	<u>Total</u>
For the Three Months Ended September 30, 2017									
Time Charter Statistics:									
Average Rates Per Day	\$ 9,766	\$ 7,999	\$ 6,279	\$ 8,650	\$ —	\$ 11,899	\$ 2,220	\$ —	\$ 6,006
Fleet Utilization	25%	49%	65%	84%	—%	28%	89%	—%	60%
Fleet Available Days	1,288	3,885	\$ 507	1,840	276	1,380	3,404	—	12,580
Operating Revenues:									
Time charter	\$ 3,199	\$ 15,271	\$ 2,062	\$ 13,328	\$ —	\$ 4,659	\$ 6,748	\$ —	\$ 45,267
Bareboat charter	—	—	1,168	—	—	—	—	—	1,168
Other marine services	(88)	(410)	(89)	32	268	447	688	530	1,378
	<u>3,111</u>	<u>14,861</u>	<u>3,141</u>	<u>13,360</u>	<u>268</u>	<u>5,106</u>	<u>7,436</u>	<u>530</u>	<u>47,813</u>
Direct Costs and Expenses:									
Operating:									
Personnel	2,388	5,405	1,321	6,955	413	3,394	2,265	38	22,179
Repairs and maintenance	565	2,680	321	1,943	40	1,288	575	(2)	7,410
Drydocking	125	247	—	960	736	211	—	—	2,279
Insurance and loss reserves	176	297	26	116	21	684	89	(13)	1,396
Fuel, lubes and supplies	158	975	194	723	92	646	93	(1)	2,880
Other	(170)	1,610	158	156	84	352	87	1	2,278
	<u>3,242</u>	<u>11,214</u>	<u>2,020</u>	<u>10,853</u>	<u>1,386</u>	<u>6,575</u>	<u>3,109</u>	<u>23</u>	<u>38,422</u>
Direct Vessel (Loss) Profit	<u>\$ (131)</u>	<u>\$ 3,647</u>	<u>\$ 1,121</u>	<u>\$ 2,507</u>	<u>\$ (1,118)</u>	<u>\$ (1,469)</u>	<u>\$ 4,327</u>	<u>\$ 507</u>	<u>9,391</u>
Other Costs and Expenses:									
Operating:									
Leased-in equipment	\$ 1,866	\$ 343	\$ —	\$ —	\$ —	\$ 627	\$ —	\$ —	2,836
Administrative and general									10,318
Depreciation and amortization	\$ 2,419	\$ 5,000	\$ 1,226	\$ 578	\$ 579	\$ 3,045	\$ 2,293	\$ 482	15,622
									<u>28,776</u>
Losses on Asset Dispositions and Impairments									
									(9,744)
Operating Loss									<u>\$ (29,129)</u>

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	<u>Anchor handling towing supply</u>	<u>Fast support</u>	<u>Supply</u>	<u>Standby safety</u>	<u>Specialty</u>	<u>Liftboats</u>	<u>Wind farm utility</u>	<u>Other activity</u>	<u>Total</u>
For the Nine Months Ended									
September 30, 2017									
Time Charter Statistics:									
Average Rates Per Day	\$ 10,973	\$ 7,858	\$ 7,108	\$ 8,418	\$ 12,000	\$ 11,308	\$ 2,128	\$ —	\$ 5,806
Fleet Utilization	22%	45%	43%	81%	2%	15%	82%	—%	54%
Fleet Available Days	3,822	10,781	1,716	5,460	819	4,010	10,101	—	36,709
Operating Revenues:									
Time charter	\$ 9,068	\$ 38,525	\$ 5,198	\$ 37,302	\$ 149	\$ 7,005	\$ 17,553	\$ —	\$ 114,800
Bareboat charter	—	—	3,467	—	—	—	—	—	3,467
Other marine services	(301)	595	(242)	101	546	872	1,633	2,969	6,173
	<u>8,767</u>	<u>39,120</u>	<u>8,423</u>	<u>37,403</u>	<u>695</u>	<u>7,877</u>	<u>19,186</u>	<u>2,969</u>	<u>124,440</u>
Direct Costs and Expenses:									
Operating:									
Personnel	7,627	14,230	3,574	19,987	994	7,148	5,943	44	59,547
Repairs and maintenance	2,052	9,282	883	4,761	136	2,608	1,710	(2)	21,430
Drydocking	535	2,236	—	3,140	736	950	—	—	7,597
Insurance and loss reserves	840	1,140	134	389	117	2,226	261	(26)	5,081
Fuel, lubes and supplies	891	2,577	521	2,392	221	1,435	381	(6)	8,412
Other	(879)	4,461	1,364	552	331	854	255	(3)	6,935
	<u>11,066</u>	<u>33,926</u>	<u>6,476</u>	<u>31,221</u>	<u>2,535</u>	<u>15,221</u>	<u>8,550</u>	<u>7</u>	<u>109,002</u>
Direct Vessel (Loss) Profit	<u>\$ (2,299)</u>	<u>\$ 5,194</u>	<u>\$ 1,947</u>	<u>\$ 6,182</u>	<u>\$ (1,840)</u>	<u>\$ (7,344)</u>	<u>\$ 10,636</u>	<u>\$ 2,962</u>	<u>15,438</u>
Other Costs and Expenses:									
Operating:									
Leased-in equipment	\$ 5,608	\$ 1,893	\$ 663	\$ —	\$ —	\$ 1,889	\$ 64	\$ —	10,117
Administrative and general									43,849
Depreciation and amortization	\$ 7,256	\$ 12,821	\$ 3,799	\$ 1,703	\$ 1,739	\$ 8,013	\$ 5,890	\$ 1,537	42,758
									<u>96,724</u>
Losses on Asset Dispositions and Impairments									
									(11,243)
Operating Loss									
									<u>\$ (92,529)</u>
As of September 30, 2017									
Property and Equipment:									
Historical cost	\$ 217,537	\$ 405,956	\$ 102,827	\$ 118,819	\$ 30,486	\$ 194,667	\$ 65,507	\$ 68,610	\$ 1,204,409
Accumulated depreciation	(179,972)	(80,960)	(53,720)	(97,343)	(18,978)	(50,599)	(37,164)	(40,183)	(558,919)
	<u>\$ 37,565</u>	<u>\$ 324,996</u>	<u>\$ 49,107</u>	<u>\$ 21,476</u>	<u>\$ 11,508</u>	<u>\$ 144,068</u>	<u>\$ 28,343</u>	<u>\$ 28,427</u>	<u>\$ 645,490</u>

Fleet Counts. The Company's fleet count as of September 30 was as follows:

	<u>Owned</u>	<u>Joint Ventured</u>	<u>Leased-in</u>	<u>Managed</u>	<u>Total</u>
2018					
Anchor handling towing supply	8	1	4	—	13
Fast support	38	5	1	3	47
Supply	7	20	—	2	29
Standby safety	19	1	—	—	20
Specialty	1	1	—	2	4
Liftboats	19	—	2	—	21
Wind farm utility	38	4	—	—	42
	<u>130</u>	<u>32</u>	<u>7</u>	<u>7</u>	<u>176</u>
2017					
Anchor handling towing supply	11	1	4	7	23
Fast support	41	5	1	3	50
Supply	8	17	—	2	27
Standby safety	20	1	—	—	21
Specialty	3	1	—	2	6
Liftboats	13	—	2	—	15
Wind farm utility	37	4	—	—	41
	<u>133</u>	<u>29</u>	<u>7</u>	<u>14</u>	<u>183</u>

Operating Income (Loss)

United States, primarily Gulf of Mexico. For the three and nine months ended September 30, the Company's direct vessel profit (loss) in the United States was as follows (in thousands, except statistics):

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,					
	2018	2017	2018	2017				
Time Charter Statistics:								
Rates Per Day Worked:								
Anchor handling towing supply	\$ 39,982	\$ —	\$ 31,648	\$ 35,496				
Fast support	6,614	7,170	6,813	8,013				
Supply	—	7,400	6,953	7,400				
Liftboats	14,522	7,257	13,195	8,656				
Overall	12,476	7,212	10,832	8,661				
Utilization:								
Anchor handling towing supply	1%	—%	1%	1%				
Fast support	22%	21%	23%	18%				
Supply	—%	36%	11%	7%				
Liftboats	49%	24%	35%	14%				
Overall	30%	16%	23%	12%				
Available Days:								
Anchor handling towing supply	552	920	1,998	2,730				
Fast support	1,296	1,696	4,384	5,151				
Supply	—	47	124	228				
Specialty	92	92	273	273				
Liftboats	1,493	1,104	4,414	3,538				
Overall	3,433	3,859	11,193	11,920				
Operating revenues:								
Time charter	\$ 12,800	82%	\$ 4,587	80%	\$ 27,834	82%	\$ 12,471	80%
Other marine services	2,722	18%	1,116	20%	6,053	18%	3,140	20%
	15,522	100%	5,703	100%	33,887	100%	15,611	100%
Direct operating expenses:								
Personnel	4,853	31%	4,455	78%	13,481	40%	11,768	75%
Repairs and maintenance	1,801	12%	1,289	23%	4,024	12%	2,963	19%
Drydocking	375	2%	1,109	19%	1,810	5%	1,992	13%
Insurance and loss reserves	612	4%	598	11%	1,948	6%	2,608	17%
Fuel, lubes and supplies	1,120	7%	249	4%	2,513	7%	1,104	7%
Other	154	1%	123	2%	208	1%	246	2%
	8,915	57%	7,823	137%	23,984	71%	20,681	133%
Direct Vessel Profit (Loss)	\$ 6,607	43%	\$ (2,120)	(37)%	\$ 9,903	29%	\$ (5,070)	(33)%

Current Year Quarter compared with Prior Year Quarter

Operating Revenues. Time charter revenues were \$8.2 million higher in the Current Year Quarter compared with the Prior Year Quarter primarily due to the addition of six liftboats associated with the FGH joint venture. Time charter revenues were \$8.6 million higher for the liftboat fleet, \$0.3 million higher for the anchor handling towing supply vessels and \$0.7 million lower for the fast support vessels. As of September 30, 2018, the Company had 22 of 38 owned and leased-in vessels (six anchor handling towing supply vessels, nine fast support vessels, six liftboats and one specialty vessel) cold-stacked compared with 31 of 42 vessels as of September 30, 2017. As of September 30, 2018, the Company had retired and removed from service five vessels (four anchor handling towing supply vessels and one supply vessel) in this region.

Direct Operating Expenses. Direct operating expenses were \$1.1 million higher in the Current Year Quarter compared with the Prior Year Quarter. On an overall basis, direct operating expenses were \$3.5 million higher due to net fleet acquisitions primarily associated with the FGH joint venture, \$0.2 million higher for the core fleet and other marine services and \$2.6 million lower due to the effect of cold-stacking vessels.

Current Nine Months compared with Prior Nine Months

Operating Revenues. Time charter revenues were \$15.4 million higher in the Current Nine Months compared with the Prior Nine Months primarily due to the addition of six liftboats associated with the FGH joint venture. Time charter revenues were \$15.9 million higher for the liftboat fleet, \$0.4 million lower for the fast support vessels and \$0.1 million lower for the anchor handling towing supply vessels.

Direct Operating Expenses. Direct operating expenses were \$3.3 million higher in the Current Nine Months compared with the Prior Nine Months. On an overall basis, direct operating expenses were \$8.8 million higher due to net fleet acquisitions primarily associated with the FGH joint venture, \$4.7 million lower due to the effect of cold-stacking vessels, \$0.7 million lower due to the repositioning of vessels between geographic regions and \$0.1 million lower for the active fleet and other marine services.

Africa, primarily West Africa. For the three and nine months ended September 30, the Company's direct vessel profit (loss) in Africa was as follows (in thousands, except statistics):

	For the Three Months Ended September 30,				For the Nine Months Ended September 30,							
	2018		2017		2018		2017					
Time Charter Statistics:												
Rates Per Day Worked:												
Anchor handling towing supply	\$	10,315	\$	11,669	\$	11,614	\$	12,190				
Fast support		9,927		10,112		9,894		9,201				
Supply		7,762		11,950		7,542		12,832				
Overall		9,315		10,611		9,425		10,192				
Utilization:												
Anchor handling towing supply		65%		100%		81%		71%				
Fast support		86%		70%		87%		71%				
Supply		84%		100%		88%		93%				
Overall		82%		71%		86%		67%				
Available Days:												
Anchor handling towing supply		276		184		638		636				
Fast support		757		915		2,205		2,243				
Supply		442		92		1,223		273				
Specialty		—		92		—		273				
Overall		<u>1,475</u>		<u>1,283</u>		<u>4,066</u>		<u>3,425</u>				
Operating revenues:												
Time charter	\$	11,201	86%	\$	9,700	103%	\$	33,117	91%	\$	23,333	100%
Other marine services		1,777	14%		(310)	(3)%		3,414	9%		97	—%
		<u>12,978</u>	<u>100%</u>		<u>9,390</u>	<u>100%</u>		<u>36,531</u>	<u>100%</u>		<u>23,430</u>	<u>100%</u>
Direct operating expenses:												
Personnel		4,486	35%		3,588	38%		12,873	35%		9,624	41%
Repairs and maintenance		2,438	19%		1,324	14%		5,457	15%		5,102	22%
Drydocking		1,201	9%		311	3%		2,113	6%		2,051	9%
Insurance and loss reserves		323	2%		157	2%		789	2%		696	3%
Fuel, lubes and supplies		1,081	8%		693	7%		2,650	7%		1,956	8%
Other		1,103	9%		704	8%		3,541	10%		2,221	9%
		<u>10,632</u>	<u>82%</u>		<u>6,777</u>	<u>72%</u>		<u>27,423</u>	<u>75%</u>		<u>21,650</u>	<u>92%</u>
Direct Vessel Profit (Loss)	\$	<u>2,346</u>	<u>18%</u>	\$	<u>2,613</u>	<u>28%</u>	\$	<u>9,108</u>	<u>25%</u>	\$	<u>1,780</u>	<u>8%</u>

Current Year Quarter compared with Prior Year Quarter

Operating Revenues. Time charter revenues were \$1.5 million higher in the Current Year Quarter compared with the Prior Year Quarter primarily due to fleet additions. Time charter revenues were \$3.7 million higher due to fleet additions, \$1.5 million lower due to the repositioning of vessels between geographic regions, \$0.5 million lower due to a reduction in average day rates and \$0.2 million lower due to lower utilization. Other marine services were \$2.1 million higher primarily due to the recognition of previously deferred revenue, following receipt of cash, due to collection concerns with regard to one customer. As of September 30, 2018, the Company had 16 owned or leased-in vessels in this region, none of which were cold-stacked, compared with one of 14 vessels as of September 30, 2017. As of September 30, 2018, the Company had one specialty vessel retired and removed from service in this region.

Direct Operating Expenses. Direct operating expenses were \$3.9 million higher in the Current Year Quarter compared with the Prior Year Quarter. On an overall basis, operating costs were \$2.9 million higher due to net fleet additions, \$0.9 million lower due to the repositioning of vessels between geographic regions and \$1.9 million higher for the active fleet and other changes in fleet mix. Personnel costs were \$0.9 million higher primarily due to net fleet additions and repairs and maintenance expenses were \$1.1 million higher primarily due to main engine repairs that occurred during the Current Year Quarter.

Current Nine Months compared with Prior Nine Months

Operating Revenues. Time charter revenues were \$9.8 million higher in the Current Nine Months compared with the Prior Nine Months primarily due to fleet additions. Time charter revenues were \$15.1 million higher due to net fleet additions, \$0.8 million higher due to the reactivation of vessels from cold-stack, \$5.3 million lower due to the repositioning of vessels between geographic regions and \$0.8 million lower due to a reduction in average day rates. Other marine services were \$3.3 million higher primarily due to the recognition of previously deferred revenue, following receipt of cash, due to collection concerns with regard to one customer.

Direct Operating Expenses. Direct operating expenses were \$5.8 million higher in the Current Nine Months compared with the Prior Nine Months. On an overall basis, operating costs were \$7.8 million higher due to net fleet additions, \$0.9 million higher for the active fleet and other changes in fleet mix, \$0.7 million lower due to the effect of cold-stacking vessels and other changes in fleet mix and \$2.2 million lower due to the repositioning of vessels between geographic regions. Personnel costs were \$3.2 million higher primarily due to net fleet additions. Other operating expenses were \$1.3 million higher primarily due to mobilization expenses and increased agency expenses associated with the acquired vessels.

Middle East and Asia. For the three and nine months ended September 30, the Company's direct vessel profit (loss) in the Middle East and Asia was as follows (in thousands, except statistics):

	<u>For the Three Months Ended September 30,</u>		<u>For the Nine Months Ended September 30,</u>					
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>				
Time Charter Statistics:								
Rates Per Day Worked:								
Anchor handling towing supply	\$ 4,663	\$ 7,327	\$ 6,398	\$ 7,833				
Fast support	5,677	6,848	5,947	6,917				
Supply	5,982	3,815	4,912	3,951				
Specialty	—	—	—	12,000				
Liftboats	28,650	36,252	31,401	36,252				
Wind farm utility	2,205	2,025	2,025	2,025				
Overall	8,156	7,138	8,156	6,916				
Utilization:								
Anchor handling towing supply	50%	78%	42%	77%				
Fast support	79%	78%	83%	77%				
Supply	100%	60%	75%	38%				
Specialty	—%	—%	—%	5%				
Liftboats	100%	19%	82%	10%				
Wind farm utility	50%	7%	42%	2%				
Overall	76%	61%	75%	55%				
Available Days:								
Anchor handling towing supply	184	184	502	456				
Fast support	1,380	1,182	4,095	3,114				
Supply	92	368	366	1,216				
Specialty	—	92	—	273				
Liftboats	184	184	546	366				
Wind farm utility	184	184	652	546				
Overall	<u>2,024</u>	<u>2,194</u>	<u>6,161</u>	<u>5,971</u>				
Operating revenues:								
Time charter	\$ 12,590	100%	\$ 9,490	104%	\$ 37,555	103%	\$ 22,728	97%
Other marine services	(83)	—%	(341)	(4)%	(1,005)	(3)%	645	3%
	<u>12,507</u>	<u>100%</u>	<u>9,149</u>	<u>100%</u>	<u>36,550</u>	<u>100%</u>	<u>23,373</u>	<u>100%</u>
Direct operating expenses:								
Personnel	4,361	35%	4,731	52%	12,452	34%	12,001	51%
Repairs and maintenance	2,091	17%	2,309	25%	8,095	22%	6,832	29%
Drydocking	352	3%	(102)	(1)%	413	1%	414	2%
Insurance and loss reserves	385	3%	363	4%	982	3%	1,062	5%
Fuel, lubes and supplies	892	7%	1,115	12%	2,848	8%	2,547	11%
Other	952	7%	1,192	13%	2,996	8%	3,718	16%
	<u>9,033</u>	<u>72%</u>	<u>9,608</u>	<u>105%</u>	<u>27,786</u>	<u>76%</u>	<u>26,574</u>	<u>114%</u>
Direct Vessel Profit (Loss)	<u>\$ 3,474</u>	<u>28%</u>	<u>\$ (459)</u>	<u>(5)%</u>	<u>\$ 8,764</u>	<u>24%</u>	<u>\$ (3,201)</u>	<u>(14)%</u>

Current Year Quarter compared with Prior Year Quarter

Operating Revenues. Time charter revenues were \$3.1 million higher in the Current Year Quarter compared with the Prior Year Quarter. Time charter revenues were \$3.6 million higher due to improved utilization, \$1.4 million higher due to the repositioning of vessels between geographic regions, \$1.2 million lower due to a reduction in average day rates and \$0.7 million lower due to net fleet dispositions. As of September 30, 2018, the Company had one of 22 owned and leased-in vessels cold-stacked in this region (one anchor handling towing supply vessel) compared with one of 25 vessels as of September 30, 2017. As of September 30, 2018, the Company had one specialty vessel retired and removed from service in this region.

Direct Operating Expenses. Direct operating expenses were \$0.6 million lower in the Current Year Quarter compared with the Prior Year Quarter. On an overall basis, direct operating expenses were \$0.6 million lower due to the effect of cold-stacking vessels, \$0.2 million lower due to the repositioning of vessels between geographic regions and \$0.2 million higher for the vessels in active service.

Current Nine Months compared with Prior Nine Months

Operating Revenues. Time charter revenues were \$14.8 million higher in the Current Nine Months compared with the Prior Nine Months primarily due to net fleet additions. Time charter revenues were \$9.3 million higher due to net fleet additions, \$4.7 million higher due to improved utilization of which \$0.4 million was due to the reactivation of vessels from cold-stack, \$3.1 million higher due to the repositioning of vessels between geographic regions and \$2.3 million lower due to a reduction in average day rates. Other marine services were \$1.6 million lower primarily due to the completion of a bareboat charter.

Direct Operating Expenses. Direct operating expenses were \$1.2 million higher in the Current Nine Months compared with the Prior Nine Months. On an overall basis, direct operating expenses were \$1.8 million higher due to higher main engine repairs, \$0.9 million higher due to net fleet additions and \$0.6 million higher due to the repositioning of vessels between geographic regions. Direct operating expenses were \$1.4 million lower due to the effect of cold stacking vessels and \$0.7 million lower for vessels in active service and other changes in fleet mix.

Brazil, Mexico, Central and South America. For the three and nine months ended September 30, the Company's direct vessel profit in Brazil, Mexico, Central and South America was as follows (in thousands, except statistics):

	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2018		2017		2018		2017	
Time Charter Statistics:								
Rates Per Day Worked:								
Fast support	6,800		—		68,00		—	
Liftboats	24,789		16,060		22,902		16,060	
Overall	17,604		16,060		17,807		16,060	
Utilization:								
Fast support		61%		—%		38%		—%
Liftboats		100%		97%		95%		85%
Overall		80%		49%		65%		24%
Available Days:								
Fast support	276		92		624		273	
Liftboats	255		92		542		106	
Overall	531		184		1,166		379	
Operating revenues:								
Time charter	\$ 7,479	82%	\$ 1,439	52%	\$ 13,409	73%	\$ 1,439	27%
Bareboat charter	1,168	13%	1,168	42%	3,467	19%	3,467	65%
Other marine services	416	5%	159	6%	1,371	8%	396	8%
	9,063	100%	2,766	100%	18,247	100%	5,302	100%
Direct operating expenses:								
Personnel	1,662	18%	326	12%	3,257	18%	487	9%
Repairs and maintenance	312	3%	110	4%	649	3%	230	5%
Drydocking	103	1%	—	—%	114	1%	—	—%
Insurance and loss reserves	163	2%	75	3%	399	2%	86	2%
Fuel, lubes and supplies	427	5%	33	1%	841	5%	60	1%
Other	350	4%	69	2%	898	5%	73	1%
	3,017	33%	613	22%	6,158	34%	936	18%
Direct Vessel Profit	\$ 6,046	67%	\$ 2,153	78%	\$ 12,089	66%	\$ 4,366	82%

Current Year Quarter compared with Prior Year Quarter

Operating Revenues. Time charter revenues were \$6.0 million higher in the Current Year Quarter compared with the Prior Year Quarter. Time charter revenues were \$3.5 million higher due to the repositioning of vessels between geographic regions, \$3.2 million higher due to fleet additions and \$0.7 million lower due to reduced average day rates for the core fleet. As of September 30, 2018, the Company had one of six owned and leased-in vessels cold-stacked in this region (one fast support vessel) compared with one of four vessels as of September 30, 2017.

Direct Operating Expenses. Direct operating expenses were \$2.4 million higher in the Current Year Quarter compared with the Prior Year Quarter, of which \$1.4 million was due to the repositioning of vessels, \$0.8 million due to fleet additions and \$0.2 million for the active fleet and other marine services.

Current Nine Months compared with Prior Nine Months

Operating Revenues. Time charter revenues were \$12.0 million higher in the Current Nine Months compared with the Prior Nine Months. Time charter revenues were \$7.5 million higher due to the repositioning of vessels between geographic regions, \$5.2 million higher due to fleet additions and \$0.7 million lower due to reduced average day rates for the core fleet.

Direct Operating Expenses. Direct operating expenses were \$5.2 million higher in the Current Nine Months compared with the Prior Nine Months, of which \$3.0 million was due to the repositioning of vessels, \$2.0 million due to fleet additions and \$0.2 million for the active fleet and other marine services.

Europe, primarily North Sea. For the three and nine months ended September 30, the Company's direct vessel profit in Europe was as follows (in thousands, except statistics):

	For the Three Months ended September 30,				For the Nine Months Ended September 30,			
	2018		2017		2018		2017	
Time Charter Statistics:								
Rates Per Day Worked:								
Standby	8,692		8,650		8,971		8,418	
Wind farm utility	2,260		2,221		2,302		2,128	
Overall	4,287		4,390		4,721		4,328	
Utilization:								
Standby		77%		84%		78%		81%
Wind farm utility		91%		94%		77%		86%
Overall		85%		90%		77%		84%
Available Days:								
Supply	31		—		122		—	
Standby	1,809		1,840		5,404		5,460	
Wind farm utility	3,314		3,220		9,633		9,555	
Overall	5,154		5,060		15,159		15,015	
Operating revenues:								
Time charter	\$ 18,832	93%	\$ 20,051	96%	\$ 54,955	96%	\$ 54,829	97%
Other marine services	1,353	7%	754	4%	2,507	4%	1,895	3%
	20,185	100%	20,805	100%	57,462	100%	56,724	100%
Direct operating expenses:								
Personnel	9,659	48%	9,079	44%	29,367	51%	25,667	45%
Repairs and maintenance	2,566	12%	2,378	11%	7,126	12%	6,303	11%
Drydocking	2,791	14%	961	5%	5,741	10%	3,140	6%
Insurance and loss reserves	374	2%	203	1%	863	2%	629	1%
Fuel, lubes and supplies	1,170	6%	790	4%	3,505	6%	2,745	5%
Other	441	2%	190	—%	973	2%	677	1%
	17,001	84%	13,601	65%	47,575	83%	39,161	69%
Direct Vessel Profit	\$ 3,184	16%	\$ 7,204	35%	\$ 9,887	17%	\$ 17,563	31%

Current Year Quarter compared with Prior Year Quarter

Operating Revenues. For standby safety vessels, time charter revenues were \$1.3 million lower in the Current Year Quarter compared with the Prior Year Quarter. Time charter revenues were \$ 0.6 million higher due to the repositioning of vessels between geographic regions, \$1.0 million lower due to fleet dispositions and \$0.9 million lower due to lower utilization.

For wind farm utility vessels, time charter revenues were \$0.1 million higher. Time charter revenues were \$0.2 million higher due to fleet additions, \$0.1 million higher due to improved average day rates and \$0.2 million lower due to the repositioning of vessels between geographic regions.

Other Marine Services were \$0.6 million higher due to the charter in of a third party platform supply vessel.

Direct Operating Expenses. Direct operating expenses were \$3.4 million higher in the Current Year Quarter compared to the Prior Year Quarter. On an overall basis vessel operating expenses were \$3.0 million higher due to the cost of converting two supply vessels to standby safety classification, \$0.4 million higher for vessels in active service, primarily due to unfavorable changes in currency exchange rates, \$0.4 million higher due to the charter in of a third party vessel, \$0.3 million higher due to the repositioning of vessels between geographic regions and \$0.7 million lower due to net fleet dispositions.

Current Nine Months compared with Prior Nine Months

Operating Revenues. For standby safety vessels, time charter revenues were \$0.6 million higher in the Current Nine Months compared with the Prior Nine Months. Time charter revenues were \$2.1 million higher due to favorable changes in currency exchange rates, \$0.6 million higher due to the repositioning of vessels between geographic regions, \$2.0 lower due to fleet dispositions and \$0.1 million lower due to reduced average day rates.

For wind farm utility vessels, time charter revenues were \$0.4 million lower. Time charter revenues were \$0.8 million higher due to favorable changes in currency exchange rates, \$0.5 million higher due to net fleet additions, \$0.2 million higher due to improved day rates, \$1.3 million lower due to reduced utilization and \$0.6 million lower due to the repositioning of vessels between geographical regions.

Other Marine Services were \$0.6 million higher due to the charter in of a third party platform supply vessel.

Direct Operating Expenses. Direct operating expenses were \$7.2 million higher in the Current Nine Months compared to the Prior Nine Months. On an overall basis vessel operating expenses were \$4.9 million higher due to the cost of converting two supply vessels to standby safety classification, \$3.4 million higher for vessels in active service, primarily due to unfavorable changes in currency exchange rates, \$0.4 million higher due to the charter in of a third party vessel, \$0.2 million higher due to the repositioning of vessels between geographical regions and \$1.7 million lower due to net fleet dispositions.

Leased-in Equipment. Leased-in equipment expenses for the Current Nine Months were \$1.6 million lower compared with the Prior Nine Months due to the impairment and removal from service of a leased-in vessel during 2017.

Administrative and general. Administrative and general expenses were \$1.9 million higher for the Current Year Quarter compared with the Prior Year Quarter primarily due to the recovery of a provision for doubtful accounts. Administrative and General expenses were \$3.3 million lower for the Current Nine Months compared with the Prior Nine Months, primarily due to the acceleration of certain stock awards following the Spin-off in 2017 and the reduction in fees in connection with support services provided by SEACOR Holdings.

Depreciation and amortization. Depreciation and amortization expense for the Current Year Quarter and Current Nine Months were \$1.7 million and \$12.5 million higher compared with the Prior Year Quarter and Prior Nine Months, respectively, primarily due to net fleet additions.

Losses on Asset Dispositions and Impairments, Net. During the Current Year Quarter, the Company sold two fast support vessels, two windfarm utility vessels, one platform supply vessel, one safety standby vessel and other equipment for net proceeds of \$20.9 million and a gain of \$0.6 million, all of which was recognized currently. During the Prior Year Quarter, the Company sold two offshore support vessels previously retired and removed from service and other equipment for net proceeds of \$0.2 million and gains of \$0.2 million. In addition, the Company recognized impairment charges of \$9.9 million related to one fast support vessel removed from service and two specialty vessels.

During the Current Nine Months, the Company sold two supply vessels previously retired and removed from service, four fast support vessels, two standby safety vessels, two windfarm utility vessels, one anchor handling towing supply vessel, one platform supply vessel and other equipment for net proceeds of \$23.5 million and gains of \$2.0 million, all of which was recognized currently. In addition, the Company recorded impairment charges of \$3.0 million primarily related to the Company's anchor handling towing supply vessels. During the Prior Nine Months, the Company sold two liftboats, one supply vessel, six offshore support vessels previously retired and removed from service and other equipment for net proceeds of \$10.3 million and gains of \$4.4 million, all of which were recognized currently. In addition, the Company recorded impairment charges of \$15.7 million related to one leased-in supply vessel removed from service as it was not expected to be marketed prior to the expiration of its lease, one owned fast support vessel removed from service and two owned in-service specialty vessels.

Other Income (Expense), Net

For the periods ended September 30, the Company's other income (expense) was as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Other Income (Expense):				
Interest income	\$ 309	\$ 354	\$ 877	\$ 1,479
Interest expense	(7,761)	(4,295)	(20,383)	(12,023)
SEACOR Holdings management fees	—	—	—	(3,208)
SEACOR Holdings guarantee fees	(5)	(21)	(24)	(172)
Loss on debt extinguishment	(638)	—	(638)	—
Marketable security (losses) gains, net	—	(698)	—	10,931
Derivative gains (losses), net	4,387	13,022	(9,797)	12,720
Foreign currency losses, net	(302)	(106)	(981)	(1,389)
Other, net	678	—	678	(1)
	<u>\$ (3,332)</u>	<u>\$ 8,256</u>	<u>\$ (30,268)</u>	<u>\$ 8,337</u>

Interest income. Interest income in the Current Nine Months was lower compared with the Prior Nine Months primarily due to lower interest from marketable security positions.

Interest expense. Interest expense in the Current Year Quarter and Current Nine Months compared with the Prior Year Quarter and Prior Nine Months, respectively, was higher primarily due to additional interest incurred on the debt facilities of Falcon Global International, Sea-Cat Crewzer, Sea-Crewzer II and Sea-Cat Crewzer III and FGUSA, along with higher interest as a result of the variable nature of interest rates on debt facilities.

SEACOR Holdings management fees. Following the Spin-off, SEACOR Holdings no longer charges management fees to the Company. However, fees under the Transition Service Agreement for various support services that may be provided for a period up to two years following the Spin-off are included in administrative and general expenses.

Loss on debt extinguishment. On September 26, 2018, the Company entered into a \$130.0 million loan facility with a syndicate of lenders administered by DNB Bank ASA. A portion of the proceeds (\$99.9 million) was used towards the extinguishment of prior term loans (see Note 4). As a result of this transaction, the Company recognized a loss of \$0.6 million in fees related to the extinguishment of debt.

Marketable security (losses) gains, net. Marketable security gains of \$10.9 million in the Prior Nine Months were primarily due to a long security position exited by the Company during the Prior Nine Months.

Derivative gains (losses), net. Net derivative losses during the Current Nine Months were primarily due to increases in the fair value of the Company's conversion option liability on its Convertible Senior Notes. The increases in the conversion option liability were primarily the result of increases in the Company's share price and estimated credit spread, offset by a reduction in the liability following conversion of \$50.0 million of its Convertible Senior Notes to equity as a result of the Exchange.

Foreign currency losses, net. Foreign currency losses for the Current Nine Months were primarily due to the weakening of the pound sterling in relation to the euro underlying certain of the Company's debt balances.

Income Tax Benefit

During the Current Nine Months, the Company's effective income tax rate of 15.5% was primarily due to taxes provided on income attributable to noncontrolling interests, foreign sourced income not subject to U.S. income taxes, foreign taxes not creditable against U.S. income taxes, a return to provision adjustment, and a reversal of an unrecognized benefit. During the Prior Nine Months, the Company's effective income tax rate of 27.4% was primarily due to losses of foreign subsidiaries not benefited.

Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax

Equity in losses of 50% or less owned companies, net of tax, for the Current Year Quarter and Current Nine Month compared with the Prior Year Quarter and Prior Nine Months were \$6.3 million and \$3.8 million higher, respectively, due to the following changes in equity earnings (losses) (in thousands):

	Three Months Ended September		Nine Months Ended September	
	30,		30,	
	2018	2017	2018	2017
MexMar	\$ 136	\$ 793	\$ 2,644	\$ 3,382
OSV Partners	(262)	(208)	(1,305)	(628)
Sea-Cat Crewzer	—	—	—	234
Sea-Cat Crewzer II	—	—	—	99
SEACOR Grant DIS	(2)	(484)	(1,058)	(519)
Falcon Global International	—	—	—	(1,559)
Dynamic Offshore Drilling	(944)	(7,553)	(1,650)	(6,936)
SEACOSCO	(527)	—	(2,018)	—
Other	572	146	1,847	630
	<u>\$ (1,027)</u>	<u>\$ (7,306)</u>	<u>\$ (1,540)</u>	<u>\$ (5,297)</u>

Seacor Grant DIS. During the Current Nine Months equity losses of \$1.1 million were primarily due to an impairment charge of \$1.1 million, net of taxes, for an other-than-temporary decline in the fair value of the Company's investment in Seacor Grant DIS.

Falcon Global International. During the Prior Nine Months, the Company's partner declined to participate in a capital call from FGI and, as a consequence, the Company obtained 100% voting control of FGI in accordance with the terms of the operating agreement and began consolidating FGI's net assets effective March 31, 2017. In February 2018, the Company and MOI (an affiliate of our partner in FGI during the Prior Nine Months) contributed certain assets, including 100% of the equity interests in each member of FGI, to FGH, a consolidated subsidiary of the Company, in accordance with the terms of a Joint Venture Contribution and Formation Agreement (see Note 10 to the unaudited consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q).

Dynamic Offshore Drilling. During the Prior Nine Months, the Company recognized an impairment charge of \$8.3 million, net of tax, for an other-than-temporary decline in the fair value of its equity investments upon Dynamic Offshore Drilling Limited's unsuccessful bid on a charter renewal with a customer. The charter was terminated in February 2018.

SEACOSCO. During the Current Year Quarter and Current Nine Months equity losses of \$0.5 million and \$2.0 million, respectively, were primarily due to the mobilization of two newly built vessels following delivery from the shipyard.

Liquidity and Capital Resources

General

The Company's ongoing liquidity requirements arise primarily from working capital needs, capital commitments and its obligations to service outstanding debt. The Company may use its liquidity to fund capital expenditures, make acquisitions or to make other investments. Sources of liquidity are cash balances, construction reserve funds and cash flows from operations. From time to time, the Company may secure additional liquidity through asset sales or the issuance of debt, shares of SEACOR Marine Common Stock or common stock of its subsidiaries, preferred stock or a combination thereof.

As of September 30, 2018, the Company had unfunded capital commitments of \$34.5 million that included two fast support vessels, three supply vessels and two wind farm utility vessel. The Company's capital commitments by year of expected payment are as follows (in thousands):

Remainder of 2018	\$	2,734
2019		17,243
2020		14,552
	<u>\$</u>	<u>34,529</u>

The Company has indefinitely deferred an additional \$20.8 million of orders with respect to two fast support vessels for which the Company had previously reported unfunded capital commitments.

As of September 30, 2018, the Company had outstanding debt of \$415.2 million, net of debt discount and issue costs. The Company's contractual long-term debt maturities as of September 30, 2018, are as follows:

	Actual
Remainder of 2018	\$ 3,738
2019	17,426
2020	25,489
2021	51,753
2022	25,150
Years subsequent to 2022	331,140
	<u>\$ 454,696</u>

As of September 30, 2018, the Company held balances of cash, cash equivalents, restricted cash and construction reserve funds totaling \$140.1 million. As of September 30, 2018, construction reserve funds of \$35.6 million were classified as non-current assets in the accompanying condensed consolidated balance sheets as the Company has the intent and ability to use the funds to acquire equipment. Additionally, the Company had \$2.5 million available under subsidiary credit facilities.

Summary of Cash Flows

For the nine months ended September 30, the following is a summary of the Company's cash flows (in thousands):

	Nine months Ended September 30,	
	2018	2017
Cash flows (used in) provided by:		
Operating Activities	\$ (50,121)	\$ 35,144
Investing Activities	(38,288)	(15,529)
Financing Activities	80,918	(8,076)
Effects of Exchange Rate Changes on Cash, Cash Equivalents and Restricted Cash	(541)	1,666
(Decrease) Increase in Cash, Cash Equivalents and Restricted Cash	<u>\$ (8,032)</u>	<u>\$ 13,205</u>

Operating Activities

Cash flows provided by (used in) operating activities decreased by \$85.3 million in the Current Nine Months compared with the Prior Nine Months. The components of cash flows provided by (used in) operating activities during the Current Nine Months and Prior Nine Months were as follows:

	Nine Months Ended September 30,	
	2018	2017
DVP:		
United States, primarily Gulf of Mexico	\$ 9,903	\$ (5,070)
Africa, primarily West Africa	9,108	1,780
Middle East and Asia	8,764	(3,201)
Brazil, Mexico, Central and South America	12,089	4,366
Europe, primarily North Sea	9,887	17,563
Operating, leased-in equipment (excluding amortization of deferred gains)	(14,518)	(16,226)
Administrative and general (excluding provisions for bad debts and amortization of share awards)	(37,885)	(44,002)
SEACOR Holdings management and guarantee fees	(24)	(3,380)
Other, net (excluding non-cash losses)	249	(1)
Dividends received from 50% or less owned companies	1,324	2,442
	<u>(1,103)</u>	<u>(45,729)</u>
Changes in operating assets and liabilities before interest and income taxes	(36,100)	(2,713)
Director share awards	893	—
Restricted stock vesting	(83)	—
Proceeds from sale of marketable securities	—	51,877
Cash settlements on derivative transactions, net	(48)	(372)
Interest paid, excluding capitalized interest	(14,201)	(4,745)
Interest received	877	3,001
Income taxes refunded, net	(356)	33,825
Total cash flows (used in) provided by operating activities	<u>\$ (50,121)</u>	<u>\$ 35,144</u>

(1) During the Current Nine Months and the Prior Nine Months, capitalized interest paid and included in purchases of property and equipment was \$1.6 million and \$3.1 million, respectively.

For a detailed discussion of the Company's financial results for the reported periods, see "Consolidated Results of Operations" included above. Changes in operating assets and liabilities before interest and income taxes are the result of the Company's working capital requirements.

Investing Activities

During the Current Nine Months, net cash used in investing activities was \$38.2 million, primarily for the following:

- capital expenditures were \$37.8 million;
- the Company sold one fast support vessel and two supply vessels previously retired and removed from service, one anchor handling towing supply vessel, three fast support vessels, two standby safety vessels, one wind farm utility vessel and other equipment for net proceeds of \$4.0 million (\$3.9 million in cash and \$0.1 million of previously received deposits) and received \$1.4 million in deposits for the future sale of vessels;
- construction reserve funds account transactions included withdrawals of \$9.8 million;
- the Company made investments in, and advances to, its 50% or less owned companies of \$30.2 million, primarily as a result of a \$27.0 million capital contribution in the new SEACOSCO joint venture;
- the Company sold 51% of Seacor Marlin LLC to MexMar Offshore for \$8.0 million; and
- the Company received \$6.5 million as a return of its capital investment in Nautical Power.

During the Prior Nine Months, net cash used in investing activities was \$15.7 million, primarily as a result of the following:

- capital expenditures and payments on fair value hedges were \$52.7 million. Six fast support vessels and one platform supply vessel were delivered during the period;
- the Company sold two liftboats, one supply vessel, six offshore support vessels previously retired and removed from service and other equipment for net proceeds of \$10.3 million (\$9.8 million in cash and \$0.5 million of previously received deposits);
- construction reserve funds account transactions included deposits of \$6.3 million and withdrawals of \$39.1 million;
- the Company made investments in and advances to, its 50% or less owned companies of \$5.3 million, including \$2.4 million to Falcon Global and \$2.3 million to OSV Partners;
- the Company received capital distributions of \$7.4 million from its 50% or less owned company MexMar;
- effective March 31, 2017, the Company consolidated Falcon Global International and assumed cash of \$1.9 million.

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- effective April 28, 2017, the Company acquired a 100% controlling interest in Sea-Cat Crewzer II LLC through the acquisition of its partners' 50% ownership interest for \$9.6 million, net of cash acquired; and
- effective April 28, 2017, the Company acquired a 100% controlling interest in Sea-Cat Crewzer LLC through the acquisition of its partners' 50% ownership interest for \$0.1 million, net of cash acquired.

Financing Activities

During the Current Nine Months, net cash provided by financing activities was \$80.9 million. The Company:

- borrowed \$15.0 million under the FGUSA Revolving Loan Facility;
- paid \$15.0 million in debtor-in-possession obligations assumed from MOI;
- converted €6.0 million of denominated debt into pound sterling debt, paying \$7.5 million in euro debt and borrowing \$8.5 million in pound sterling debt, resulting in a net increase in USD borrowings of \$1.0 million;
- made scheduled payments on long-term debt and obligations of \$15.6 million;
- borrowed \$11.0 million for the purchase of Seacor 88 and Seacor 888;
- refinanced \$99.9 million in debt on eight vessels through a syndicated loan facility,
- borrowed \$30.1 million through a syndicated loan facility;
- issued Common Stock for proceeds of \$43.0 million in a private placement; and
- issued Warrants to purchase Common Stock for proceeds of \$12.8 million in a private placement.

During the Prior Nine Months, net cash used in financing activities was \$8.1 million. The Company:

- borrowed \$7.1 million under the Sea-Cat Crewzer III Term Loan Facility;
- made scheduled payments on long-term debt and capital lease obligations of \$8.6 million;
- incurred issue costs on various facilities of \$0.2 million;
- purchased subsidiary shares from noncontrolling interests for \$3.7 million; and
- paid SEACOR Holdings \$2.7 million for the distribution of SEACOR Marine restricted stock to Company personnel in connection with the Spin-off.

Short and Long-Term Liquidity Requirements

The Company believes that a combination of cash balances on hand, construction reserve funds, cash generated from operating activities, availability under existing subsidiary financing arrangements and access to the credit and capital markets will provide sufficient liquidity to meet its obligations, including to support its capital expenditures program, working capital and debt service requirements. The Company continually evaluates possible acquisitions and dispositions of certain businesses and assets. The Company's sources of liquidity may be impacted by the general condition of the markets in which it operates and the broader economy as a whole, which may limit its access to the credit and capital markets on acceptable terms. Management will continue to closely monitor the Company's performance and liquidity, as well as the credit and capital markets.

Off-Balance Sheet Arrangements

For a discussion of the Company's off-balance sheet arrangements, refer to Liquidity and Capital Resources included in the Company's Annual Report on Form 10-K for the year ended December 31, 2017. There has been no material change in the Company's off-balance sheet arrangements during the nine months ended September 30, 2018.

Debt Securities and Credit Agreements

For a discussion of the Company's debt securities and credit agreements, see "Note 4. Long-Term Debt" in the unaudited consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q and in "Note 7. Long-Term Debt" in the Company's audited consolidated financial statements included in its Annual Report on Form 10-K.

Contractual Obligations and Commercial Commitments

For a discussion of the Company's contractual obligations and commercial commitments, refer to Liquidity and Capital Resources included in the Company's Annual Report on Form 10-K for the year ended December 31, 2017. There has been no material change in the Company's contractual obligations and commercial commitments during the nine months ended September 30, 2018.



Contingencies

As of September 30, 2018, SEACOR Holdings has guaranteed \$46.1 million on behalf of the Company for various obligations including: letter of credit obligations, performance obligations under sale-leaseback arrangements and invoiced amounts for funding deficits under the MNOFF. Pursuant to a Distribution Agreement with SEACOR Holdings, SEACOR Holdings charges the Company a fee of 0.5% per annum on outstanding guaranteed amounts, which declines as the obligations are settled by the Company.

In the normal course of its business, the Company becomes involved in various other litigation matters including, among other things, claims by third parties for alleged property damages and personal injuries. Management has used estimates in determining the Company's potential exposure to these matters and has recorded reserves in its financial statements related thereto where appropriate. It is possible that a change in the Company's estimates of that exposure could occur, but the Company does not expect such changes in estimated costs would have a material effect on the Company's consolidated financial position, results of operations or cash flows.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For a discussion of the Company's exposure to market risk, refer to "Quantitative and Qualitative Disclosures About Market Risk" included in the Company's Annual Report on Form 10-K for the year ended December 31, 2017. There has been no material change in the Company's exposure to market risk during the Current Nine Months.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

With the participation of the Company's principal executive officer and principal financial officer, management evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), as of September 30, 2018. Based on their evaluation, the Company's principal executive officer and principal financial officer concluded that the Company's disclosure controls and procedures were effective as of September 30, 2018.

The Company's disclosure controls and procedures have been designed to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, to allow timely decisions regarding required disclosures. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those internal control systems determined to be effective can provide only a level of reasonable assurance with respect to financial statement preparation and presentation.

Changes in Internal Control Over Financial Reporting

There have been no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended September 30, 2018 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For a description of developments with respect to pending legal proceedings described in the Company's Annual Report on Form 10-K for the year ended December 31, 2017, see Note 10. "Commitments and Contingencies" included in Part I. Item 1. "Financial Statements" elsewhere in this Quarterly Report on Form 10-Q.

ITEM 1A. RISK FACTORS

For a discussion of the Company's risk factors, refer to "Risk Factors" included in the Company's Annual Report on Form 10-K for the year ended December 31, 2017. There have been no material changes in the Company's risk factors during the Current Nine Months.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULT UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

10.1	Credit Agreement, dated as of September 26, 2018, by and among SEACOR Marine Foreign Holdings Inc., SEACOR Marine Holdings Inc., DNB Bank, ASA, New York Branch, DNB Markets Inc., Clifford Capital PTE, LTD., NIBC Bank N.V. and entities identified on schedules to the Credit Agreement.
10.2	Guaranty, dated as of September 28, 2018, by SEACOR Marine Holdings Inc. in favor of DNB Bank ASA, New York Branch, as security trustee for the creditors under the Credit Agreement
31.1	Certification by the Principal Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended.
31.2	Certification by the Principal Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended.
32	Certification by the Principal Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS**	XBRL Instance Document
101.SCH**	XBRL Taxonomy Extension Schema
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase
101.DEF**	XBRL Taxonomy Extension Definition Linkbase
101.LAB**	XBRL Taxonomy Extension Label Linkbase
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase

** Pursuant to Rule 406T of Regulation S-T, these interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933 or Section 18 of the Securities Exchange Act of 1934 and otherwise are not subject to liability.

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 thereunto duly authorized.

DATE: November 13, 2018

SEACOR Marine Holdings Inc. (Registrant)
By: /s/ John Gellert
John Gellert, *President and Chief Executive Officer*
(*Principal Executive Officer*)

DATE: November 13, 2018

By: /s/ Jesús Llorca
Jesús Llorca, *Executive Vice President*
and Chief Financial Officer
(*Principal Financial Officer*)

CREDIT AGREEMENT

PROVIDING FOR A SENIOR SECURED TERM LOAN OF
\$130,000,000

BY AND AMONG

SEACOR MARINE FOREIGN HOLDINGS INC.,
as Borrower,

SEACOR MARINE HOLDINGS INC.,
as Parent Guarantor

THE ENTITIES IDENTIFIED ON SCHEDULE 1-A,
as Subsidiary Guarantors

DNB BANK ASA, NEW YORK BRANCH,
as Facility Agent and Security Trustee

THE FINANCIAL INSTITUTIONS IDENTIFIED ON SCHEDULE 1-B,
as Lenders and Swap Banks

* * *

DNB MARKETS, INC., CLIFFORD CAPITAL PTE. LTD. AND NIBC BANK N.V.,
as Mandated Lead Arrangers

DNB MARKETS, INC.,
as Coordinator and Bookrunner

as of September 26, 2018

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CREDIT AGREEMENT

THIS CREDIT AGREEMENT (this "Agreement") is made as of the 26th day of September, 2018, by and among (i) SEACOR Marine Foreign Holdings Inc., a corporation incorporated under the laws of the Republic of the Marshall Islands ("Borrower"), as borrower, (ii) SEACOR Marine Holdings Inc., a corporation incorporated under the laws of the State of Delaware (the "Parent Guarantor"), as parent guarantor, (iii) the entities identified on Schedule 1-A hereto as subsidiary guarantors, (iv) DNB BANK ASA, New York Branch ("DNB Bank"), as facility agent for the Creditors (in such capacity, the "Facility Agent"), as security trustee for the Creditors (in such capacity, the "Security Trustee"), (v) the banks, financial institutions and institutional lenders whose names and addresses are set out in Schedule 1-B hereto, as lenders (together with any assignee pursuant to the terms of Section 10 hereof, the "Lenders"), and each separately, a "Lender"), (vi) the Swap Banks, (vii) DNB Markets, Inc., Clifford Capital Pte. Ltd. and NIBC Bank N.V. as mandated lead arrangers, and (viii) DNB Markets, Inc. as coordinator and bookrunner.

WITNESSETH THAT:

WHEREAS, the Lenders have severally agreed to make available to the Borrower a senior secured term loan facility in the amount of \$130,000,000 to, among other things, refinance the Vessels (as defined herein).

WHEREAS, subject to the terms and conditions set forth herein, the Lenders agree to lend such amounts on the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises set forth above, the covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as set forth below:

1. DEFINITIONS

1.1 Specific Definitions. In this Agreement the words and expressions specified herein, including in the preamble hereof, shall, except where the context otherwise requires, have the meanings attributed to them below:

"Acceptable Accounting Firm" means (i) Grant Thornton LLP and any other "big four" accounting firm or (ii) such other independent certified public accountants of recognized national standing selected by Borrower, and reasonably satisfactory to the Facility Agent;

"Account Bank" means DNB Bank ASA, acting through its New York Branch and its London Branch and any other financial institution approved by the Majority Lenders;

"Account Control Agreement" means the account control agreement by and among the Borrower, the Account Bank and the Security Trustee in respect of the Earnings Account Pledge entered into pursuant to Section 4.1(aa) substantially in the form set out in Exhibit I;

"Additional Credit Support Vessels" means the vessels listed on Schedule 4-B hereto;

<u>“Administrative Questionnaire”</u>	means an administrative questionnaire in a form supplied by the Facility Agent;
<u>“Affiliate”</u>	means with respect to any Person, any other Person that directly or indirectly controls, is controlled by or under common control with such Person. For the purposes of this definition, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”) as applied to any Person means the possession directly or indirectly of the power to direct or cause the direction of the management and policies of that Person whether through ownership of voting securities or by contract or otherwise;
<u>“Annex VI”</u>	means the Regulations for the Prevention of Air Pollution from Ships to the International Convention for the Prevention of Pollution from Ships 1973 (as modified in 1978 and 1997);
<u>“Anti-Money Laundering Laws”</u>	means (i) any U.S. anti-money laundering laws and regulations, including the U.S. Money Laundering Control Act of 1986 (i.e., 18 U.S.C. §§ 1956 and 1957), and the Bank Secrecy Act, as amended by the USA PATRIOT Act, and implementing regulations, and (ii) all other non-U.S. anti-money laundering laws and regulations that are applicable to any Credit Party or any Creditor;
<u>“Applicable Rate”</u>	means any rate of interest applicable to the Loan from time to time pursuant to Section 6.1;
<u>“Appraised Value”</u>	means, with respect to any Vessel, an average of the values provided by two (or three if the two valuations differ by more than 10%) Approved Brokers, one of which shall be Fearnley Offshore A/S or Clarkson Valuations Limited, for such Vessel on a stand-alone arm’s length, willing buyer, willing seller basis, free and clear of any Liens, charters or other encumbrances and with no value given to any pooling arrangements. No appraisal shall be dated more than thirty (30) days prior to the date on which such appraisal is required pursuant to this Agreement;
<u>“Approved Broker(s)”</u>	means Fearnley Offshore A/S, Clarkson Valuations Limited, Dufour, Laskay & Strouse, Inc. and IHS-Markit or any other Person proposed by the Borrower and approved by the Facility Agent, such approval not to be unreasonably withheld, conditioned or delayed;
<u>“Approved Classification Society”</u>	means Lloyds, DNV GL, American Bureau of Shipping and Bureau Veritas;
<u>“Assigned Moneys”</u>	means sums assigned to and/or received by the Security Trustee or any Lender pursuant to any Security Document;

<u>“Assignment and Assumption Agreement(s)”</u>	means the Assignment and Assumption Agreement(s) executed pursuant to Section 10 substantially in the form set out in Exhibit H;
<u>“Assignment Notices”</u>	means notices with respect to: <ul style="list-style-type: none"> (i) the Earnings Assignments substantially in the form set out in Exhibit 1 thereto; (ii) the Insurances Assignments substantially in the form set out in Exhibit 3 thereto; (iii) the Charter Assignments substantially in the form set out in Exhibit 1 thereto; and (iv) the Interest Rate Agreement Assignments in the form set out in Exhibit 1 thereto;
<u>“Assignments”</u>	means the Earnings Assignments, the Insurances Assignments, the Charter Assignments and the Interest Rate Agreement Assignments;
<u>“Availability Period”</u>	means the period from the date of this Agreement and ending October 3, 2018;
<u>“Bail-In Action”</u>	means the exercise of any Write-down and Conversion Powers;
<u>“Bail-In Legislation”</u>	<ul style="list-style-type: none"> (a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time; and (b) in relation to any other state, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation;
<u>“Banking Day(s)”</u>	means any day excluding Saturday, Sunday and any day on which banks located in Amsterdam, the Netherlands, New York, New York, Oslo, Norway and Singapore, Singapore are authorized or required by law or other governmental action to close;

“Blocked Person” means any of the following currently or in the future: (i) an individual, entity or vessel named on a Blocked Persons List, or any entity or vessel 50% or more owned or controlled in the aggregate by, directly or indirectly, such individuals or entities, or (ii) (A) an agency or instrumentality of, or an entity or vessel 50% or more owned or controlled by, or acting on behalf of or at the direction of (to the extent acting in such capacity), directly or indirectly, the government of a Sanctioned Country, (B) an entity whose principal office is located in or that is organized under the laws of a Sanctioned Country, or (C) any individual who is national or permanent resident of a Sanctioned Country; provided, however, that to the extent that any individual, entity or vessel is operating in a Sanctioned Country pursuant to and in compliance with a valid specific or general license from OFAC for such operations or otherwise in compliance with the applicable Sanctions Laws, such individual, entity or vessel shall not be deemed to be a “Blocked Person” based on such operations;

“Blocked Persons List” means the “Specially Designated Nationals List and Blocked Persons List” maintained by OFAC and any other similar or equivalent list of sanctioned individuals or entities maintained by a Governmental Authority having jurisdiction over any Transaction Party, as the same may be amended, supplemented or substituted from time to time;

“Borrower” shall have the meaning ascribed thereto in the preamble;

“Cash Equivalents” means any of the following: (i) marketable securities (a) issued or directly and unconditionally guaranteed as to interest and principal by the United States Government or (b) issued by any agency of the United States the obligations of which are backed by the full faith and credit of the United States, in each case maturing within one (1) year after such date; (ii) marketable direct obligations issued by any state of the United States or any political subdivision of any such state or any public instrumentality thereof, in each case maturing within one (1) year after such date and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody’s; (iii) commercial paper maturing no more than three (3) months from the date of creation thereof and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody’s; (iv) certificates of deposit or bankers’ acceptances maturing within three (3) months after such date and issued or accepted by any Lender or by any commercial bank organized under the laws of the United States or any state thereof or the District of Columbia that (a) is at least “adequately capitalized” (as defined in the regulations of its primary federal banking regulator) and (b) has Tier 1 capital (as defined in such regulations) of not less than \$1,000,000,000; and (v) shares of any money market mutual fund that (a) has substantially all of its assets invested continuously in the types of investments referred to in clauses (i) and (ii) above, (b) has net assets of not less than \$5,000,000,000, and (c) has the highest rating obtainable from either S&P or Moody’s;

“Change of Control”

means:

- (a) with respect to the Parent Guarantor, any event or series of events occurs pursuant to which any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the total voting power or ownership interest of the Parent Guarantor;
- (b) with respect to the Borrower, any event or series of events occurs pursuant to which the Parent Guarantor ceases to own and control, directly or indirectly, 100% of the voting power or ownership interest of the Borrower;
- (c) with respect to any Subsidiary Guarantor (other than Falcon Diamond LLC, Falcon Pearl LLC, SEACOR Hawk LLC and SEACOR Eagle LLC), any event or series of events occurs pursuant to which the Parent Guarantor ceases to own and control, directly or indirectly, 100% of the voting power or ownership interest of such Subsidiary Guarantor;
- (d) with respect to each of Falcon Diamond LLC, Falcon Pearl LLC, SEACOR Hawk LLC and SEACOR Eagle LLC, any event or series of events occurs pursuant to which the Parent Guarantor ceases to own and control, directly or indirectly, 72% or more of the voting power or ownership interest of such Subsidiary Guarantor; or
- (e) with respect to any Vessel Owning Entity (other than any Subsidiary Guarantor or any of Falcon Diamond LLC, Falcon Pearl LLC, SEACOR Hawk LLC and SEACOR Eagle LLC), any event or series of events occurs pursuant to which any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than the Parent Guarantor, becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the total voting power or ownership interest of such Vessel Owning Entity;
- (f) individuals who at the beginning of any period of two consecutive calendar years constituted the board of directors or equivalent governing body of the Parent Guarantor (together with any new directors (or equivalent) whose election by such board of directors or equivalent governing body or whose nomination for election was approved by a vote of at least two-thirds of the members of such board of directors or equivalent governing body then still in office who either were members of such board of directors or equivalent governing body at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute at least 50% of the members of such board of directors or equivalent governing body then in office;

“ <u>Charter</u> ”	means, in respect of a Vessel, any charter or other contract for its employment, whether or not already in existence;
“ <u>Charter Assignments</u> ”	means the assignments in respect of a Charter with an initial term or duration in excess of (or capable of exceeding, by virtue of any optional extension) 12 months over each Vessel executed by the relevant Credit Party in favor of the Security Trustee, substantially in the form set out in Exhibit F;
“ <u>Chase Facility</u> ”	means that certain \$131,099,286.35 credit facility entered into on February 8, 2018 by and among (i) Falcon Global USA LLC, as borrower, (ii) various subsidiaries of Falcon Global USA LLC, as guarantors, (iii) the lenders party thereto, and (iv) JP Morgan Chase Bank, N.A., as agent, issuing bank and security trustee;
“ <u>Classification Society</u> ”	means any Approved Classification Society or another member of the International Association of Classification Societies approved by the Facility Agent, with whom a Vessel is entered and who conducts periodic physical surveys and/or inspections of such Vessel;
“ <u>Closing Date</u> ”	means the date on which all of the conditions precedent in Section 4.1 are satisfied (or waived in accordance with this Agreement);
“ <u>Code</u> ”	means the Internal Revenue Code of 1986, as amended, and any successor statute thereto and any regulation promulgated thereunder;
“ <u>Collateral</u> ”	means all property or other assets, real or personal, tangible or intangible, whether now owned or hereafter acquired in which the Security Trustee or any Creditor has been granted a security interest pursuant to a Security Document;
“ <u>Commitment(s)</u> ”	means, in relation to a Lender, the portion of the Loan set out opposite its name in Schedule 1-B hereto or, as the case may be, in any relevant Assignment and Assumption Agreement, as such amount shall be reduced from time to time pursuant to Section 5;
“ <u>Compliance Certificate</u> ”	means a certificate attached hereto as Exhibit or such other form as the Facility Agent may agree;

“ <u>Convertible Bond</u> ”	means the notes issued under that certain \$175,000,000 note purchase agreement entered into as of November 30, 2015 among (i) the Parent Guarantor, as issuer, and (ii) investment funds managed and controlled by The Carlyle Group, as purchasers (as amended on April 20, 2018);
“ <u>Credit Parties</u> ”	means the Borrower, the Parent Guarantor and the Subsidiary Guarantors;
“ <u>Credit Support Vessels</u> ”	means the vessels listed on Schedule 4-A hereto;
“ <u>Creditors</u> ”	means the Lenders, the Facility Agent, the Security Trustee, the Swap Banks, and each separately, a “Creditor”;
“ <u>Deed of Covenants</u> ”	means the deed of covenants in respect of each relevant Vessel, executed by the relevant Vessel Owning Entity in favor of the Security Trustee, pursuant to Section 4.1(j), substantially in the form set out in Exhibit C-5 or C-6, as the case may be, or such other deed of covenants acceptable to all Lenders;
“ <u>Default</u> ”	means any event that would, with the giving of notice or passage of time, constitute an Event of Default;
“ <u>Default Rate</u> ”	means a rate per annum equal to two percent (2%) over the Applicable Rate then in effect;
“ <u>Designated Jurisdiction</u> ”	means the Republic of Marshall Islands, the United States, the United Kingdom, England and Wales, Cayman Islands or such other jurisdiction as may be approved by the Facility Agent, such approval not to be unreasonably withheld, conditioned or delayed;
“ <u>DNB Bank</u> ”	shall have the meaning ascribed thereto in the preamble;
“ <u>DOC</u> ”	means a document of compliance issued to an Operator in accordance with rule 13 of the ISM Code;
“ <u>Dollars</u> ” and the sign “\$”	means the legal currency, at any relevant time hereunder, of the United States of America and, in relation to all payments hereunder, in same day funds settled through the New York Clearing House Interbank Payments System (or such other Dollar funds as may be determined by the Facility Agent to be customary for the settlement in New York City of banking transactions of the type herein involved);
“ <u>Drawdown Date</u> ”	means the date, being a Banking Day, on which the conditions in Section 4.2 are satisfied or waived in accordance with this Agreement and the Loan is made available to the Borrower in accordance with Section 3;

“ <u>Drawdown Notice</u> ”	shall have the meaning ascribed thereto in Section 3.3;
“ <u>Earnings Assignment(s)</u> ”	means the assignment in respect of the earnings of each Vessel from any and all sources (including requisition compensation), executed by the relevant Subsidiary Guarantor in favor of the Security Trustee pursuant to Section 4.1(k), substantially in the form set out in Exhibit D;
“ <u>Earnings Account</u> ”	means the deposit account with account no. 14556001 maintained by the Borrower with the Account Bank;
“ <u>Earnings Account Pledge</u> ”	means the pledge of Earnings Account executed by the Borrower in favor of the Security Trustee pursuant to Section 4.1(y) substantially in the form set out in Exhibit J;
“ <u>EEA Member Country</u> ”	means any member state of the European Union, the United Kingdom, Iceland, Liechtenstein and Norway;
“ <u>Environmental Approval(s)</u> ”	shall have the meaning ascribed thereto in Section 2.1(p);
“ <u>Environmental Claim(s)</u> ”	shall have the meaning ascribed thereto in Section 2.1(p);
“ <u>Environmental Law(s)</u> ”	shall have the meaning ascribed thereto in Section 2.1(p);
“ <u>Equity Interest</u> ”	means: <ul style="list-style-type: none"> (i) any and all shares and other equity interests (including common stock, preferred stock, limited liability company interests and partnership interests) in such person; and (ii) all rights to purchase, warrants or options or convertible debt (whether or not currently exercisable), participations or other equivalents of or interests in (however designated) such shares or other interests in such person;
“ <u>ERISA</u> ”	means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute and regulation promulgated thereunder;
“ <u>ERISA Affiliate</u> ”	means a trade or business (whether or not incorporated) which is under common control with any Credit Party or any Subsidiary thereof within the meaning of Sections 414(b), (c), (m) or (o) of the Code or which would be considered a member of a “controlled group” with any Credit Party or any Subsidiary thereof under Section 4001 of ERISA;

“ERISA Funding Event”

means (i) any failure by any Plan to satisfy the minimum funding standards (for purposes of Section 412 of the Code or Section 302 of ERISA), whether or not waived; (ii) the filing pursuant to Section 412 of the Code or Section 303 of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (iii) the failure by any Credit Party, Subsidiary thereof or ERISA Affiliate to make any required contribution to a Multiemployer Plan; (iv) a determination that any Plan is, or is expected to be, in “at risk” status (within the meaning of Section 430(i) of the Code); (v) the incurrence by any Credit Party, Subsidiary thereof or ERISA Affiliate of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; (vi) the receipt by any Credit Party, Subsidiary thereof or ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from any Credit Party, Subsidiary thereof or ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent within the meaning of Section 4245 of ERISA, or in endangered or critical status within the meaning of Section 432 of the Code or Section 305 of ERISA; (vii) any “reportable event”, as defined in Section 4043 of ERISA with respect to a Plan (other than an event for which the 30-day notice period to the PBGC is waived); or (viii) the existence with respect to any Plan of a non-exempt “prohibited transaction” for purposes of Section 406 of ERISA or Section 4975 of the Code;

“ERISA Termination Event”

means (i) the imposition of any lien under Section 430(k) of the Code or any other lien in favor of the PBGC or any Plan or Multiemployer Plan on any asset of any Credit Party, Subsidiary thereof or ERISA Affiliate thereof in connection with any Plan or Multiemployer Plan; (ii) the receipt by any Credit Party, Subsidiary thereof or ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Multiemployer Plan or to appoint a trustee to administer any Plan or Multiemployer Plan under Section 4042 of ERISA; (iii) the filing of a notice of intent to terminate a Plan under Section 4041 of ERISA; (iv) the institution of proceeding to terminate a Plan or a Multiemployer Plan; (v) the incurrence by any Credit Party, Subsidiary thereof or ERISA Affiliate of any liability under Title IV of ERISA with respect to the termination of any Plan or Multiemployer Plan; or (vi) the occurrence of any other event or condition which might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan or Multiemployer Plan;

“EU Bail-In Legislation Schedule”

means the document described as such and published by the Loan Market Association (or any successor person) from time to time;

“Event of Default”

shall have the meaning ascribed thereto in Section 8.1;

- “Exchange Act” means the Securities and Exchange Act of 1934, as amended;
- “Executive Orders” means the directives issued to federal agencies by the President of the United States of America;
- “Existing Indebtedness” means, collectively, all Indebtedness outstanding under:
- (i) that certain amended and restated loan agreement, dated April 28, 2017, between, *inter alios*, DNB Bank, as facility agent and security trustee, and Sea-Cat Crewzer LLC and Sea-Cat Crewzer II LLC, as joint and several borrowers, in respect of which approximately \$36,379,250.00 in the principal amount and accrued interest is outstanding as of the Closing Date;
 - (ii) each certain loan agreement, dated June 6, 2013, between, *inter alios*, DNB Bank, as facility agent and security trustee, and each of SEACOR Hawk LLC and SEACOR Eagle LLC, as borrower, in respect of which approximately \$12,207,309.53 in the aggregate principal amount and accrued interest is outstanding as of the Closing Date, and
 - (iii) that certain loan agreement, dated August 3, 2015, between, *inter alios*, DNB Bank, as facility agent and security trustee, and Falcon Global International LLC, Falcon Pearl LLC and Falcon Diamond LLC, as joint and several borrowers, in each case, as amended, supplemented or otherwise modified prior to the Closing Date, in respect of which approximately \$52,675,333.50 in the principal amount and accrued interest is outstanding as of the Closing Date;
- “Excluded Hedging Obligations” means, with respect to any Credit Party, any Hedging Obligation if, and to the extent that, all or a portion of the guarantee of such Credit Party of, or the grant by such Credit Party of a security interest to secure, such Hedging Obligation (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Credit Party’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act and the regulations thereunder at the time the guarantee of such Credit Party or the grant of such security interest becomes effective with respect to such Hedging Obligation. If a Hedging Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Hedging Obligation that is attributable to swaps for which such guarantee or security interest is or becomes illegal;
- “Facility Agent” shall have the meaning ascribed thereto in the preamble;

<u>“Fair Market Value”</u>	means, (i) with respect to any Vessel, the Appraised Value of such Vessel and (ii) with respect to any other asset (including any Equity Interests of any Person), the price at which a willing buyer, not an Affiliate of the seller, and a willing seller who does not have to sell, would agree to purchase and sell such asset, as determined in good faith by the Credit Party which is selling or owns such asset;
<u>“FATCA”</u>	means: <ul style="list-style-type: none"> (a) Sections 1471 through 1474 of the Code and any regulations thereunder issued by the United States Treasury; (b) any treaty, law or regulation of any jurisdiction, or relating to an intergovernmental agreement between jurisdictions, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the IRS, the U.S. government or any governmental or taxation authority in any other jurisdiction;
<u>“FATCA Deduction”</u>	means a deduction or withholding from a payment under this Agreement or any Security Document required by or under FATCA;
<u>“FATCA Exempt Party”</u>	means a FATCA Relevant Party who is entitled under FATCA to receive payments free from any FATCA Deduction;
<u>“FATCA Non-Exempt Party”</u>	means a FATCA Relevant Party who is not a FATCA Exempt Party;
<u>“FATCA Non-Exempt Lender”</u>	means any Lender who is a FATCA Non-Exempt Party;
<u>“FATCA Relevant Party”</u>	means each Creditor;
<u>“Fee Letter”</u>	means any letter or letters between any of the Creditors (or any of its Affiliates) and any Credit Party setting out any of the fees payable by such Credit Party in connection with the loan facility contemplated by this Agreement;
<u>“Final Payment Date”</u>	means the earlier of (i) the fifth anniversary of the Drawdown Date and (ii) September 30, 2023;
<u>“Foreign Plan”</u>	an employee benefit plan, program, policy, scheme or arrangement that is not subject to U.S. law and is maintained or contributed to by any Credit Party or Subsidiary thereof or for which any Credit Party or Subsidiary thereof has or could have any liability;

<u>“Foreign Termination Event”</u>	the occurrence of an event with respect to the funding or maintenance of a Foreign Plan that could reasonably be expected to result in a lien on, or seizure of, any collateral hereunder;
<u>“Foreign Underfunding”</u>	the excess, if any, of the accrued benefit obligations of a Foreign Plan (based on those assumptions used to fund that Foreign Plan or, if that Foreign Plan is unfunded, based on those assumptions used for financial accounting statement purposes or, if accrued benefit obligations are not calculated for financial accounting purposes, based on such reasonable assumptions as may be approved by the relevant Credit Party’s independent auditors for these purposes) over the sum of (i) the assets of such Foreign Plan and (ii) the liability related to such Foreign Plan accrued by the relevant Credit Party for financial accounting statement purposes which could reasonably be expected to result in a liability to any Credit Party in the aggregate in excess of US\$5,000,000;
<u>“GAAP”</u>	shall have the meaning ascribed thereto in Section 1.3;
<u>“Governmental Authority”</u>	means any nation or government, any state or other political subdivision thereof and any agency, authority, commission, board, bureau or instrumentality exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government;
<u>“Gross Interest Bearing Debt”</u>	means, on any date of determination, the total amount of Indebtedness of the Parent Guarantor and its Subsidiaries on a consolidated basis outstanding on such date minus the aggregate amount of Indebtedness under all Warehouse Financing Facilities and the Chase Facility;
<u>“Group”</u>	means the Parent Guarantor and its Subsidiaries;
<u>“Hedging Obligation”</u>	means, with respect to any Credit Party, any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of section 1a(47) of the Commodity Exchange Act;
<u>“Historical Financial Statements”</u>	means as of the Closing Date (i) the audited financial statements of the Parent Guarantor for the period ending December 31, 2017 and (ii) the unaudited financial statements of the Parent Guarantor as of the most recent fiscal quarter ended after the date of the most recent audited financial statements and at least 90 days prior to the Closing Date;
<u>“IAPPC”</u>	means a valid international air pollution prevention certificate for a Vessel issued under Annex VI;

“ <u>Indebtedness</u> ”	means, with respect to any Person at any date of determination (without duplication), (i) all indebtedness of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) the face amount of letters of credit or other similar instruments (including reimbursement obligations with respect thereto), (iv) all obligations of such Person to pay the deferred and unpaid purchase price of property or services, which purchase price is due more than six months after the date of placing such property in service or taking delivery thereof or the completion of such services, except trade payables, (v) all obligations on account of principal of such Person as lessee under capitalized leases that are properly classified as a liability on a balance sheet in accordance with GAAP, (vi) all indebtedness of other Persons secured by a lien on any asset of such Person, whether or not such indebtedness is assumed by such Person; provided that the amount of such indebtedness shall be the lesser of (a) the fair market value of such asset at such date of determination and (b) the amount of such indebtedness, and (vii) all indebtedness of other Persons guaranteed by such Person to the extent guaranteed; the amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation, provided that the amount outstanding at any time of any indebtedness issued with original issue discount is the face amount of such indebtedness less the remaining unamortized portion of the original issue discount of such indebtedness at such time as determined in conformity with GAAP; and provided further that Indebtedness shall not include any liability for current or deferred federal, state, local or other taxes, or any current trade payables;
“ <u>Indemnitee</u> ”	shall have the meaning ascribed thereto in Section 17.9;
“ <u>Information</u> ”	means all information received from the Credit Parties relating to any of them or any of their respective businesses in connection with this Agreement that was not otherwise available to the Facility Agent or any Lender on a non-confidential basis prior to such disclosure by the Credit Parties; <u>provided</u> , that, in the case of information received from the Credit Parties after the Closing Date, such information is clearly identified at the time of delivery as confidential;
“ <u>Insurances Assignment(s)</u> ”	means the assignments in respect of the insurances over each Vessel executed by the Subsidiary Guarantors in favor of the Security Trustee pursuant to Section 4.1(k), substantially in the form set out in Exhibit E;
“ <u>Intercompany Debt</u> ”	shall have the meaning ascribed thereto in Section 9.2(n)(ii);

“Interest Period” means each three (3) month period commencing on the Drawdown Date or the last day of the preceding Interest Period with respect to the Loan and ending on the same day in the third calendar month thereafter; provided, however, that each such Interest Period which commences on the last Banking Day of a calendar month (or on any day for which there is no numerically corresponding day in the appropriate subsequent calendar month) shall end on the last Banking Day of the appropriate subsequent calendar month;

“Interest Rate Agreement(s)” means any counter-indemnity, interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement entered into between the Borrower with a Swap Bank, which is designed to protect the Borrower against fluctuations in interest rates applicable under this Agreement, including but not limited to, that certain ISDA Master Agreement together with the Schedule thereto to be made between the Borrower and the Swap Bank, as counterparties;

“Interest Rate Agreement Assignments” means the assignments in respect of any Interest Rate Agreements executed by the Borrower in favor of the Security Trustee pursuant to Section 4.1(k), substantially in the form set out in Exhibit G;

“Inventory of Hazardous Material” shall have the meaning ascribed thereto in Resolution MEPC.269(68) of the International Maritime Organization;

“Investment” means (i) any capital contribution to any Person, (ii) any purchase of any stock, bonds, notes, debentures, other securities or assets constituting a business unit of any Person, (iii) any loan, credit or advance made to any Person, or (iv) any other investment in any Person; provided, that for clarity, purchases and other acquisitions of spares, materials, equipment and intangible property relating to vessels in the ordinary course are not deemed to be Investments;

“IRS” means the Internal Revenue Service of the United States Department of the Treasury;

“ISM Code” means the International Safety Management Code for the Safe Operating of Ships and for Pollution Prevention constituted pursuant to Resolution A.741(18) of the International Maritime Organization and incorporated into the Safety of Life at Sea Convention and includes any amendments or extensions thereto and any regulation issued pursuant thereto;

“ISPS Code” means the International Ship and Port Facility Security Code adopted by the International Maritime Organization at a conference in December 2002, and amending the Safety of Life at Sea Convention and includes any amendments or extensions thereto and any regulation issued pursuant thereto;

- “ISSC” means the International Ship Security Certificate issued pursuant to the ISPS Code;
- “Lease Obligations” means the amount of all lease or charter obligations calculated in accordance with GAAP and reflected on the balance sheet of any Credit Party;
- “Lender(s)” shall have the meaning ascribed thereto in the preamble;
- “LIBOR” means, with respect to any Interest Period for the Loan, the London interbank offered rate administered by the ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) (rounded upward to the nearest 1/16th of one percent (1%)) of Dollars for a period equivalent to the relevant Interest Period at or about 11:00 a.m. (London time) on the second London Banking Day before the first day of such period as displayed on page LIBOR01 or LIBOR 02 of the Reuters Screen (or any such replacement Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Reuters, provided that if such page or service ceases to be available, the Facility Agent may specify another page or service displaying the relevant rate after consultation with the Borrower); provided further that if on such date no such rate is so displayed for the relevant Interest Period, LIBOR for such period shall be the rate quoted to the Lenders by the Reference Bank at the request of the Lenders as the offered rate for deposits of Dollars in an amount approximately equal to the amount in relation to which LIBOR is to be determined for a period equivalent to the relevant Interest Period to prime banks in the London Interbank Market at or about 11:00 a.m. (London time) on the second Banking Day before the first day of such period (it being understood and agreed by the Borrower that in the event LIBOR is less than zero, it shall be deemed zero);
- “Lien” means any mortgage, deed of trust, pledge, hypothecation, assignment, encumbrance, lien (statutory or other), charge or security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement and any financing lease having substantially the same economic effect as any of the foregoing, and the filing of any financing statement or similar notice under the Uniform Commercial Code or the comparable law of any jurisdiction);
- “Loan” means the senior secured term loan to be made available by the Lenders to the Borrower pursuant to this Agreement;

<u>“Majority Lenders”</u>	means, at any time, one or more Lenders who have or hold Commitments that exceed 66 2/3% of the aggregate total Commitments of all Lenders at such time;
<u>“Management Agreement”</u>	means with respect to each Vessel, that certain ship management agreement between each Subsidiary Guarantor and the relevant Vessel Manager as in effect on the Closing Date, the form of which has been disclosed to the Facility Agent prior to the Closing Date, or any replacement thereof with the prior written consent of the Facility Agent, such consent not to be unreasonably withheld, conditioned or delayed;
<u>“Mandatory Costs”</u>	means in relation to the Loan or an unpaid sum the rate per annum notified by any Lender to the Facility Agent to be the cost to that Lender of compliance with the requirements of the Financial Conduct Authority (UK) and/or the Prudential Regulation Authority (UK) or, in any case, any similar institution which replaces all or any of their functions whose requirements such Lender complies with;
<u>“Margin”</u>	means 3.75% per annum;
<u>“Material Adverse Effect”</u>	means (i) a material adverse effect on (A) the ability of the Security Parties, taken as a whole, to meet any of their respective obligations with regard to any Transaction Document, the Loan and the financing arrangements established in connection therewith, or (B) the business, property, assets, liabilities operations, condition (financial or otherwise) or prospects of the Security Parties, taken as a whole, or (ii) a material impairment of the validity or enforceability of any Transaction Document;
<u>“Materials of Environmental Concern”</u>	shall have the meaning ascribed thereto in Section 2.1(p);
<u>“Mortgage(s)”</u>	means the first preferred/priority ship mortgage on each of the Vessels, executed by the relevant Vessel Owning Entity in favor of the Security Trustee pursuant to Section 4.1(j), substantially in the form set out in Exhibit C-1, C-2, C-3, C-4 or C-7, as the case may be, or such other first preferred/priority ship mortgage given in compliance with such other jurisdiction as all Lenders may approve;
<u>“MTSA”</u>	means the Maritime & Transportation Security Act, 2002, as amended, <u>inter alia</u> , by Public Law 107-295;
<u>“Multiemployer Plan”</u>	means, at any time, a “multiemployer plan” as defined in Section 4001(a)(3) of ERISA to which any Credit Party, Subsidiary thereof or ERISA Affiliate is making or accruing an obligation to make contributions (or is required to make or accrue an obligation to make contributions) or has within any of the six preceding plan years made or accrued an obligation to make contributions (or has been required to make or accrue an obligation to make contributions);

<u>“Net Insurance Proceeds”</u>	means an amount equal to: (i) any cash payments or proceeds received by any Credit Party (a) under any casualty insurance policy in respect of a covered loss thereunder or (b) as a result of the taking of any Vessel pursuant to the power of eminent domain, condemnation or otherwise, or pursuant to a sale of any such Vessel to a purchaser with such power under threat of such a taking, <u>minus</u> (ii) (a) any actual and reasonable costs incurred by any Credit Party in connection with the adjustment or settlement of any claims of such Credit Party in respect thereof, and (b) any bona fide direct costs incurred in connection with any sale of such assets as referred to in clause (i)(b) of this definition, including income taxes payable as a result of any gain recognized in connection therewith;
<u>“Note”</u>	means the promissory note to be executed by the Borrower, to the Facility Agent or its registered assigns pursuant to Section 4.1(c), to evidence the Loan, substantially in the form set out in Exhibit A;
<u>“OFAC”</u>	means the U.S. Department of the Treasury’s Office of Foreign Assets Control;
<u>“Operator”</u>	means, in respect of a Vessel, the Person who operates such Vessel and falls within the definition of “Company” set out in rule 1.1.2 of the ISM Code;
<u>“Parent Guaranty”</u>	means the guaranty to be granted by the Parent Guarantor in favor of the Security Trustee pursuant to Section 4.1(c), substantially in the form set out in Exhibit B;
<u>“Parent Guarantor”</u>	shall have the meaning ascribed thereto in the preamble;
<u>“Patriot Act”</u>	shall have the meaning ascribed thereto in Section 17.10;
<u>“PBGCC”</u>	means the Pension Benefit Guaranty Corporation;
<u>“Permitted Indebtedness”</u>	shall have the meaning ascribed thereto in Section 9.2(n);
<u>“Permitted Liens”</u>	shall have the meaning ascribed thereto in Section 9.2(a);
<u>“Person”</u>	means any individual, sole proprietorship, corporation, partnership (general or limited), limited liability company, business trust, bank, trust company, joint venture, association, joint stock company, trust or other unincorporated organization, whether or not a legal entity, or any government or agency or political subdivision thereof;

<u>“Plan”</u>	means any employee benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect to which any Credit Party, Subsidiary thereof or ERISA Affiliate is or, within the six-year period prior to the date of this Agreement was, (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA;
<u>“Pledge Agreement”</u>	means a share pledge, membership interest pledge, or share charge pursuant to which the capital stock or membership interests, as the case may be, of each Subsidiary Guarantor are pledged to the Security Trustee, substantially in the form set out in Exhibit N-1 or N-2, as the case may be;
<u>“Post-Closing Letter of Undertaking”</u>	means that certain letter agreement to be entered into on or about the Drawdown Date between the Facility Agent and the Borrower;
<u>“Qualified ECP Guarantor”</u>	means, in respect of any Hedging Obligation, each Credit Party that has total assets exceeding \$10,000,000 at the time the relevant guarantee or grant of the relevant security interest becomes effective with respect to such Hedging Obligation or such other person as constitutes an “eligible contract participant” under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an “eligible contract participant” at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act;
<u>“Reference Bank”</u>	means DNB Bank;
<u>“Refinancing”</u>	means the repayment in full of the Existing Indebtedness with proceeds of the Loan and the termination of all commitments, security interests and guarantees in connection therewith;
<u>“Regulation T”</u>	means Regulation T of the Board of Governors of the Federal Reserve System, as in effect from time to time;
<u>“Regulation U”</u>	means Regulation U of the Board of Governors of the Federal Reserve System, as in effect from time to time;
<u>“Regulation X”</u>	means Regulation X of the Board of Governors of the Federal Reserve System, as in effect from time to time;
<u>“Related Fund”</u>	means, with respect to any Lender that is an investment fund (the “ <u>first fund</u> ”), any other investment fund that invests in commercial loans which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund;

“Related Party” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person’s Affiliates;

“Relevant Parents” means the entities identified as such on Schedule 1-A hereto or any other entity that owns any Subsidiary Guarantor and enters into a Pledge Agreement in accordance with the terms hereof;

“Relevant Prepayment Amount” means:

(i) in respect of any Vessel (other than FALCON DIAMOND and FALCON PEARL) an amount equal to the higher of:

(a) the least of:

(x) 10% of the principal amount of the Loan then outstanding;

(y) the Fair Market Value of the Vessel sold or lost divided by the aggregate Fair Market Value all Vessels mortgaged to the Security Trustee multiplied by the principal amount of the Loan then outstanding; and

(z) Net Insurance Proceeds received in connection with a loss described in Section 5.4(a); and

(b) an amount sufficient to satisfy the asset maintenance test set forth in Section 9.3, after giving effect to the sale or loss of the relevant Vessel; or

(ii) in respect of FALCON DIAMOND and FALCON PEARL, an amount equal to the higher of:

(a) the least of:

(x) 10% of the principal amount of the Loan then outstanding; and

(y) Net Insurance Proceeds received in connection with a loss described in Section 5.4(a); and

(b) the Fair Market Value of FALCON DIAMOND or FALCON PEARL, as the case may be, sold or lost divided by the aggregate Fair Market Value of all Vessels mortgaged to the Security Trustee multiplied by the principal amount of the Loan then outstanding; and

- (c) an amount sufficient to satisfy the asset maintenance test set forth in Section 9.3, after giving effect to the sale or loss of the relevant Vessel;

it being understood and agreed that for purposes of this calculation, the Fair Market Value of a Vessel shall be based on valuations most recently provided pursuant to Section 9.1(s);

- “Repeating Representations”** means those representations and warranties included in Sections 2.1(a) (Due Organization and Power), 2.1(b) (Authorization and Consents), 2.1(c) (Binding Obligations), 2.1(d) (No Violation), 2.1(e) (Filings; Stamp Taxes), 2.1(n) (Pari Passu Ranking), 2.1(w) (Citizenship), 2.1(x) (Investment Company), 2.1(l) (ERISA), 2.1(u) (Solvency) and 2.1(z) (Sanctions and Anti-Money Laundering);
- “Resolution Authority”** means any body which has authority to exercise any Write-down and Conversion Powers;
- “Responsible Officer”** means, as applied to any Person, any individual holding the position of chief executive officer, president, vice president, chief financial officer, secretary or treasurer of such Person (or, in each case, the equivalent thereof) or, with respect to any Person that is not a corporation and/or that does not have officers, any individual holding any such position of the general partner, the sole member, managing member or similar governing body of such Person;
- “Sanctioned Country”** means a country against which OFAC enforces country-specific Sanctions Laws that broadly prohibit dealings in such country (as of the date hereof, Cuba, Iran, North Korea, Syria and the Crimea region of Ukraine);
- “Sanctions Laws”** means (i) all U.S. laws, rules, regulations or Executive Orders relating to economic or financial sanctions or trade embargoes, including, but not limited to any such laws, rules, regulations or Executive Orders administered and enforced by OFAC, and (ii) any similar Singapore, European Union, United Kingdom, United Nations or other non-U.S. laws, rules, regulation or orders relating to economic or financial sanctions or trade embargoes administered by any other Governmental Authority that are applicable to (A) a Credit Party or any Subsidiary thereof in the operation of its business or (B) a Lender but only to the extent that compliance with such laws, rules or regulations does not conflict with any of the provisions listed in (i) and (ii)(A) hereof;
- “SEACOR Marine”** means SEACOR Marine LLC, a Delaware limited liability company;

“ <u>Security Document(s)</u> ”	means the Pledge Agreements, the Mortgages, the Deeds of Covenants, the Assignments, the Earnings Account Pledge, the Account Control Agreement, and any other documents that may be executed as security for the Loan and the Borrower’s obligations in connection therewith;
“ <u>Security Party(ies)</u> ”	means the Credit Parties and the Relevant Parents;
“ <u>Security Trustee</u> ”	shall have the meaning ascribed thereto in the preamble;
“ <u>SMC</u> ”	means the safety management certificate issued in respect of a vessel in accordance with rule 13 of the ISM code;
“ <u>Specified Dividend</u> ”	means a distribution of up to \$28,738,106.97 from the Borrower directly or indirectly to the Parent Guarantor;
“ <u>Subsidiary(ies)</u> ”	means, with respect to any Person, any business entity of which more than 50% of the outstanding voting stock or other equity interest is owned directly or indirectly by such Person and/or one or more other Subsidiaries of such Person;
“ <u>Subsidiary Guarantors</u> ”	means the entities identified on Schedule 1-A and any other entity that accedes into this Agreement as a Subsidiary Guarantor in accordance with the terms hereof;
“ <u>Swap Bank(s)</u> ”	means each of the financial institutions identified as a swap bank on Schedule 1-B hereof or any Affiliate of such financial institution;
“ <u>Taxes</u> ”	means any present or future income or other taxes, levies, duties, charges, fees, deductions or withholdings of any nature now or hereafter imposed, levied, collected, withheld or assessed by any taxing authority whatsoever, except for (i) taxes on or measured by the overall net income of any Creditor, and franchise taxes and branch profits taxes of any Creditor, imposed by its jurisdiction of incorporation or formation, or its principal office or its applicable lending office, the United States of America, the State or City of New York or any governmental subdivision or taxing authority of any thereof or by any other taxing authority having jurisdiction over such Creditor (unless and only to the specific extent such jurisdiction is asserted by reason of the activities of the Borrower) or (ii) any taxes imposed under FATCA;
“ <u>Total Capital</u> ”	means the sum of the liabilities (other than Indebtedness under all Warehouse Financing Facilities and the Chase Facility) and shareholders’ equity of the Parent Guarantor and its Subsidiaries on consolidated basis, in each case determined in accordance with GAAP;

<u>“Total Debt”</u>	means the sum of Gross Interest Bearing Debt and Lease Obligations of the Parent Guarantor and its Subsidiaries;
<u>“Transaction Document”</u>	means each of this Agreement, the Note, the Security Documents, the Parent Guaranty, any Interest Rate Agreement, any Fee Letter, the Vessel Manager’s Undertaking and any other document designated as such by the Facility Agent and the Borrower;
<u>“Transaction Party”</u>	means each Security Party, any Vessel Manager that is a member of the Group or any other member of the Group who executes a Transaction Document;
<u>“Vessel(s)”</u>	means the Credit Support Vessels, the Additional Credit Support Vessels and any other additional vessel mortgaged to the Security Trustee pursuant to the terms of this Agreement and each of them;
<u>“Vessel Manager”</u>	means Boston Putford Offshore Safety Ltd., SEACOR Offshore Dubai LLC, SEACOR Marine and/or any other entity controlled by SEACOR Marine which will commercially and technically manage the Vessels at all times, or any other management company appointed with the prior written consent of the Facility Agent, such consent not to be unreasonably withheld, conditioned or delayed;
<u>“Vessel Manager’s Undertaking”</u>	means each of the undertakings made or to be made by the Vessel Manager in favor of the Facility Agent in respect of a Vessel, substantially in the form set out in Exhibit K;
<u>“Vessel Owning Entity”</u>	means each Subsidiary Guarantor, SEACOR Marine and the owner of any other vessel mortgaged to the Security Trustee pursuant to the terms of this Agreement;
<u>“Warehouse Financing Facilities”</u>	means financings of special purpose vehicles, directly or indirectly wholly-owned by the Parent Guarantor or otherwise consolidated in the financial statements of the Parent Guarantor in accordance with GAAP, that are non-recourse to the Parent Guarantor;
<u>“Withdrawal Liability(ies)”</u>	means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part 1 of Subtitle E of Title IV of ERISA;

“Write-down and Conversion Powers” means:

- (a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule; and
- (b) in relation to any other applicable Bail-In Legislation:
 - (i) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and
 - (ii) any similar or analogous powers under that Bail-In Legislation.

1.2 Computation of Time Periods; Other Definitional Provisions. In this Agreement, the Note, the Security Documents and any Interest Rate Agreement, in the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding”; words importing either gender include the other gender; references to “writing” include printing, typing, lithography and other means of reproducing words in a tangible visible form; the words “including”, “includes” and “include” shall be deemed to be followed by the words “without limitation”; references to articles, sections (or subdivisions of sections), exhibits, annexes or schedules are to this Agreement, the Note or such Security Document or any Interest Rate Agreement, as applicable; references to agreements and other contractual instruments (including any Transaction Document) shall be deemed to include all subsequent amendments, amendments and restatements, supplements, extensions, replacements and other modifications to such instruments (without, however, limiting any prohibition on any such amendments, extensions and other modifications by the terms of the Transaction Documents); references to any matter that is “approved” or requires “approval” of a party means approval given in the sole and absolute discretion of such party unless otherwise specified; words importing the plural include the singular and vice versa.

1.3 Accounting Terms. Unless otherwise specified herein, all accounting terms used in this Agreement, the Note, the Security Documents and any Interest Rate Agreement shall be interpreted, and all financial statements and certificates and reports as to financial matters required to be delivered to the Facility Agent or the Lenders, as the case may be, under this Agreement shall be prepared, in accordance with generally accepted accounting principles for the United States (“GAAP”) as amended from time to time including amendments to GAAP made as a result of the conformity of GAAP to International Financial Reporting Standards in effect.

1.4 Certain Matters Regarding Materiality. To the extent that any representation, warranty, covenant or other undertaking of any Credit Party in this Agreement is qualified by reference to those which are not reasonably expected to result in a “Material Adverse Effect” or language of similar import, no inference shall be drawn therefrom that the Facility Agent, Security Trustee or Lenders have knowledge or approves of any noncompliance by such Credit Party with any governmental rule.

1.5 Forms of Documents. Except as otherwise expressly provided in this Agreement, references to documents or certificates “substantially in the form” of Exhibits to another document means that such documents or certificates are duly completed in the form of the related Exhibits with substantive changes subject to the provisions of Section 17.7 of this Agreement, as the case may be, or the correlative provisions of the Security Documents and any Interest Rate Agreement.

2. REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties. In order to induce the Creditors to enter into this Agreement, each Credit Party hereby represents and warrants to the Creditors on the date hereof that:

(a) Due Organization and Power. Each Credit Party is duly formed or incorporated, validly existing and in good standing under the laws of its jurisdiction of formation, has all requisite power to carry on its business as now being conducted and to enter into and perform its obligations under the Transaction Documents to which it is a party, and has complied in all material respects with all statutory, regulatory and other requirements relative to such business and such agreements;

(b) Authorization and Consents. All necessary corporate or limited liability company action has been taken by each Credit Party to authorize, and all necessary consents and authorities have been obtained and remain in full force and effect to permit, such Credit Party to enter into and perform its obligations under the Transaction Documents to which it is a party;

(c) Binding Obligations. Each Transaction Document has been duly executed and delivered by each Credit Party that is a party thereto and is the legal, valid and binding obligation of such Credit Party, enforceable against such Credit Party in accordance with its respective terms, except to the extent that such enforcement may be limited by equitable principles, principles of public policy or applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting generally the enforcement of creditors’ rights;

(d) No Violation. The execution, delivery, and performance by each Credit Party of the provisions of each of the Transaction Documents to which it is party do not contravene any applicable law or regulation existing on the Closing Date that is material to the conduct of such Credit Party’s business or any contractual restriction binding on such Credit Party or its articles of incorporation, memorandum of association, certificate of formation, by-laws or operating agreement (or equivalent instruments) thereof;

(e) Filings; Stamp Taxes. Other than the recording of the Mortgages in the relevant Designated Jurisdictions, as the case may be, and the filing of Uniform Commercial Code financing statements in respect of the Assignments and the Pledge Agreements, and the payment and filing or recording fees consequent thereto, it is not necessary for the legality, validity, enforceability or admissibility into evidence of the Transaction Documents to which it is party, that any of them or any document relating thereto be registered, filed, recorded or enrolled with any court or authority in any relevant jurisdiction or that any stamp, registration or similar Taxes be paid on or in relation to the Transaction Documents;

(f) Litigation. There is no action, suit or proceeding pending or, to the knowledge of any Credit Parties, threatened in writing against it or any Credit Party before any court, board of arbitration or administrative agency which is reasonably likely to result in a Material Adverse Effect;

(g) No Default. No Credit Party is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material agreement by which it is bound, and no condition exists which, with the giving of notice or the lapse of time or both, could constitute such a default, except where the consequences, direct or indirect, of such default or defaults, if any, could not reasonably be expected to have a Material Adverse Effect;

(h) Vessels. With respect to each Vessel owned by a Subsidiary Guarantor, the relevant Subsidiary Guarantor hereby represents and warrants that such Vessel is:

- (i) in the sole and absolute ownership of such Subsidiary Guarantor and duly registered in its name under the laws and flag of the relevant Designated Jurisdiction, unencumbered, save and except for the relevant Mortgage recorded against it, the Assignments, Permitted Liens and as permitted hereby and thereby;
- (ii) classed in the highest classification and rating for vessels of the same age and type with its Classification Society without any material outstanding recommendations or adverse notations affecting class; and
- (iii) insured in accordance with the provisions of the relevant Mortgage or Deed of Covenants, as applicable, and the requirements thereof in respect of such insurances will have been complied with;

(i) Insurance. Each Credit Party maintains the insurance required by Section 9.1(v);

(j) Financial Information. The Historical Financial Statements have been prepared in accordance with GAAP and accurately and fairly present in all material respects the financial condition of the parties covered thereby as of the respective dates thereof and the results of the operations thereof for the period or respective periods covered by such financial statements, subject, in the case of any such unaudited financial statements, to changes resulting from audit and normal year-end adjustments. As of the Closing Date, no Credit Party has any contingent obligations, liabilities for taxes or other outstanding financial obligations that are not reflected in the Historical Financial Statements or the notes thereto and which in any such case is material in relation to the business, operations, properties, assets, condition (financial or otherwise) or prospects of the Credit Parties, taken as a whole;

(k) Tax Returns. Each Credit Party has filed all tax returns required to be filed by it and has paid all Taxes payable by it which have become due, other than those not yet delinquent and except for those (i) Taxes being contested in good faith and by appropriate proceedings or other acts and for which adequate reserves shall have been set aside on its books or (ii) where the failure to file or pay would not along or in the aggregate result in a Material Adverse Effect;

(l) ERISA. No ERISA Funding Event, ERISA Termination Event, Foreign Termination Event or Foreign Underfunding exists or has occurred, or is reasonably expected to exist or occur, that, when taken together with all other ERISA Funding Events, ERISA Termination Events, Foreign Termination Events and Foreign Underfundings that exist or have occurred, or which could reasonably be expected to exist or occur, could reasonably be expected to result in a Material Adverse Effect. None of the Credit Parties is a “benefit plan investor” within the meaning of Section 3(42) of ERISA;

(m) Chief Executive Offices. (i) the chief executive office and chief place of business of each Credit Party (other than any Credit Party incorporated in the United Kingdom) and the office in which the records relating to such party's earnings and other receivables are kept is located at 7910 Main Street, 2nd Floor, Houma, LA 70360, and (ii) the chief executive office and chief place of business of each Credit Party incorporated in the United Kingdom and the office in which the records relating to such party's earnings and other receivables are kept is located at Columbus Buildings, Waveney Road, Lowestoft, Suffolk NR321BN, United Kingdom;

(n) Pari Passu Ranking. Its payment obligations under the Transaction Documents to which it is a party rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally;

(o) Equity Ownership. On the Closing Date, the Parent Guarantor indirectly and beneficially owns (i) seventy-two percent (72%) of each of Falcon Pearl LLC, Falcon Diamond LLC, SEACOR Hawk LLC, SEACOR Eagle LLC, C-Lift LLC and Falcon Global International LLC and (ii) one hundred percent (100%) of each other Security Party and SEACOR Marine;

(p) Environmental Matters and Claims. (a) Except as heretofore disclosed in writing to the Facility Agent or where the failure to comply would not alone or in the aggregate result in a Material Adverse Effect, (i) each of the Borrower and the Vessel Manager will, when required under applicable law to operate its business as then being conducted, be in compliance with all applicable United States federal and state, local, foreign and international laws, regulations and conventions relating to pollution prevention, protection of human health (to the extent related to exposure to Materials of Environmental Concern) or protection of the environment (including, without limitation, ambient air, surface water, ground water, navigable waters, waters of the contiguous zone, ocean waters and international waters), including, without limitation, laws, regulations and conventions to which either is a party relating to (1) emissions, discharges, releases or threatened releases of pollutants, contaminants, wastes, toxic substances, hazardous materials, oil, hazardous substances, petroleum and petroleum products and by-products ("Materials of Environmental Concern"), or (2) the processing, distribution, use, treatment, storage, disposal, transport or handling of Materials of Environmental Concern (collectively, the "Environmental Laws"); (ii) each of the Borrower and the Vessel Manager will, when required under applicable Environmental Law, have all permits, licenses, approvals, rulings, variances, exemptions, clearances, consents or other authorizations required under applicable Environmental Laws ("Environmental Approvals") and will, when required under applicable Environmental Law be in compliance with all such Environmental Approvals required to operate their business as then being conducted; and (iii) each of the Borrower and the Vessel Manager has not received any notice of any claim, action or cause of action by any person, entity or Governmental Authority, alleging potential liability for, or a requirement to incur, Governmental Authority investigation costs, cleanup costs, response and/or remedial costs (whether incurred by a Governmental Authority or otherwise), natural resource damages, property damages, personal injuries, attorneys' fees and expenses, or fines or penalties, in each case arising out of, based on or resulting from (1) the presence, or release or threat of release into the environment, of any Materials of Environmental Concern at any location, whether or not owned by such person, or (2) any violation, or alleged violation, of any Environmental Law or Environmental Approval ("Environmental Claim") (other than Environmental Claims that have been fully and finally adjudicated or otherwise determined and all fines and penalties, if any, payable by it in respect thereof have been paid in full or which are fully covered by insurance (including permitted deductibles)); and (b) except as heretofore disclosed in writing to the Facility Agent there is no Environmental Claim pending or threatened in writing against any of the Transaction Parties and there are no past or present actions, activities, circumstances, conditions, events or incidents, including, without limitation, the release, emission, discharge or disposal of any Materials of Environmental Concern, that could form the basis of any Environmental Claim against the Borrower the adverse disposition of which is reasonably like to result in a Material Adverse Effect;

(q) Liens. As of the Closing Date, no Credit Party (other than the Parent Guarantor) has any Liens that are not Permitted Liens;

(r) Indebtedness. As of the Closing Date, no Credit Party (other than the Parent Guarantor) has Indebtedness that is not Permitted

Indebtedness;

(s) [Intentionally Omitted];

(t) No Proceedings to Dissolve. There are no proceedings or actions pending or contemplated by it, or to its best knowledge contemplated by any third party, to dissolve or terminate any Credit Party;

(u) Solvency. With respect to each Credit Party, upon the incurrence of any Indebtedness pursuant to this Agreement, (i) the sum of its assets, at a fair valuation, does and will exceed its liabilities, including, to the extent they are reportable as such in accordance with GAAP, contingent liabilities, (ii) the present fair market salable value of its assets is not and shall not be less than the amount that will be required to pay its probable liability on its then existing debts, including, to the extent they are reportable as such in accordance with GAAP, contingent liabilities, as they mature, (iii) it does not and will not have unreasonably small working capital with which to continue its business and (iv) it has not incurred, does not intend to incur and does not believe it will incur, debts beyond its ability to pay such debts as they mature;

(v) Compliance with Laws. Each Credit Party is in compliance with all applicable laws of all Governmental Authorities, except where the failure to comply would not alone or in the aggregate result in a Material Adverse Effect;

(w) Citizenship.

(i) If it is a Subsidiary Guarantor owning a Vessel registered in the Marshall Islands, it is a “non-resident limited liability company” under the laws of the Republic of the Marshall Islands, as such term is utilized in the Business Corporations Act and Secured Transactions Act of 2007 (in each case, of the Republic of the Marshall Islands);

(ii) if it is a Subsidiary Guarantor owning a Vessel registered in the United States, it is a citizen of the United States within the meaning of 46 U.S.C. 50501(a), as amended, of the United States Code; and

(iii) if it is a Subsidiary Guarantor owning a Vessel registered in the United Kingdom, it is a company within the meaning of Section 1 of the Companies Act 2006, as amended, of the United Kingdom;

(x) Investment Company. No Credit Party is required to be registered as an “investment company” (as defined in the Investment Company Act of 1940, as amended);

(y) Use of Proceeds; Margin Stock. The proceeds of the Loan will be used for the purposes set forth in Section 3.1 and will not be used by any Credit Party to purchase or carry margin stock within the meanings of Regulations T, U or X of the Board of Governors of the Federal Reserve System. No Credit Party is engaged in the business of extending credit for the purpose of purchasing or carrying margin stock within the meaning of Regulations T, U or X of the Board of Governors of the Federal Reserve System;

(z) Sanctions and Anti-Money Laundering Laws. Each Credit Party is in compliance with applicable Sanctions Laws and Anti-Money Laundering Laws. No Credit Party (i) is a Blocked Person, or (ii) has received notice of or is aware of any claim, action, suit, proceeding or investigation against it by any Governmental Authority in connection with the enforcement of the Sanctions Laws. No Credit Party is engaging in a transaction or dealing with any individual, entity or Sanctioned Country in a manner that would constitute a violation of applicable Sanctions Laws. None of the Credit Parties are using any proceeds from the Loan, directly or, to its knowledge, indirectly, to lend, contribute, provide or otherwise make available funds (1) to a Blocked Person (except to the extent licensed or otherwise approved by OFAC or other applicable Governmental Authority), (2) to a Person for the purpose of engaging in any activities that would result in a violation of Sanctions Laws or Anti-Money Laundering Laws by any Credit Party or to the knowledge of the Credit Parties, any Related Party thereof, or (3) for any purposes that would result in a violation of Sanctions Laws or Anti-Money Laundering Laws by any Credit Party or, to the knowledge of the Credit Parties, any Related Party;

(aa) Material Adverse Change. Since December 31, 2017, no event, circumstance or change has occurred that constitutes a Material Adverse Effect; and

(bb) Repetition. The representations and warranties made herein and in any certificate or other document delivered pursuant hereto or in connection herewith shall survive the making of the Loan and the issuance of the Note. Each of such representations and warranties shall be deemed to be made by each Credit Party by reference to the facts and circumstances then existing on the date of the Drawdown Notice and the Drawdown Date, and all Repeating Representations shall be deemed to be made by each such Credit Party (other than the Parent Guarantor) by reference to the facts and circumstances then existing on the first day of each Interest Period.

3. THE FACILITY

3.1 Purposes. The Borrower shall apply proceeds of the Loan (i) to consummate the Refinancing, (ii) to make the Specified Dividend, and (iii) for general corporate purposes, including working capital and acquisitions; provided, that no proceeds of the Loan shall be used to repay or prepay in part or whole any principal under the Convertible Bond.

3.2 The Loan. Each of the Lenders, relying upon each of the representations and warranties set out in Section 2 and the other Transaction Documents hereby severally and not jointly agrees with the Borrower that, subject to and upon the terms of this Agreement, it will, on the Drawdown Date in a single drawing, make its Commitment available to the Borrower in the account specified in the Drawdown Notice. Any portion of the Commitment that is not utilized on the Drawdown Date shall be automatically cancelled and the amount of the Commitment reduced accordingly.

3.3 Drawdown Notice. The Borrower shall serve a notice by e-mail (a "Drawdown Notice"), substantially in the form of Exhibit M, on the Facility Agent no later than 12:00 p.m. (noon) (New York time) two (2) Banking Days prior to the date of the proposed Drawdown Date. The Drawdown Notice shall (a) be in writing addressed to the Facility Agent, (b) be effective on receipt by the Facility Agent, (c) specify the proposed Drawdown Date which shall be a Banking Day within the Availability Period, (d) specify the principal amount of the Loan to be borrowed, (e) specify the disbursement instructions and (f) be irrevocable.

3.4 Effect of Drawdown Notice. Delivery of the Drawdown Notice shall be deemed to constitute a warranty (a) by each of the Credit Parties that the representations and warranties stated in Section 2 (updated *mutatis mutandis*) hereof and by each of the Security Parties and the Vessel Owning Entities that the representations and warranties stated by it in the other Transaction Documents to which it is a party are in each case true and correct on and as of the date of the Drawdown Notice and will be true and correct on and as of the Drawdown Date as if made on such date (unless an earlier date is set forth therein), and (b) that no Event of Default nor any Default has occurred and is continuing.

3.5 Cancellation of Commitments

(a) The Commitments which are unutilized at the end of the Availability Period shall then be automatically cancelled.

(b) The Borrower may cancel any unused Commitments (in increments of \$1,000,000) upon ten (10) Banking Days' prior notice to the Facility Agent. No amount of the Commitments so cancelled under this Agreement may be subsequently reinstated.

3.6 Fees.

(a) Commitment Fee. The Borrower shall pay to the Facility Agent (for the account of each Lender) a fee computed at the rate of 40% of the Margin per annum on that Lender's available and undrawn Commitment from time to time for the period beginning on the date hereof and ending on the last day of the Availability Period, due and payable on the last day of the Availability Period or if earlier, the day all Commitments are fully drawn, reduced to zero or otherwise terminated.

(b) Other Fees. The Borrower shall pay all other fees in the amount and at the times agreed in any Fee Letter.

3.7 Hedging.

(a) The Borrower shall, within fourteen (14) days following the Drawdown Date, enter into Interest Rate Agreements with any Swap Bank and shall from that time onwards maintain such Interest Rate Agreements in accordance with this Section 3.7.

(b) Each Interest Rate Agreement shall:

(i) be in a form and on terms and conditions agreed by the Facility Agent;

(ii) be with a Swap Bank and each Swap Bank shall also be a Lender (or an Affiliate of such Lender);

(iii) be for a term ending on (or before) the Final Payment Date;

(iv) have settlement dates coinciding with the interest payment dates of the Loan; and

(v) provide that the Termination Currency (as defined in the relevant Interest Rate Agreement) shall be dollars.

(c) The rights of the Borrower under any Interest Rate Agreement to which it is a party shall be assigned by way of security under an Interest Rate Agreement Assignment.

(d) The parties to each Interest Rate Agreement must comply with the terms of that Interest Rate Agreement.

(e) Neither a Swap Bank nor the Borrower may amend, supplement, extend or waive the terms of any Interest Rate Agreement without the consent of the Facility Agent.

(f) Paragraph (e) above shall not apply to an amendment, supplement or waiver that is administrative and mechanical in nature and does not give rise to a conflict with any provision of this Agreement.

(g) If, at any time, the aggregate notional principal amount of the transactions in respect of the Interest Rate Agreement exceeds or, as a result of any repayment or prepayment under this Agreement, will exceed the Loan, as the case may be, at that time, the Borrower must promptly notify the Facility Agent and must, at the request of the Facility Agent (acting on the instructions of the Majority Lenders), reduce the aggregate notional amount of those transactions by an amount and in a manner satisfactory to the Facility Agent (acting on the instructions of the Majority Lenders) so that it no longer exceeds or will not exceed the Loan, as the case may be, then or that will be outstanding and shall provide evidence that the transactions have been so reduced. The aggregate notional principal amount of the transactions in respect of the Interest Rate Agreements shall at all times be greater than or equal to 50% of the principal amount of the Loan then outstanding.

(h) Any reductions in the aggregate notional amount of the transactions in respect of the Interest Rate Agreement in accordance with paragraph (g) above will be apportioned as between those transactions *pro rata*.

(i) A Swap Bank may only suspend making payments under a transaction in respect of an Interest Rate Agreement if the Borrower is in breach of its payment obligations under any transaction in respect of that Interest Rate Agreement.

(j) Each Swap Bank consents to, and acknowledges notices of, the assigning by way of security by each of the Borrower pursuant to the relevant Interest Rate Agreement of its rights under the Interest Rate Agreement to which it is party in favour of the Security Trustee.

(k) Any such assigning by way of security is without prejudice to, and after giving effect to, the operation of any payment or close-out netting in respect of any amounts owing under any Interest Rate Agreement.

(l) The Security Trustee shall not be liable for the performance of the Borrower's obligations under an Interest Rate Agreement to which it is a party.

4. CONDITIONS PRECEDENT

4.1 Conditions Precedent to Effectiveness. The effectiveness of this Agreement and the obligation of the Lenders to make the Loan available to the Borrower under this Agreement shall be expressly subject to the satisfaction, or waiver in accordance with this Agreement, of the following conditions precedent:

- Agent:
- (a) Corporate Authority. The Facility Agent shall have received the following documents in form and substance satisfactory to the Facility Agent:
- (i) copies, certified as true and complete by an officer, director or managing member (as applicable) of each Security Party and Vessel Owning Entity, of the resolutions of the directors, members or managers thereof evidencing approval of the Transaction Documents to which each is a party and authorizing an appropriate person or persons or attorney-in-fact or attorneys-in-fact to execute the same on its behalf, or other evidence of such approvals and authorizations;
 - (ii) copies, certified as true and complete by an officer, director or managing member (as applicable) of the relevant Security Party and Vessel Owning Entity, of all documents evidencing any other necessary action (including actions by such parties thereto other than the Security Parties and the Vessel Ownings Entities as may be required by the Lenders), approvals or consents with respect to the Transaction Documents ;
 - (iii) copies, certified as true and complete by an officer, director or managing member (as applicable) of each Security Party and Vessel Owning Entity, of the certificate of formation, articles of incorporation, memorandum of association, operating agreement or by-laws, as the case may be, or equivalent instruments thereof;
 - (iv) a copy, certified as true and complete by an officer of the Parent Guarantor, of the corporate organizational chart of the Parent Guarantor showing all of the Borrower and Subsidiary Guarantors;
 - (v) [Intentionally Omitted];
 - (vi) certificate of an authorized officer, director or managing member (as applicable) of each Security Party (other than the Parent Guarantor) certifying as to the record ownership of all of its issued and outstanding capital stock or limited liability company membership interests, as the case may be or a certified copy of the register of members;
 - (vii) in the case of each Subsidiary Guarantor incorporated in England and Wales, an original of any power of attorney granted by that Subsidiary Guarantor authorizing a specified person or persons to execute the Transaction Documents to which it is a party;
 - (viii) certificate of the jurisdiction of formation of each Security Party and Vessel Owning Entity as to the good standing thereof;
 - (ix) copies, certified as true and complete by an officer, managing member or director (as applicable) of each of the Security Parties and the Vessel Owning Entities, of the names and true signatures of the officers or directors (as applicable) of such Security Parties and Vessel Owning Entities signing each Transaction Document to which it is or is to be a party and the other documents to be delivered hereunder and thereunder; and

- (x) a certificate signed by the Chairman, President, Executive Vice President, Treasurer, Comptroller, Controller or chief financial officer of (A) the Borrower (or its managing member) to the effect that no Default or Event of Default shall have occurred and be continuing and (B) each of the Security Parties and Vessel Owning Entities (or its managing member) to the effect that the representations and warranties of such Security Party and Vessel Owning Entity contained in this Agreement and the other Transaction Documents are true and correct as of the date of such certificate (unless an earlier date is set forth therein).
- (b) This Agreement. Each Credit Party shall have duly executed and delivered this Agreement to the Facility Agent;
- (c) The Note. The Borrower shall have duly executed and delivered a Note to the Facility Agent;
- (d) Parent Guaranty. The Parent Guarantor shall have duly executed and delivered the Parent Guaranty to the Security Trustee;
- (e) Pledge Agreement. Each of the Relevant Parents and the Borrower shall have duly executed and delivered the Pledge Agreement to which it is a party to the Facility Agent, pursuant to which the capital stock or membership interests in each of the Subsidiary Guarantors shall have been pledged in favor of the Security Trustee for the benefit of the Creditors;
- (f) [Intentionally Omitted].
- (g) Fees. The Creditors shall have received payment in full of all fees and expenses due to each thereof pursuant to the terms hereof on the date when due including, without limitation, all fees and expenses due under Sections 3.6 and 13;
- (h) The Vessels. The Facility Agent shall have received evidence satisfactory to it that each Vessel:
 - (i) is in the sole and absolute ownership of a Vessel Owning Entity and duly registered in such Vessel Owning Entity's name under the laws and flag of the relevant Designated Jurisdiction, unencumbered, save and except for the relevant Mortgage recorded against it, the Assignments, and Permitted Liens;
 - (ii) is classed in the highest classification and rating for vessels of the same age and type with the respective Classification Society without any material outstanding recommendations affecting class;
 - (iii) is operationally seaworthy and in every way fit for its intended service; and
 - (iv) insured in accordance with the provisions of the applicable Mortgage and Section 9.1(v) hereof and all requirements of the applicable Mortgage and Section 9.1(v) hereof in respect of such insurance have been fulfilled (including, but not limited to, letters of undertaking from the insurance brokers, including confirmation notices of assignment, notices of cancellation and loss payable clauses acceptable to the Facility Agent);

(i) Mortgages. Each Vessel Owning Entity shall have duly executed, and delivered to the Facility Agent, the Mortgage over its respective Vessel and in the case of all Vessels flagged in the United Kingdom or Cayman Islands, the Deed of Covenants;

(j) Recording of the Mortgages. The Facility Agent shall have received satisfactory evidence that the Mortgage over each Vessel has been duly recorded under the laws of the relevant Designated Jurisdiction and constitutes a first preferred mortgage lien under the laws of the relevant Designated Jurisdiction;

(k) Assignments. The Borrower shall have delivered to the Facility Agent duly executed copies of the following:

(i) an Insurances Assignment over each Vessel;

(ii) an Earnings Assignment over each Vessel;

(iii) a Charter Assignment with respect to any Charter in excess of (or capable of exceeding, by virtue of any optional extension) 12 months over each Vessel (on a commercially reasonable basis if the relevant vessel employment agreement expressly prohibits such assignment);

(iv) an Interest Rate Agreement Assignment relating to any Interest Rate Agreement that the Borrower has entered into;

(v) the Assignment Notices with respect to the above mentioned Assignments;

(l) [Intentionally Omitted];

(m) Vessels Liens. Each Vessel Owning Entity shall deliver to the Facility Agent evidence satisfactory to it and to its counsel that, save for the liens created by the Mortgage and the Assignments, there are no liens, charges or encumbrances of any kind whatsoever on its Vessels, or on its earnings except as permitted hereby or by any of the Security Documents;

(n) Compliance with ISM Code, ISPS Code, Annex VI and MTSA. Each Vessel Owning Entity shall deliver to the Facility Agent evidence satisfactory to it and to its counsel that each of its Vessels complies and the Operator complies with the requirements of the ISM Code, ISPS Code, Annex VI and MTSA including (but not limited to) the maintenance and renewal of valid certificates pursuant thereto and the Facility Agent shall have received a copy of the DOC, SMC, ISSC and IAPPC for such Vessel;

(o) No Threatened Withdrawal of DOC, ISSC, SMC or IAPPC. Each Vessel Owning Entity shall deliver to the Facility Agent a certificate of such Vessel Owning Entity certifying that there is no actual or, to the best of such Vessel Owning Entity's knowledge, threatened withdrawal of any Operator's DOC, ISSC, SMC, IAPPC or other certification or documentation related to the ISM Code, ISPS Code, Annex VI or otherwise required for the operation of each of its Vessels or in respect to any of such Vessel Owning Entity's Vessels;

- (p) Evidence of Current COFR. The Facility Agent shall have received evidence of current compliance with any applicable requirement for a Certificate of Financial Responsibility pursuant to the Oil Pollution Act 1990 for each Vessel, as applicable;
- (q) Vessel Appraisals. The Facility Agent shall have received two appraisals of the Fair Market Value of each Vessel in form and substance satisfactory to the Facility Agent, and the aggregate Fair Market Value (as evidenced by such appraisals) of all the Vessels to be mortgaged to the Security Trustee shall be not less than \$260,000,000;
- (r) Insurance Report. The Facility Agent shall have received a detailed report from a firm of independent marine insurance consultants appointed by the Facility Agent in respect of the insurances on each Vessel, in form and substance satisfactory to the Facility Agent, the cost of such report to be for the account of the Borrower;
- (s) Vessel Manager Documents. Each Vessel Manager shall have duly executed and delivered to the Facility Agent the Vessel Manager's Undertaking relating to the relevant Vessel together with a copy of the Management Agreement;
- (t) Filings.
- (i) Each Security Party and Vessel Owning Entity shall have duly delivered to the Facility Agent the Uniform Commercial Code financing statements for filing with the State of Delaware, the District of Columbia and in such other jurisdictions as the Facility Agent may reasonably require; and
 - (ii) Each Security Party and Vessel Owning Entity incorporated in England and Wales shall have duly delivered to the Facility Agent evidence of registration with the Companies House of the relevant Security Documents as the Facility Agent may reasonably require;
- (u) Financial Statements. The Parent Guarantor shall deliver, to the extent not publicly filed with the SEC, to the Facility Agent the Historical Financial Statements and a Compliance Certificate by the Parent Guarantor;
- (v) Licenses, Consents and Approvals. The Facility Agent shall have received satisfactory evidence that all necessary licenses, consents and approvals in connection with the transactions contemplated by the Transaction Documents have been obtained;
- (w) Know Your Customer Requirements. The Facility Agent shall have received documentation to the satisfaction of each Lender in connection with its know your customer requirements, including but not limited to:
- (i) completed company profile form provided by the Facility Agent;
 - (ii) completed FATCA form provided by the Facility Agent;
 - (iii) completed FinCEN UBO certification form provided by the Facility Agent;

- (iv) certificates of incorporation or similar documents, certified by the respective secretary or assistant secretary of such entity;
- (v) articles of incorporation or similar documents, resolution of the board of directors or similar governing body, incumbency certificate or similar properly authorized and executed document setting forth the names and titles of the primary officers who are authorized to act on behalf of each Security Party and Vessel Owning Entity generally (rather than only for specific matters).
- (vi) a chart or other diagram on the company's letterhead that sets forth the ownership structure of the Security Parties and Vessel Owning Entities, including any person or entity that is the beneficial owner of 25% or more of the voting equity securities in each such Person. To the extent such a 25% or more beneficial owner itself has a more than 25% or more voting securities beneficial owner, the chart or diagram shall include that owner. For these purposes, "beneficial owner" should be deemed to include a person that has economic ownership of securities, if not legal ownership;
- (vii) with respect to each beneficial owner identified in the ownership structure chart in paragraph (vi) above who is a natural person, a form of current and valid identification (e.g., passport, driver's license or other government issued identification);
- (viii) the names of all members of the board of directors or similar governing body of each Security Party and Vessel Owning Entity on company letterhead, which shall identify the chairperson;
- (ix) with respect to each Security Party and Vessel Owning Entity, such entity's applicable IRS Form W-8 or W-9 and tax identification number; and
- (x) a form of current and valid identification of the controlling person.

(x) [Intentionally Omitted];

(y) Earnings Account. The Borrower shall have established the Earnings Account into which Assigned Moneys are to be paid;

(z) Earnings Account Pledge. The Borrower shall have executed and delivered to the Facility Agent an Earnings Account Pledge relating to the Earnings Account;

(aa) Account Control Agreement. The Borrower, the Account Bank and the Security Trustee shall have executed and delivered to the Facility Agent the Account Control Agreement;

(bb) Legal Opinions. The Facility Agent shall have received legal opinions addressed to the Lenders from (i) Watson Farley & Williams LLP, special counsel to the Security Parties and Vessel Owning Entities, as to matters of New York law, Delaware law, Marshall Islands law and United States maritime law, (ii) Stephenson Harwood LLP, special counsel to the Creditors, as to matters of English law and (iii) Conyers Dill & Pearman, special counsel to the Creditors, as to matters of Cayman Islands law, in each case in such form as the Facility Agent may require, as well as such other legal opinions as the Facility Agent shall have required as to all or any matters under the laws of the United States of America, the State of New York, the State of Delaware, the Republic of the Marshall Islands, the United Kingdom, England and Wales and Cayman Islands in a form acceptable to the Facility Agent and its counsel;

(cc) Charters. The Facility Agent shall have received certified copies of all Charters;

(dd) Inventory of Hazardous Materials. The Facility Agent shall have received a copy of the Inventory of Hazardous Materials with respect to each Vessel, commencing on the date of the first drydocking of such Vessel after the Closing Date; and

(ee) Process Agent. Each Security Party and Vessel Owning Entity (other than those incorporated in the United States) shall have appointed a process agent in the State of New York and the Facility Agent shall have received evidence of the acceptance of such appointment from such process agent.

4.2 Conditions to Drawdown Date. The obligation of the Lenders to make the Loan available to the Borrower under this Agreement shall be expressly and separately subject to the satisfaction, or waiver in accordance with this Agreement, of the following further conditions precedent:

(a) Drawdown Notice. The Facility Agent having received a Drawdown Notice in accordance with the terms of Section 3.3.

(b) Representations and Warranties. The representations stated in Section 2 and in the other Transaction Documents (updated *mutatis mutandis* to such date) being true and correct as if made on and as of that date (unless an earlier date is set forth therein);

(c) No Event of Default. No Default or Event of Default having occurred and being continuing;

(d) No Change in Laws. The Lenders being satisfied that no change in any applicable laws, regulations, rules or in the interpretation thereof shall have occurred which make it unlawful for any Transaction Party to make any payment as required under the terms of the Transaction Documents;

(e) No Material Adverse Effect. There having occurred no matter or event which might result in a Material Adverse Effect since December 31, 2017;

(f) Refinancing of Existing Indebtedness. Confirmation that the Refinancing shall be consummated concurrently with drawdown on the Drawdown Date to the reasonable satisfaction of the Facility Agent; and

(g) Post-Closing Letter of Undertaking. The Facility Agent having received a duly executed Post-Closing Letter of Undertaking.

4.3 [Intentionally Omitted].

4.4 Breakfunding Costs. In the event that, on the date specified for the making of the Loan in the Drawdown Notice, any Lender shall not be obliged under this Agreement to make the Loan or any portion thereof available resulting from the failure of any conditions precedent under Section 4.1 or 4.2 hereof to be satisfied, the Borrower shall indemnify and hold such Lender fully harmless against any losses which such Lender may sustain as a result of borrowing or agreeing to borrow funds to meet the drawdown requirement of such Drawdown Notice and the certificate of such Lender shall, absent manifest error, be conclusive and binding on the Borrower as to the extent of any such losses.

4.5 Satisfaction after Drawdown. Without prejudice to any of the other terms and conditions of this Agreement, in the event the Lenders, in their sole discretion, make the Loan prior to the satisfaction of all or any of the conditions referred to in Sections 4.1 and 4.2 (other than in the case of a waiver of such conditions in accordance with this Agreement), the Borrower hereby covenants and undertakes to satisfy or procure the satisfaction of such condition or conditions within fourteen (14) days after the Drawdown Date (or such longer period as the Majority Lenders, in their sole discretion, may agree).

5. REPAYMENT AND PREPAYMENT

5.1 Repayment.

(a) Quarterly Installments. On each quarterly date from the Drawdown Date, the Borrower shall repay the principal amount of the Loan in an amount equal to \$3,250,000.

(b) Maturity. The Borrower shall repay the outstanding principal amount of the Loan, together with accrued but unpaid interest thereon and any fees and other amounts owing to any Creditor on the Final Payment Date.

5.2 Voluntary Prepayment. Subject to delivery of the notices and the minimum payment amounts required by this Section 5.2, the Borrower may, at its option, on any Banking Day, prepay all or any portion of the Loan. The Borrower shall compensate the Lenders for any loss, cost or expense incurred by them as a result of a prepayment made on any day other than the last day of the applicable Interest Period in accordance with the provisions of Section 5.5 or 11.5, as the case may be. Prepayments made on the last day of the applicable Interest Period shall be without penalty or premium. Any prepayment shall be in a minimum amount of One Million Dollars (\$1,000,000) or the full amount of the Loan then outstanding. The Borrower shall deliver to the Facility Agent notice of such prepayment not less than five (5) Banking Days prior to the date on which the Borrower intends to make such prepayment (which notice shall be irrevocable and shall specify the date and amount of such prepayment).

5.3 Borrower's Obligations Absolute. The Borrower's obligations to pay each Creditor hereunder and under the Note shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms hereof and thereof, under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment which the Borrower may have or may have had against any Creditor. If (and only if) requested by a Lender, the Borrower shall promptly deliver to such Lender a Note evidencing such Lender's portion of the Loan.

5.4 Mandatory Prepayment.

(a) Sale or Loss. On (i) the day of receipt by any Credit Party of sale proceeds of a Vessel or (ii) the earlier of (x) one hundred and eighty (180) days after the actual, constructive or compromised loss of a Vessel, or two hundred and seventy (270) days after the requisition of title, nationalization, confiscation or expropriation of a Vessel or (y) the date on which Net Insurance Proceeds in respect of such loss are received by any Credit Party, the Borrower shall either (A) repay the Loan in an amount equal to the Relevant Prepayment Amount or (B) pledge to the Security Trustee additional Collateral as may be satisfactory to the Majority Lenders in their sole discretion.

(b) Change of Control. If a Change of Control occurs, the Borrower shall immediately repay in full the outstanding principal amount of the Loan, together with accrued but unpaid interest thereon and any fees or other amounts owing to any Creditor.

5.5 Interest and Costs with Prepayments/Application of Prepayments. Any prepayment of the Loan made hereunder (including, without limitation, those made pursuant to Sections 5 and 9.3) shall be subject to the condition that on the date of prepayment by or on behalf of the Borrower all accrued interest to the date of such prepayment shall be paid in full with respect to the Loan or portions thereof being prepaid, together with any and all costs or expenses incurred by any Lender in connection with any breaking of funding for prepayments other than on the last day of the applicable Interest Period (as certified by the relevant Lender, which certification shall, absent any manifest error, be conclusive and binding on the Borrower). No amounts pre-paid or repaid will be available for re-borrowing.

6. INTEREST AND RATE

6.1 Applicable Rate. The Borrower shall pay to the Lenders interest on the unpaid principal amount of the Loan for the period commencing on the Drawdown Date until but not including the stated maturity thereof (whether by acceleration or otherwise) or the date of prepayment thereof at the Applicable Rate, which shall be the rate per annum which is equal to the aggregate of (a) LIBOR for the relevant Interest Period plus (b) the Margin plus (c) Mandatory Costs, if any. Accrued interest on the Loan shall be payable in arrears on the last day of each Interest Period.

6.2 Default Rate. Notwithstanding the foregoing, the Borrower agrees that after the occurrence and during the continuance of an Event of Default, the Loan and any other outstanding amount under the Transaction Documents shall bear interest at the Default Rate. In addition, the Borrower hereby promises to pay interest at the Default Rate on any other amount payable by the Borrower hereunder or under any other Transaction Document which shall not be paid in full when due (whether at stated maturity, by acceleration or otherwise), for the period commencing on the due date thereof until but not including the date the same is paid. Any interest at the Default Rate (if unpaid) arising on an overdue amount will be compounded with the overdue amount at the end of the then applicable Interest Period but will remain immediately due and payable.

6.3 Maximum Interest. Anything in this Agreement or the Note to the contrary notwithstanding, the interest rate on the Loan shall in no event be in excess of the maximum rate permitted by applicable law.

6.4 Discontinuation of LIBOR. Subject to the Facility Agent's rights contained in this Agreement or the other Transaction Documents, this Agreement and the other Transaction Documents may be amended to replace LIBOR with: (a) a successor or alternative index rate as the Majority Lenders and the Borrower may reasonably determine or (b) absent such mutual selection by the Borrower and the Facility Agent, a comparable successor or alternative interbank rate for deposits in Dollars that is, at such time, broadly accepted as the prevailing market practice for syndicated leveraged loans of this type in lieu of LIBOR as reasonably determined by the Facility Agent; provided that (i) any such successor or alternative rate shall be applied by the Facility Agent in a manner consistent with market practice and (ii) to the extent such market practice is not administratively feasible for the Facility Agent, such successor or alternative rate shall be applied in a manner as otherwise reasonably determined by the Facility Agent in consultation with the Borrower.

7. PAYMENTS

7.1 Place of Payments, No Set Off. All payments to be made hereunder by the Borrower shall be made to the Facility Agent, not later than 3 p.m. New York time (any payment received after 3 p.m. New York time shall be deemed to have been paid on the next Banking Day) on the due date of such payment, at its office located at 200 Park Avenue, New York, New York 10166, USA or to such other office of the Facility Agent as the Facility Agent may direct, without set-off or counterclaim and free from, clear of, and without deduction or withholding for, any Taxes; provided, however, that if the Borrower shall at any time be required by applicable law to withhold or deduct any Taxes from any amounts payable to the Lenders hereunder, then the Borrower shall pay such additional amounts in Dollars as may be necessary in order that the net amounts received by the Lenders after withholding or deduction shall equal the amounts which would have been received if such withholding or deduction were not required and, in the event any withholding or deduction is made, whether for Taxes or otherwise, the Borrower shall promptly send to the Facility Agent such documentary evidence with respect to such withholding or deduction as may be required from time to time by the Lenders.

7.2 Tax Credits. If a Lender obtains the benefit of a credit against relief or remission for, or repayment of any Tax imposed by any taxing authority for all or part of the Taxes as to which the Borrower has paid additional amounts as aforesaid, then such Lender shall pay an amount to the Borrower which such Lender determines will leave it (after such payment) in the same position as it would have been had the Tax payment not been made by the Borrower. Each Lender agrees that in the event that Taxes are imposed on account of the situs of its loans hereunder, such Lender, upon acquiring knowledge of such event, shall, if commercially reasonable and if, in the opinion of such Lender, it is not prejudicial to it, shift such loans on its books to another office of such Lender so as to avoid the imposition of such Taxes. Nothing contained in this clause shall in any way prejudice the right of the Lenders to arrange their tax affairs in such way as they, in their sole discretion, deem appropriate. In particular, a Lender shall not be required to obtain such tax credit if this interferes with the way such Lender normally deals with its tax affairs.

7.3 Exclusion of Gross-up for Taxes. Borrower shall not be required to pay any additional amounts to or for the account of any Lender pursuant to Section 7.1 to the extent that:

(a) the applicable Lender was not an original party to this Agreement and under applicable law (after taking into account relevant treaties and assuming that such Lender has provided all forms it may legally and truthfully provide) on the date such Lender became a party to this Agreement withholding of Taxes would have been required on such payment, provided that this exclusion shall not apply to the extent such withholding does not exceed the withholding that would have been applicable if such payment had been made to an applicable Lender that was an original party to this Agreement; or

(b) the applicable Lender has changed its lending office and under applicable law (after taking into account relevant treaties and assuming that such Lender has provided all forms it may legally and truthfully provide) on the date such Lender changed its lending office withholding of Taxes would have been required on such payment, provided that this exclusion shall not apply to the extent such withholding does not exceed the withholding that would have been applicable to such payment and with respect to which such Lender would have been entitled to receive additional amounts pursuant to Section 7.1 hereof if such Lender had not changed its lending office; or

(c) withholding would not have been required on such payment if such Lender had complied with its obligations to deliver certain tax forms pursuant to Section 7.4 below.

7.4 Delivery of Tax Forms.

(a) On or prior to the Closing Date (or in the case of a transferee Lender, the date that it becomes a party to this Agreement), and thereafter when reasonably requested by the Borrower, each Lender or transferee that is organized under the laws of a jurisdiction outside the United States, any state thereof or the District of Columbia (a “Non-U.S. Lender”) shall deliver to the Facility Agent two properly completed and duly executed copies of (as applicable) IRS Form W-8BEN, W-8BEN-E, W-8ECI or W-8IMY or, upon request of the Borrower or the Facility Agent, any subsequent versions thereof or successors thereto, in each case claiming a reduced rate (which may be zero) of U.S. federal withholding tax under Sections 1441 and 1442 of the Code with respect to payments hereunder as such Non-U.S. Lender may properly claim. In addition, in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code, such Non-U.S. Lender shall, on or prior to the Closing Date (or in the case of a transferee Lender, the date that it becomes a party to this Agreement), and thereafter when reasonably requested by the Borrower, provide to the Borrower and the Facility Agent in addition to the applicable IRS Form W-8 required above a certificate representing that such Non-U.S. Lender is not a bank for purposes of Section 881(c) of the Code, is not a 10-percent shareholder (within the meaning of Section 871(h)(3)(B) of the Code) of such Credit Party and is not a controlled foreign corporation related to such Credit Party (within the meaning of Section 864(d)(4) of the Code), and such Non-U.S. Lender agrees that it shall promptly notify the Facility Agent in the event any representation in such certificate is no longer accurate.

(b) In the case of a Non-U.S. Lender that is a party to this Agreement on the Closing Date and that fails to provide an IRS Form W-8ECI or the certificate described in the last sentence of Section 7.4(a) with respect to a Credit Party that is a U.S. person, the IRS Form W-8BEN, W-8BEN-E or W-8IMY provided by such Non-U.S. Lender on or prior to the Closing Date shall claim the benefits of an income tax treaty providing for no U.S. federal withholding tax under Sections 1441 and 1442 of the Code with respect to payments hereunder with respect to such Credit Party.

(c) On or prior to the date hereof (or in the case of a transferee Lender, the date that it becomes a party to this Agreement), and thereafter when reasonably requested by the Borrower, each Lender that is not a Non-U.S. Lender shall deliver to the Borrower and the Facility Agent executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax.

(d) Any Lender shall when reasonably be requested by the Borrower provide such forms as are necessary to comply with the Common Reporting Standard issued by the Organisation for Economic Cooperation and Development (OECD), or similar legislation, regulations or guidance enacted in any jurisdiction that seeks to implement equivalent tax reporting and/or withholding tax regimes.

7.5 FATCA Information.

(a) Subject to paragraph (c) below, each FATCA Relevant Party, within ten (10) Banking Days of a reasonable request by the Borrower or the Facility Agent, shall:

- (i) confirm to that other party whether it is a FATCA Exempt Party or is a FATCA Non-Exempt Party; and
- (ii) supply to the requesting party (with a copy to all other FATCA Relevant Parties) such other form or forms (including IRS Form W-8 or Form W-9 or any successor or substitute form, as applicable) and any other documentation and other information relating to its status under FATCA (including its applicable “pass-thru percentage” or other information required under FATCA or other official guidance including intergovernmental agreements) as the requesting party reasonably requests for the purpose of determining whether any payment to such party may be subject to any FATCA Deduction.

(b) If a FATCA Relevant Party confirms to the Borrower or the Facility Agent that it is a FATCA Exempt Party or provides an IRS Form W-8 or W-9 showing that it is a FATCA Exempt Party and it subsequently becomes aware that it is not, or has ceased to be a FATCA Exempt Party, that party shall so notify the Borrower and the Facility Agent reasonably promptly.

(c) Nothing in this Section 7.5 shall obligate any FATCA Relevant Party to do anything which would or, in its reasonable opinion, might, constitute a breach of any law or regulation, any policy of that party, any fiduciary duty or any duty of confidentiality, or to disclose any confidential information (including, without limitation, its tax returns and calculations); provided that nothing in this paragraph shall excuse any FATCA Relevant Party from providing a true complete and correct applicable IRS Form W-8 or W-9 (or any successor or substitute form where applicable). Any information provided on such IRS Form W-8 or W-9 (or any successor or substitute forms) shall not be treated as confidential information of such party for purposes of this paragraph.

(d) If a FATCA Relevant Party fails to confirm its status or to supply forms, documentation or other information requested in accordance with the provisions of this agreement or the provided information is insufficient under FATCA, then:

- (i) such party shall be treated as if it were a FATCA Non-Exempt Party; and
- (ii) if that party failed to confirm its applicable pass-thru percentage then such party shall be treated for the purposes of any Transaction Document (and payments made thereunder) as if its applicable pass-thru percentage is 100%,

until (in each case) such time as the party in question provides sufficient confirmation, forms, documentation or other information to establish the relevant facts.

7.6 FATCA Withholding.

(a) The Borrower or the Facility Agent making a payment to any FATCA Non-Exempt Party shall make such FATCA Deduction as it determines is required by law and shall render payment to the IRS or other applicable taxing authority within the time allowed and in the amount required by FATCA.

(b) If a FATCA Deduction is required to be made by the Borrower or the Facility Agent to a FATCA Non-Exempt Party, the amount of the payment due from the Borrower or the Facility Agent shall be reduced by the amount of the FATCA Deduction reasonably determined to be required by the Borrower or the Facility Agent.

(c) Each FATCA Relevant Party shall promptly upon becoming aware that a FATCA Deduction is required with respect to any payment owed to it (or that there is any change in the rate or basis of a FATCA Deduction) notify the Borrower or the Facility Agent accordingly, and no Credit Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction.

(d) Within thirty days of making either a FATCA Deduction or any payment required in connection with that FATCA Deduction, the party making such FATCA Deduction shall deliver to the Facility Agent for delivery to the party on account of whom the FATCA Deduction was made evidence reasonably satisfactory to that party that the FATCA Deduction has been made or (as applicable) any appropriate payment paid to the IRS or other applicable taxing authority.

(e) The Facility Agent shall promptly upon becoming aware that it must make a FATCA Deduction in respect of a payment to a Lender which relates to a payment by the Credit Parties (or that there is any change in the rate or the basis of such a FATCA Deduction) notify the Credit Parties and the relevant Lender.

7.7 FATCA Mitigation. Notwithstanding any other provision of this Agreement, if a FATCA Deduction is or will be required to be made by any party under Section 7.4 in respect of a payment to any FATCA Non-Exempt Lender, the FATCA Non-Exempt Lender may either:

- (i) transfer its entire interest in the Loan to a U.S. branch or Affiliate, or
- (ii) nominate one or more transferee lenders who upon becoming a Lender would be a FATCA Exempt Party, by notice in writing to the Facility Agent and the Borrower specifying the terms of the proposed transfer, and cause such transferee lender(s) to purchase all of the FATCA Non-Exempt Lender's interest in the Loan.

7.8 Computations; Banking Day.

(a) All computations of interest and fees shall be made by the Facility Agent or the Lenders, as the case may be, on the basis of a 360-day year, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which interest or fees are payable. Each determination by the Facility Agent or the Lenders of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) Whenever any payment hereunder or under the Note shall be stated to be due on a day other than a Banking Day, such payment shall be due and payable on the next succeeding Banking Day unless the next succeeding Banking Day falls in the following calendar month, in which case it shall be payable on the immediately preceding Banking Day.

8. EVENTS OF DEFAULT

8.1 Events of Default. The occurrence of any of the following events shall constitute an "Event of Default":

- (a) Non-Payment.
 - (i) Any payment of principal, interest or fees payable pursuant to this Agreement or any Fee Letter is not made on the due date thereof, unless such failure is caused by an administrative or technical error and payment is made within three (3) Banking Days of its due date; or
 - (ii) any payment of any other amount payable pursuant to this Agreement or any other Transaction Document is not made on the due date, and such failure continues for ten (10) days.

(b) [Intentionally Omitted].

(c) Representations. Any representation, warranty or other statement made by any Transaction Party in (i) this Agreement, (ii) any of the Security Documents, (iii) any Interest Rate Agreement or (iv) any other instrument, document or other agreement delivered in connection herewith or therewith, proves to have been untrue or misleading in any material respect when made or deemed made; or

(d) Impossibility; Illegality. It becomes impossible or unlawful for any Transaction Party to fulfill any of its covenants or obligations under any Transaction Document or for any Creditor to exercise any of the rights vested in it under any Transaction Document; or

(e) Mortgage. There is an event of default (after giving effect to applicable notice and cure periods) under any Mortgage; or

(f) Certain Covenants. (i) Any Credit Party defaults in the performance or observance of any covenant contained in Sections 5.4 (Mandatory Prepayment), 5.5 (Interest and Costs with Prepayments/Application of Prepayments), 9.1(b) (Notice of Default, etc.), 9.1(f) (Corporate Existence), 9.1(l) (Environmental Matters), 9.1(v) (Insurances), 9.2(a) (Liens), 9.2(b) (Investments), 9.2(f) (Change of Flag, Class, Management or Ownership), 9.2(i) (Sale of Assets), 9.2(k) (Restricted Payments), 9.2(l) (Consolidation and Merger), 9.2(n) (Indebtedness), 9.2(o) (Sanctions and Anti-Money Laundering), 9.2(q) (Use of Proceeds), 9.2(s) (Restrictions on Chartering), 9.3 (Asset Maintenance) or 18.15 (Subordination) of this Agreement and sub-sections (a)(iii), (a)(iv)(1), (a)(iv)(2), (a)(v), (a)(xiii), (a)(xiv), (a)(xv), (a)(xvi) (it being understood that for the avoidance of doubt, no Event of Default shall arise until after the date of the expiration of the Cure Right provided therein), (b)(i), (b)(ii), (b)(iii), (b)(vii), (b)(viii), (b)(x), (b)(xi), (b)(xii), (b)(xiii) and (b)(xiv) of Section 4 of the Parent Guaranty or the Post-Closing Letter of Undertaking; or

(g) Covenants. Any Security Party or Vessel Owning Entity defaults in the performance of any term, covenant or agreement contained in any Transaction Document to which it is a party or in any other instrument, document or other agreement delivered by it in connection herewith or therewith, in each case other than an Event of Default referred to elsewhere in this Section 8.1, or there occurs any other event which constitutes a default by any Security Party or Vessel Owning Entity under any Transaction Document to which it is a party and in each case such default continues unremedied for a period of twenty (20) days after the earlier of (x) actual knowledge thereof by a Responsible Officer of such Security Party or Vessel Owning Entity or (y) such Security Party or Vessel Owning Entity having been notified thereof in writing by the Facility Agent, in each case other than an Event of Default referred to elsewhere in this Section 8.1; or

(h) Indebtedness. (i) Any default occurs in the payment when due (after giving effect to applicable notice and cure periods) of any Indebtedness of any Credit Party (other than the Parent Guarantor), or (ii) any other default occurs in respect of any Indebtedness of such Credit Party, the effect of which default is to cause, or to permit the holder or holders of such Indebtedness or beneficiary or beneficiaries thereof (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness or indebtedness to become due prior to its stated maturity, and, in either case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been such payment default or other default, exceeds \$10,000,000; or

(i) Parent Guarantor Indebtedness. The Parent Guarantor shall be in default in the payment when due (after giving effect to applicable notice and cure periods) of any Indebtedness other than Indebtedness under any Warehouse Financing Facilities and the Chase Facility, and the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been such payment default, exceeds \$25,000,000; or

(j) Bankruptcy. (i) Any Security Party or Vessel Owning Entity shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, receiver manager, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or any Security Party or Vessel Owning Entity shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against any Security Party or Vessel Owning Entity any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of 60 days; or (iii) there shall be commenced against any Security Party or Vessel Owning Entity thereof any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv) any Security Party or Vessel Owning Entity shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; (v) any Security Party or Vessel Owning Entity shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or (vi) any Security Party or Vessel Owning Entity shall make a general assignment for the benefit of creditors;

(k) Certain ERISA Transactions. An ERISA Funding Event, ERISA Termination Event, Foreign Termination Event or Foreign Underfunding shall exist or occur that, in the reasonable opinion of the Majority Lenders, when taken together with all other ERISA Funding Events, ERISA Termination Events, Foreign Termination Events and Foreign Underfundings that exist or have occurred, or could reasonably be expected to exist or occur, could reasonably be expected to result in a Material Adverse Effect; or

(l) Judgments and Decrees. Any judgment, order or decree is made the effect whereof would be to render invalid this Agreement or any other Transaction Document or any material provision thereof or any Security Party or Vessel Owning Entity asserts in writing that any such agreement or provision thereof is invalid; or one or more judgments or decrees shall be entered against any Security Party or Vessel Owning Entity for an aggregate liability (net of amounts paid or covered by insurance) of, in the case of any Security Party (other than the Parent Guarantor) or Vessel Owning Entity, \$10,000,000 or more or, in the case of the Parent Guarantor, \$25,000,000 or more, and all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within sixty (60) days from the entry thereof; or

(m) Invalidity of Agreement, Note, Security Documents and any Interest Rate Agreement. (i) Any Transaction Document or any material provision thereof shall cease, for any reason, to be in full force and effect (other than by reason of a release of Collateral in accordance with the terms hereof or thereof or the satisfaction in full of the obligations in accordance with the terms hereof or thereof), or any action or suit at law or in equity or other legal proceeding to cancel, revoke or rescind any Transaction Document or any material provision thereof shall be commenced by or on behalf of any Transaction Party or any Governmental Authority, or (ii) the Lien created by any of the Security Documents shall cease to be enforceable and of the same effect and priority purported to be created thereby; or

- (n) Business Suspended. Any Credit Party shall be enjoined, restrained or in any way prevented by the order of any court or any Governmental Authority from conducting a material part of its business and such order shall continue in effect for more than forty-five (45) days; or
- (o) Loss or Suspension of License or Permit. There shall occur the loss, suspension or revocation of, or failure to renew, any license or permit now held or hereafter acquired by any Security Party or Vessel Owning Entity if such loss, suspension, revocation or failure to renew would have a Material Adverse Effect; or
- (p) Classification Society Report. The Facility Agent shall have received a report by any Classification Society, or by any marine engineer or surveyor following an inspection that a Vessel is not in compliance with the requirements for the highest classification for vessels of like age and type or is not in compliance with the requirements of applicable law for use as intended under this Agreement and action shall not have been commenced within fifteen (15) days after written notice thereof shall have been given by the Facility Agent to the relevant Vessel Owning Entity and such corrective action shall not be diligently prosecuted or completed in a manner and time schedule consistent with industry standard; or
- (q) Termination of Operations; Sale of Assets. Any Security Party or Vessel Owning Entity ceases its operations or sells or otherwise disposes of all or substantially all of its assets or all or substantially all of the assets thereof are seized or otherwise appropriated; or
- (r) Inability to Pay Debts. Any Security Party or Vessel Owning Entity is unable to pay or admits its inability to pay its debts as they fall due or a moratorium shall be declared in respect of any material indebtedness of such Security Party or Vessel Owning Entity; or
- (s) Material Adverse Change. There has occurred an event or condition that has resulted in a Material Adverse Effect; or
- (t) Arrest of a Vessel. Any Vessel shall at any time be subject to an arrest, distress or detention in any place for thirty (30) days or more; or
- (u) Blocked Person. Any Transaction Party or any Subsidiary thereof or any Related Party becomes a Blocked Person; or
- (v) Delisting. The Parent Guarantor's shares are involuntarily delisted from the New York Stock Exchange (or such other reputable international stock exchange approved in writing by the Facility Agent (acting on the instructions of the Majority Lenders)).

Upon and during the continuance of any Event of Default, the Lenders' obligation to make the Loan available shall cease and the Facility Agent, on behalf of the Majority Lenders, may, and shall upon the Majority Lenders' instruction, by written notice to the Borrower declare the entire unpaid balance of the then outstanding Loan, accrued interest and any other sums payable by the Borrower hereunder or under the Note and under the other Transaction Documents due and payable, whereupon the same shall forthwith be due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived; provided that upon the happening of an event specified in subsections (j) or (r) of this Section 8.1 with respect to the Borrower, the Loan, accrued interest and any other sums payable by the Borrower hereunder, under the Note and under the other Transaction Documents shall be immediately due and payable without declaration, presentment, demand, protest or other notice to the Borrower all of which are expressly waived. In such event, the Creditors or any Creditor may proceed to protect and enforce their rights by action at law, suit in equity or in admiralty or other appropriate proceeding, whether for specific performance of any covenant contained in this Agreement, in the Note, in any other Transaction Document, or in aid of the exercise of any power granted herein or therein, or the Lenders, a Lender or the Facility Agent may proceed to enforce the payment of the Note or to enforce any other legal or equitable right of the Lenders, or proceed to take any action authorized or permitted under the terms of any Security Document or of any Interest Rate Agreement or by applicable law for the collection of all sums due, or so declared due, including, without limitation, the right to appropriate and hold or apply (directly, by way of set-off or otherwise) to the payment of the obligations of the Borrower to the Creditors hereunder and/or under the Note (whether or not then due) all moneys and other amounts of the Borrower then or thereafter in possession of any Creditor, the balance of any deposit account (demand or time, matured or unmatured) of the Borrower then or thereafter with any Creditor and every other claim of the Borrower then or thereafter against any of the Creditors.

8.2 Application of Moneys. Except as otherwise provided in any Security Document or in any Interest Rate Agreement, all moneys received by the Facility Agent, the Security Trustee or any Lender under or pursuant to any Transaction Document after the happening of any Event of Default (unless cured to the satisfaction of the Lenders) shall be applied by the Facility Agent in the following manner:

- (i) first, in or towards the payment or reimbursement of any expenses or liabilities incurred by the Facility Agent or the Security Trustee hereunder, under the Note and under any of the other Transaction Documents;
- (ii) secondly, in or towards the payment or reimbursement of any expenses or liabilities incurred by any of the other Creditors in connection with the protection or enforcement of its rights and remedies hereunder, under the Note and under the other Transaction Documents;
- (iii) thirdly, in or towards payment of any interest owing in respect of the Loan;
- (iv) fourthly, in or towards repayment of principal of the Loan and in or towards payments of any amounts then owed under any Interest Rate Agreement, including but not limited to, any costs associated with unwinding any Interest Rate Agreement relative to the Borrower's repayment obligations hereunder, ratably among the applicable Creditors in proportion to the respective amounts described in this paragraph held by them;
- (v) fifthly, in or towards payment of all other sums which may be owing to any Creditor under any Transaction Document; and
- (vi) sixthly, the surplus (if any) shall be paid to the Borrower or its designee.

8.3 Indemnification. Each Credit Party agrees to severally indemnify and hold the Creditors harmless against any loss, as well as against any costs or expenses (including legal fees and expenses), which any of the Creditors sustains or incurs as a consequence of any default in payment of the principal amount of the Loan, interest accrued thereon or any other amount payable hereunder, under the Note related thereto or under any other Transaction Documents, including, but not limited to, all actual losses incurred in liquidating or re-employing fixed deposits made by third parties or funds acquired to effect or maintain the Loan or any portion thereof. Any Creditor's certification of such costs and expenses shall, absent any manifest error, be conclusive and binding on the Credit Parties.

9. COVENANTS

9.1 Affirmative Covenants. Each Credit Party (other than the Parent Guarantor) hereby covenants and undertakes with the Lenders that, from the Closing Date and so long as any principal, interest or other moneys are owing by it in respect of this Agreement or under any other Transaction Document to which it is a party, that it will:

(a) Performance of Agreements. Duly perform and observe, and procure the observance and performance of all other parties thereto (other than the Creditors) of the terms of the Transaction Documents to which it is a party;

(b) Notice of Default, etc. Promptly upon any Responsible Officer of any Credit Party obtaining actual knowledge thereof, inform the Facility Agent of the occurrence of (a) any Default or Event of Default, (b) any litigation, arbitration or governmental proceeding pending or threatened in writing against any Transaction Party not previously disclosed to the Lenders or any development in respect of a previously disclosed litigation, arbitration or governmental proceeding, which if adversely determined could reasonably be expected to have a Material Adverse Effect, including but not limited to, in respect of any Environmental Claim or any judgment entered against a Transaction Party, (c) the withdrawal, with respect to any Vessel owned by it, of such Vessel's rating by its Classification Society or the issuance by the Classification Society of any material recommendation or notation affecting class and (d) any other event or condition which is reasonably likely to have a Material Adverse Effect;

(c) [Intentionally Omitted];

(d) Financial Information. deliver to the Facility Agent:

(i) as soon as available but not later than one hundred twenty (120) days after the end of each fiscal year of the Borrower ending after the Closing Date, complete copies of the consolidated financial reports of the Borrower, all in reasonable detail, which shall include at least the consolidated balance sheet the Borrower as of the end of such year and the related consolidated statements of income and sources and uses of funds for such year, which shall be audited reports prepared by an Acceptable Accounting Firm;

(ii) as soon as available but not later than ninety (90) days after the end of each of the first three full quarters of each fiscal year of the Borrower ending after the Closing Date, a quarterly interim consolidated balance sheet of the Borrower, and the related consolidated profit and loss statements and sources and uses of funds, all in reasonable detail, unaudited, but accompanied by the certification of the chief executive officer, chief financial officer or controller of the Borrower that such financial statements fairly present the financial condition of the Borrower as at the dates indicated, subject to changes resulting from audit and normal year-end adjustments; and

- (iii) such other information and data with respect to the Borrower or any Subsidiary of the Borrower that is a Security Party as from time to time may be reasonably requested by the Facility Agent or any Lender;

provided that any delivery requirement under this Section shall be deemed satisfied by the posting of such information, materials or reports as applicable on EDGAR or any successor website maintained by the SEC (if the Borrower is permitted by law to post such materials on EDGAR).

(e) Vessel Covenants. Except as otherwise permitted by this Agreement, with respect to each of the Vessels owned by it:

- (i) keep the Vessels registered in the name of the applicable Subsidiary Guarantor;
- (ii) keep the Vessels in good and safe condition and state of repair (ordinary wear and tear and/or loss or damage by casualty or condemnation excepted);
- (iii) keep the Vessels insured in accordance with the provisions of Section 9.1(v) hereof and of the relevant Mortgage recorded against it and ensure that the requirements thereof in respect of any insurances have been complied with;
- (iv) notify the Facility Agent of all material modifications to the Vessels and of the removal of any parts or equipment from the Vessels; and
- (v) provide the Facility Agent with all reasonably requested Vessel related information;

(f) Corporate Existence. Except as otherwise permitted hereunder, do or cause to be done all things necessary to preserve and keep its separate identity and existence under the laws of its jurisdiction of incorporation or formation and all licenses, franchises, permits and assets necessary to the conduct of its business;

(g) Books and Records. At all times keep proper books of record and account into which full and correct entries shall be made in accordance with GAAP;

(h) Taxes and Assessments. Pay and discharge all taxes, assessments and governmental charges or levies imposed upon each Credit Party's income or property prior to the date upon which penalties attach thereto; provided, however, that it shall not be required to pay and discharge, or cause to be paid and discharged, any such tax, assessment, charge or levy so long as the legality thereof shall be contested in good faith and by appropriate proceedings or other acts and it shall set aside on its books adequate reserves with respect thereto;

(i) Inspection. Allow, upon ten (10) Banking Days' notice from the Facility Agent, any representative or representatives designated by the Facility Agent, subject to applicable laws and regulations, at normal business hours, to visit and inspect subject to customary confidentiality arrangements any of its properties, and, on request, to examine its books of account, records, reports, agreements and other papers and to discuss its affairs, finances and accounts with its officers; provided, that (i) the Facility Agent shall only be allowed to conduct one such inspection per calendar year prior to the occurrence of an Event of Default and an unlimited amount of inspections during the continuance of an Event of Default; and (ii) the foregoing inspections by the Facility Agent shall not unreasonably interfere with the conduct of any Credit Party's business (unless an Event of Default has occurred and is continuing);

(j) Inspection and Survey Reports. (i) If the Facility Agent shall so request, the relevant Credit Party or Vessel Owning Entity shall provide the Facility Agent (for distribution to the Lenders) with copies of all internally generated inspection or survey reports on each Vessel owned by it; provided, that in the event that any Vessel is reactivated out of cold stack, the Borrower shall provide (or cause to be provided), upon the reasonable request of the Facility Agent, the Facility Agent with copies of all inspections and survey reports to the extent required to be provided to the Classification Society or other such reports requested by the Facility Agent at the cost of the Borrower, and (ii) upon reasonable notice to the relevant Credit Party, each Credit Party shall permit the Facility Agent (acting through surveyors or other persons appointed by it for that purpose) at the cost of the Borrower to inspect the relevant Vessel and shall afford all proper facilities for such inspections; provided, that (A) the Facility Agent shall only be allowed to conduct one such inspection per calendar year prior to the occurrence of an Event of Default and (B) such inspections shall not unreasonably interfere with the operation of any Vessel, any relevant charterer's quiet enjoyment of the applicable Vessel or that Vessel's scheduled maintenance and docking schedule;

(k) Compliance with Statutes, Agreements, etc. Except where failure to comply would not alone or in the aggregate result in a Material Adverse Effect, do or cause to be done, all things necessary to comply with all contracts or agreements to which it is a party, and all laws, and the rules and regulations thereunder, applicable to it, including, without limitation, those laws, rules and regulations relating to employee benefit plans and environmental matters;

(l) Environmental Matters. Promptly upon the occurrence of any of the following conditions, provide to the Facility Agent notice thereof, specifying in reasonable detail the nature of such condition: (a) its receipt of any written communication that alleges that it is not in compliance with any applicable Environmental Law or Environmental Approval, if such failure to comply would reasonably be expected to have a Material Adverse Effect, (b) any Environmental Claim pending or threatened in writing against any it, which would reasonably be expected to have a Material Adverse Effect, or (c) any release, emission, discharge or disposal of any Material of Environmental Concern that would reasonably be expected to form the basis of any Environmental Claim against it, if such Environmental Claim could reasonably be expected to have a Material Adverse Effect. Upon the written request by the Facility Agent, it will submit to the Facility Agent at reasonable intervals, a report providing an update of the status of any issue or claim identified in any notice or certificate required pursuant to this subsection;

(m) ERISA. Forthwith upon learning of the existence or occurrence of any ERISA Funding Event, ERISA Termination Event, Foreign Termination Event or Foreign Underfunding that, when taken together with all other ERISA Funding Events, ERISA Termination Events, Foreign Termination Events and Foreign Underfundings that exist or have occurred, or which could reasonably be expected to exist or occur, could reasonably be expected to result in a liability to the Credit Parties in the aggregate in excess of \$5,000,000, furnish or cause to be furnished to the Facility Agent written notice thereof;

(n) ISM Code, ISPS Code, Annex VI and MTSA Matters. With respect to each Vessel owned by it (i) procure that the Vessel Manager is and shall at all times remain the Operator thereof, (ii) procure that the Operator will comply with and ensure that each of the Vessels operated by it will comply with the requirements of the ISM Code, ISPS Code, Annex VI and MTSA in accordance with the implementation schedules thereof, including (but not limited to) the maintenance and renewal of valid certificates, and when required, security plans, pursuant thereto throughout the term of the Loan; (iii) procure that the Operator will immediately inform the Facility Agent if there is any threatened or actual withdrawal of its DOC, SMC, ISSC or IAPPC in respect of any Vessel operated by it; (iv) procure that the Operator will promptly inform the Facility Agent upon the issuance to the relevant Subsidiary Guarantor or Operator of a DOC and to any of the Vessels of an SMC, ISSC or IAPPC; and (v) maintain an Inventory of Hazardous Materials onboard at all times following the next drydock;

(o) Vessel Classification. Keep and cause to be kept each Vessel owned by it in a good and efficient state of repair so as to maintain her present class with its Classification Society and so as to comply with the provisions of all laws, regulations and requirements (statutory or otherwise) from time to time applicable to vessels registered under the laws of the relevant Designated Jurisdiction, procure that each such Vessel's Classification Society make available to the Security Trustee, upon its request, such information and documents in respect of such Vessel as are maintained in the records of such Classification Society, and procure that all repairs to or replacements of any damaged, worn or lost parts or equipment be effected in such manner (both as regards workmanship and quality of materials) as not to diminish the value of each such Vessel;

(p) Vessel Management. Cause each of the Vessels owned by it to be managed both commercially and technically by the Vessel Manager;

(q) Brokerage Commissions, etc. Indemnify and hold each of the Creditors harmless from any claim for any brokerage commission, fee, or compensation from any broker or third party hired by any Credit Party resulting from the transactions contemplated hereby;

(r) [Intentionally Omitted];

(s) Vessel Valuations. On or prior to the last day of June and December of each calendar year, the Borrower shall obtain and deliver to the Facility Agent appraisals of the Fair Market Value of the Vessels, such valuations to be at the Borrower's cost. In the event that the Borrower fails or refuses to obtain the valuations required by this clause, the Facility Agent will be authorized to obtain such valuations from Approved Brokers, at the Borrower's cost, which valuations shall be deemed the equivalent of valuations duly obtained by the Borrower pursuant to this clause, but the Facility Agent's action in doing so shall not excuse any default of the Borrower hereunder. If an Event of Default has occurred and is continuing, the Borrower shall obtain appraisals of the Fair Market Value of the Vessels, such valuations to be at the Borrower's cost, at such further frequency as may be reasonably required by the Majority Lenders;

(t) Evidence of Current COFR. If the Facility Agent shall so request, provide, if applicable, the Facility Agent with copies of the current Certificate of Financial Responsibility pursuant to the Oil Pollution Act 1990 for any Vessel owned by it;

(u) Additional Charters. If a Vessel is subject to any new Charter, the relevant Vessel Owning Entity shall, within 30 days of entering into such Charter, deliver a Charter Assignment with respect to any Charter in excess of (or capable of exceeding, by virtue of any optional extension) 12 months (but only on a commercially reasonable basis if the relevant vessel employment agreement expressly prohibits such assignment);

(v) Maintenance of Insurance.

(i) Maintain with financially sound and reputable insurance companies, insurance on all its properties and against all such risks and in at least such amounts as are usually insured against by companies of established reputation engaged in the same or similar business from time to time; provided, that it is understood and acknowledged that breach of warranty coverage is not required;

- (ii) Maintain, at their own cost and expense, insurance with respect to its business generally and on the Vessels (including, without limitation, insurance required to be maintained under the terms of the relevant Mortgage) against risks (including, without limitation, marine hull and machinery (including excess value) insurance, marine protection and indemnity insurance, war risks insurance including acts of terrorism and piracy and war risks P&I and liability arising out of pollution), and in forms which are acceptable to the Facility Agent and placed through brokers and with insurance companies, underwriters, funds, mutual insurance associations, war risks and protection and indemnity risks associations, or clubs of recognized standing, in each case satisfactory to the Facility Agent. The Security Trustee and Facility Agent may act in all matters relating to insurances, including the granting or withholding of its consents and approvals on advice from an insurance advisor upon whose advice they may rely;
- (iii) Procure that the aggregate Hull and Machinery and Hull and Freight Interest Insurances insured value of each Vessel shall be equal to or greater than the greater of (i) 120% of the aggregate outstanding principal amount of the Loan (when aggregated with the insured value of the other Vessels then financed under this Agreement) and (ii) the Fair Market Value of such Vessel. The Hull and Machinery insured value of each Vessel shall be at least 80% of the Fair Market Value of such Vessel;
- (iv) Acknowledge and agree that the Security Trustee shall place, at the expense of the Borrower, mortgagee's interest insurance and, if required by any Lender, mortgagee's additional perils (pollution) insurance, on conditions acceptable to the Facility Agent in an amount for all Vessels together equal to 120% of the aggregate outstanding amount of the Loan (unless the Security Trustee agrees to a lower amount of coverage), and the Security Trustee on behalf of the Creditors agrees to obtain and maintain the same; and
- (v) Each Subsidiary Guarantor shall promptly assign its interest in hull and machinery insurances (if any) to the Facility Agent (or Security Trustee) pursuant to Insurances Assignments, substantially in the form of Exhibit E hereto;

(w) Maintenance of Properties. Keep all material property necessary in its business in good working order and condition (loss or damage by casualty or condemnation excepted);

(x) Know Your Customer Requirements. Provide all documentation reasonably requested by Lenders in connection with their know your customer requirements, including but not limited to:

- (i) completed bank account opening mandates with telephone and fax indemnities to include the list of the all account holders' authorized signatories and specimens of their signatures;
- (ii) certified list of directors, including titles, business and residential addresses and dates of birth;
- (iii) certified true copy of photo identification (i.e. passport or driving license) and evidence of residential address (i.e. utility bill or bank statement) for all authorized signatories;
- (iv) certificates of incorporation or similar documents, certified by the respective secretary or assistant secretary of such entity;
- (v) with respect to each Credit Party, such entity's applicable IRS Form W-8 or W-9 and tax identification number, if applicable;
- (vi) completed form 4-329 for each account signatory;
- (vii) with respect to the Borrower, certificate of ultimate beneficial ownership, certified by the respective secretary or assistant secretary of such entity; and
- (viii) non-resident declaration forms, if applicable;

(y) Accounts. On and after the establishment of the Earnings Account pursuant to Section 4.1(y) maintain the Earnings Account and deposit therein all Assigned Moneys;

(z) Sanctions and Anti-Money Laundering Laws. Remain, and instruct each of its Subsidiaries, the Vessel Manager and any Related Party thereof to remain, in compliance with applicable Sanctions Laws and Anti-Money Laundering Laws;

(aa) Additional Insurances Assignments. If any Credit Party obtains political risk insurance or other similar insurances, it shall enter into Insurances Assignments over such insurances, substantially in the form of Exhibit E hereto; and

(bb) Sustainable Vessel Dismantling. In the event that any Subsidiary Guarantor undertakes to dismantle a Vessel owned by it (or to sell such Vessel with the intention of it being dismantled) with the prior written consent of the Facility Agent (or any other vessel owned by it), it shall comply with the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 and to the extent applicable, United States laws, as well as any other applicable vessel dismantling conventions on safe, sustainable, and socially and environmentally responsible dismantling of such Vessel that is taken out of service.

9.2 Negative Covenants. Each Credit Party (other than the Parent Guarantor) hereby covenants and undertakes with the Lenders that, from the Closing Date and so long as any principal, interest or other moneys are owing in respect of this Agreement, under the Note or any other Transaction Documents, that it will not:

- Liens):
- (a) Liens. Create, assume or permit to exist, any Lien whatsoever upon any Collateral, except for the following (collectively, "Permitted Liens"):
 - (i) the Mortgages, the Assignments and other Liens in connection with this Agreement and the Security Documents;
 - (ii) Liens against a Vessel permitted to exist under the terms of the Mortgage;
 - (iii) Liens for Taxes not yet due and payable or if obligations with respect to such Taxes are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted and adequate reserves have been made in accordance with GAAP;
 - (iv) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;
 - (v) Liens in the ordinary course of business for master's and crews' wages and salvage (including contract salvage);
 - (vi) other Liens arising by operation of law or otherwise in the ordinary course of the operation, repair or maintenance of a Vessel and which do not in the aggregate materially detract from the value of the Vessels or materially impair the use thereof in the operation of its business and which secure obligations not more than 30 days overdue and which do not result from any default or omission by a Credit Party;
 - (vii) prior to the consummation of the Refinancing, Liens existing on the Closing Date in respect of the Existing Indebtedness;
 - (viii) any Lien on any asset or property (other than any Vessel) of Falcon Diamond LLC, Falcon Pearl LLC, SEACOR Hawk LLC or SEACOR Eagle LLC granted in favor of any other Credit Party, so long as such Lien is subordinated to the Lien in favor of the Security Trustee;
 - (ix) other Liens in existence on the Closing Date and set forth on Schedule 3 hereto;
 - (b) Investments. Make any Investment, except for the following Investments:
 - (i) Investments in cash and Cash Equivalents;
 - (ii) Investments in securities of trade creditors or customers in the ordinary course of business that are received in settlement of bona fide disputes or pursuant to any plan of reorganization or liquidation or similar arrangement upon the bankruptcy or insolvency of such trade creditors or customers;
 - (iii) Investments by one Credit Party to, or into, another Credit Party, so long as, to the extent such Investment is in the form of Intercompany Debt, such Indebtedness is (x) permitted under Section 9.2(e) and (y) subordinated to the obligations owed to the Lenders under the Transaction Documents pursuant to Section 18.15 hereof;

(iv) Investments by the Borrower in Subsidiaries that are not Credit Parties, so long as before and after giving effect thereto, there shall not have occurred an Event of Default that is continuing;

(v) other Investments in existence on the Closing Date and set forth on Schedule 5 hereto;

(c) [Intentionally Omitted];

(d) [Intentionally Omitted];

(e) Transaction with Affiliates. Enter into any transaction with an Affiliate, other than on an arms-length basis other than transactions for the benefit of such Credit Party; provided that the foregoing restriction shall not apply to (i) any transaction between or among any Credit Party and any other Credit Party; (ii) reasonable and customary fees paid to members of the board of directors (or similar governing body) of Parent Guarantor and its Subsidiaries; (iii) compensation arrangements for officers and other employees of Parent Guarantor and its Subsidiaries entered into in the ordinary course of business; (iv) transactions expressly permitted by Section 9.2(n)(ii) of this Agreement, and (v) other affiliate transactions existing on the Closing Date and set forth on Schedule 6 hereto;

(f) Change of Flag, Class, Management or Ownership. Change (i) the flag of a Vessel owned by it other than to another Designated Jurisdiction (provided, that a new Mortgage is granted to the Security Trustee and registered with the registry of the new Designated Jurisdiction and any other necessary changes to the Security Documents are effected in a manner satisfactory to the Majority Lenders) or with the consent of the Majority Lenders, (ii) the Classification Society of a Vessel owned by it other than to an Approved Classification Society without the Majority Lenders' prior written consent, (iii) the technical or commercial management of a Vessel owned by it other than to another Vessel Manager or (iv) the immediate or ultimate ownership of a Vessel owned by it;

(g) Change in Business. Materially change the nature of its business or commence any business materially different from its current business;

(h) Equity Interests. (i) purchase, cancel, redeem or retire any of its Equity Interests, (ii) increase or reduce its authorized Equity Interests; or (iii) issue any additional Equity Interests except to the extent such new Equity Interests are made subject to the terms of the Pledge Agreement immediately upon the issue thereof in a manner satisfactory to the Facility Agent;

(i) Sale of Assets. Sell, assign, transfer, pledge or otherwise convey or dispose of any of the Vessels owned by it or any other of its assets pledged to the Security Trustee pursuant to this Agreement or a Security Document unless the applicable portion of the Loan is repaid in accordance with Section 5.4(a), except for (i) leases of, or charter contracts in respect of, the Vessels in the ordinary course of business and as permitted by Section 9.2(s) (Restrictions on Chartering) and (ii) disposals of property (but not any Vessel) that is no longer economically practicable to maintain or useful in the conduct of the business of the Credit Parties, taken as a whole;

(j) Changes in Name. Change its name or principal place of business unless the Facility Agent shall have received five (5) Banking Days prior written notice of such change;

(k) Restricted Payments. (i) directly or indirectly declare or pay any dividend or make any distribution on account of its Equity Interests or (ii) purchase, repurchase, redeem, retire or otherwise acquire for value any Equity Interests of any Security Party (such dividend or distribution on account of equity interests referenced in item (i) hereof, or payment, purchase, repurchase, redemption, retirement or acquisition referenced in item (ii) hereof, "Restricted Payment"), except for (i) the Specified Dividend, (ii) any dividend or distribution to a Credit Party (other than the Parent Guarantor) or (iii) so long as before and after giving effect thereto, there shall not have occurred an Event of Default that is continuing, any other Restricted Payment. For the avoidance of doubt, the term "Restricted Payment" shall not include any payment of interest under any convertible debt or similar instrument of any Credit Party, including the Convertible Bond;

(l) Consolidation and Merger. Consolidate with, or merge into, any corporation or other entity, or merge any corporation or other entity into it or enter into any demerger, amalgamation, consolidation or corporate reconstruction or restructuring, other than (x) a merger of any Subsidiary Guarantor with another Subsidiary Guarantor, or a merger of any Affiliate of a Subsidiary Guarantor into another Subsidiary Guarantor, in each case, so long as the surviving entity after such merger is a Subsidiary Guarantor and any necessary actions as reasonably requested by the Security Trustee to preserve the Security Trustee's security interests are taken simultaneously upon the consummation of such transaction and (y) with the prior written consent of the Majority Lenders;

(m) Change Fiscal Year. Change its fiscal year (other than as may be required to conform to GAAP);

(n) Indebtedness. Create, incur, issue, or otherwise become directly or indirectly liable for any Indebtedness, other than the following (collectively, "Permitted Indebtedness"):

- (i) Indebtedness created pursuant to this Agreement;
- (ii) Indebtedness of any Credit Party extended by another Credit Party (such Indebtedness, "Intercompany Debt"), so long as such Indebtedness is subordinated pursuant to Section 18.15;
- (iii) normal trade credits in the ordinary course of business;
- (iv) Indebtedness of the Borrower or any Subsidiary Guarantor under Interest Rate Agreements entered into in order to manage existing or anticipated interest rate, exchange rate or commodity price risks and not for speculative purposes;
- (v) prior to the consummation of the Refinancing, the Existing Indebtedness; and
- (vi) other Indebtedness existing on the Closing Date and set forth on Schedule 2 hereto.

(o) Sanctions and Anti-Money Laundering Laws. (i) Engage in a trade or financial transaction or other dealing with any individual, entity or Sanctioned Country that would violate Sanctions Laws; or (ii) use any proceeds from the Loan, directly or, to its knowledge, indirectly, (1) to fund any trade or business involving any Blocked Person (except to the extent licensed or approved by OFAC or other applicable Governmental Authority), or (2) for the purpose of engaging in any activities that would result in a violation of Sanctions Laws or Anti-Money Laundering Laws by any Credit Party;

(p) Changes to Management Agreements. Amend, waive, terminate or otherwise modify any Management Agreement without the written consent of the Majority Lenders, such consent not to be unreasonably withheld, conditioned or delayed;

(q) Use of Proceeds. Use the proceeds of the Loan in violation of Regulation T, U or X;

(r) Accounts. Establish any operating accounts or earnings accounts in respect of the Assigned Moneys with any financial institution other than the Account Bank; and

(s) Restrictions on Chartering. In relation to the Vessel owned by it, (i) let that Vessel on demise charter for any period, other than bareboat charters to Affiliates, (ii) permanently remove that Vessel from service unless it has first given notice to the Facility Agent and the asset maintenance test set forth in Section 9.3 is satisfied before and after such removal, or (iii) put the vessels FALCON DIAMOND and FALCON PEARL into the possession of any person for the purpose of work being done upon it in an amount exceeding or likely to exceed \$5,000,000 (or the equivalent in any other currency) for each such vessel unless that person has first given to the Security Trustee and in terms satisfactory to it a written undertaking not to exercise any lien on that Vessel or its earnings for the cost of such work or for any other reason.

9.3 Asset Maintenance. If the aggregate Fair Market Value of the Vessels mortgaged to the Security Trustee (evidenced by the valuations provided to the Facility Agent pursuant to Section 9.1(s) on or prior to the last day of June and December of each calendar year) is less than the one hundred forty percent (140%) (the "Required Percentage") of the principal amount of the Loan then outstanding, the Borrower shall, within a period of fifteen (15) days (which period may be extended by the Facility Agent (acting with the consent of the Majority Lenders)) following receipt by the Borrower of written notice from the Facility Agent notifying the Borrower of such shortfall and specifying the amount thereof (which amount shall, in the absence of manifest error, be deemed to be conclusive and binding on the Borrower), either (i) pledge (or cause to be pledged) to the Security Trustee additional Collateral of sufficient value such that the aggregate Fair Market Value of the Vessels mortgaged to the Security Trustee plus the additional Collateral equals the Required Percentage of the outstanding amount of the Loan or (ii) prepay such amount of the Loan (together with interest thereon and any other monies payable in respect of such prepayment pursuant to Section 5.5) as shall result in the Fair Market Value of the Vessels mortgaged to the Security Trustee being not less than the Required Percentage of the outstanding principal amount of the Loan.

9.4 Vessel Releases and Transfers

(a) At any time after the second anniversary of the Closing Date, upon the written request of the Borrower to the Facility Agent, (i) any lien created pursuant to any Security Document in respect of any of the Additional Credit Support Vessels shall be released (for the avoidance of doubt, this section (a) shall not apply to the LIAM J MCCALL) and (ii) the relevant Vessel Owning Entity shall be released from this Agreement (if it owns no other Vessel mortgaged to the Security Trustee) and any Security Document to which it is party, provided, that before and after giving effect to any such release, (A) the aggregate Fair Market Value of the Vessels is more than two hundred percent (200%) of the principal amount of the Loan then outstanding and (B) no Event of Default has occurred or is continuing. For the avoidance of doubt, this paragraph (a) of Section 9.4 does not apply to the sale of a Vessel pursuant to paragraph (a) of Section 5.4.

(b) If, at any time, any Vessel Owning Entity enters into any vessel employment contract involving operations in Guyana, upon the written request of the Borrower to the Facility Agent, the relevant Vessel is permitted to be transferred to SEACOR Marine (and all liens created pursuant to the relevant Security Documents in respect of that Vessel or the relevant Vessel Owning Entity shall be released), provided, that before and after giving effect to such transfer and release, (i) the asset maintenance test set forth in Section 9.3 is satisfied (after taking into account the mortgages to be granted pursuant to sub-section (ii)(A) hereof) and (ii) no Event of Default has occurred or is continuing. In connection therewith, the Parent Guarantor shall, on the date of such release, or shall cause SEACOR Marine, as applicable, to (A) grant a first priority or preferred mortgage over such Vessel, (B) execute and deliver the documents in respect of the Assignments specified in Section 4.1(k) and (C) do all such acts and execute all such documents and instruments (including resolutions, officer's certificates and legal opinions) as reasonably requested by the Security Trustee to maintain and ensure the Security Trustee's first priority collateral position with respect to that Vessel.

(c) If, at any time, any Vessel owned by SEACOR Marine or any other Vessel Owning Entity that is not a Subsidiary Guarantor permanently ceases operations in Guyana (including, without limitation, the LIAM J MCCALL), upon the written request of the Facility Agent to the Parent Guarantor, the Parent Guarantor shall, within 6 months of such written request, cause SEACOR Marine or such other Vessel Owning Entity to transfer the ownership of such Vessel to a Subsidiary selected by the Parent Guarantor. On the date of such transfer, the relevant Subsidiary shall (i) (if it is not already a Subsidiary Guarantor) accede into this Agreement as a Subsidiary Guarantor, (ii) grant in favor of the Security Trustee a first priority or preferred mortgage over such Vessel and (B) execute and deliver the documents in respect of the Assignments specified in Section 4.1(k), (iii) to cause its Equity Interests to be pledged in favor of the Security Trustee and (iv) do all such acts and execute all such documents and instruments (including resolutions, officer's certificates and legal opinions) as reasonably requested by the Security Trustee to maintain and ensure its first priority collateral position with respect to that Vessel.

10. ASSIGNMENT

(a) This Agreement shall be binding upon, and inure to the benefit of, each of the Credit Parties and each of the Creditors and their respective successors and assigns, except that the Credit Parties may not assign any of their respective rights or obligations hereunder without the written consent of the Lenders.

(b) Each Lender shall be entitled to assign its rights and obligations under this Agreement with the consent of the Borrower (such consent shall be deemed to have been given if no express refusal is received within five (5) Banking Days) and the Facility Agent; provided, no such consent of the Borrower shall be necessary in the case of the assignment to (i) an entity identified on a list agreed by the Borrower and delivered to the Mandated Lead Arrangers prior to the date hereof, (ii) to another Lender, (iii) an Affiliate, a Related Fund, another office or branch of any Lender, (iv) to a Mandated Lead Arranger, or an Affiliate of a Mandated Lead Arranger and made in connection with the facilitation of primary syndication or first utilization and (v) any Person during the continuance of any Event of Default; and, in any case, such Lender shall forthwith give notice of any such assignment to the Borrower and the Facility Agent and, provided no Event of Default has occurred and is continuing, pay the Facility Agent an assignment fee of \$7,500 for each such assignment; provided, however, that any such assignment must be made pursuant to an Assignment and Assumption Agreement and any assignee that is not a Lender shall deliver to the Facility Agent an Administrative Questionnaire. Each of the Credit Parties will take all reasonable actions requested by the Facility Agent or any Lender to effect such assignment, including but not limited to, providing the documents required pursuant to Section 9.1(x). No Lender shall assign its rights and obligations under this Agreement to any natural Person, the Borrower or any of the Borrower's Affiliates, or to any Lender that has not previously complied with its funding obligations under this Agreement.

(c) The aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loan of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Facility Agent) shall not be less than \$2,000,000, unless each of the Facility Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed). Notwithstanding the foregoing, in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or the Loan at the time owing to it no minimum amount need be assigned.

(d) The Facility Agent, acting for this purpose as an agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption Agreement delivered to it and a register for the recordation of the names and addresses of the Lenders and principal amount of (and stated interest on) the Loan owing to each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, and the Borrower, the Facility Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(e) Upon its receipt of a duly completed Assignment and Assumption Agreement executed by an assigning Lender and an assignee, the assignment fee referred to above and any written consent to such assignment required, the Facility Agent shall accept such Assignment and Assumption Agreement and record the information contained therein in the Register; provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to this Agreement, the Facility Agent shall have no obligation to accept such Assignment and Assumption Agreement and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(f) In addition, any Lender may at any time sell participations to any Person (other than a natural person or the Borrower or any of the Borrower's Affiliates) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided, that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Facility Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver that requires the consent of each Lender directly affected thereby pursuant to the terms of this Agreement and that directly affects such Participant.

(g) Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amount of (and stated interest on) each Participant's interest in the Loans or other obligations under this Agreement ("Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any obligations under this Agreement) to any Person except to the extent that such disclosure is necessary to establish that such Loan or other obligation is registered under Section 5f.103-1(c) of the United States Treasury Regulations and Section 1.163-5(b) of the proposed United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as owner of such participant for all purposes of this Agreement notwithstanding any notice to the contrary.

11. ILLEGALITY, INCREASED COST, NON-AVAILABILITY, ETC.

11.1 Illegality. In the event that by reason of any change in or introduction of any applicable law, regulation or regulatory requirement or in the interpretation thereof, a Lender has a reasonable basis to conclude that it has become unlawful for any Lender to maintain or give effect to its obligations as contemplated by this Agreement, such Lender shall inform the Facility Agent and the Borrower to that effect, whereafter the liability of such Lender to make its portion of the Loan available shall forthwith cease and the Borrower shall be required either to repay to such Lender that portion of the Loan advanced by such Lender within sixty (60) days or, if such Lender so agrees, to repay such portion of the Loan to the Lender on the last day of the calendar month in accordance with and subject to the provisions of Section 11.7. In any such event, but without prejudice to the aforesaid obligations of the Borrower to repay such portion of the Loan, the Borrower and the relevant Lender shall negotiate in good faith with a view to agreeing on terms for making such portion of the Loan available from another jurisdiction or otherwise restructuring such portion of the Loan on a basis which is not unlawful.

11.2 Increased Costs. (a) If, after the Closing Date, any change in or introduction of applicable law, regulation or regulatory requirement (including any applicable law, regulation or regulatory requirement which relates to capital adequacy or liquidity controls or which affects the manner in which a Lender allocates capital resources under this Agreement), Basel III or CRD IV or any law or regulation that implements or applies Basel III or CRD IV, or in the interpretation or application thereof by any governmental or other authority, shall:

- (i) subject any Lender to any Taxes (but excluding Taxes subject to the gross up Section under Section 7.1 and Taxes exempt from gross up pursuant to Section 7.3 or Section 7.6) with respect to its income from the Loan, or any part thereof;
- (ii) impose, modify or deem applicable any reserve requirements or require the making of any special deposits against or in respect of any assets or liabilities of, deposits with or for the account of, or loans by, a Lender; or
- (iii) impose on any Lender any other non-tax condition affecting the Loan or any part thereof,

and the result of the foregoing is either to increase the cost to such Lender of making available or maintaining the Loan or any part thereof or to reduce the amount of any payment received by such Lender, then and, in any such case, if such increase or reduction, in the opinion of such Lender, materially affects the interests of such Lender under or in connection with this Agreement:

(b) such Lender shall notify the Facility Agent and the Borrower of the happening of such event, and

(c) the Borrower agrees forthwith upon demand to pay to such Lender such amount as such Lender certifies to be necessary to compensate such Lender for such additional cost or such reduction in respect of the Loan.

(d) In this Section 11.2,

(i) “Basel III” means:

- (A) the agreements on capital requirements, a leverage ratio and liquidity standards contained in “Basel III: A global regulatory framework for more resilient banks and banking systems”, “Basel III: International framework for liquidity risk measurement, standards and monitoring” and “Guidance for national authorities operating the countercyclical capital buffer” published by the Basel Committee on Banking Supervision in December 2010, each as amended, supplemented or restated;
- (B) the rules for global systemically important banks contained in “Global systemically important banks: assessment methodology and the additional loss absorbency requirement - Rules text” published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated; and
- (C) any further guidance or standards published by the Basel Committee on Banking Supervision relating to “Basel III”;

(ii) “CRD IV” means:

- (A) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending regulation (EU) No. 648/2012;
- (B) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC; and
- (C) any other law or regulation which implements Basel III.

11.3 Market disruption. The following provisions of Sections 11.4 and 11.5 apply if:

(a) LIBOR is not available for an Interest Period on the date of determination of LIBOR;

(b) at least one (1) Banking Day before the start of an Interest Period, the Lenders having Commitments amounting to 50% or more of the Loan notify the Facility Agent that such Lenders are unable to borrow Dollars from leading banks in the London Interbank Market in the ordinary course of business at published rates during the Interest Period; or

(c) before close of business in London two (2) Banking Days before the start of an Interest Period, the Lenders having Commitments amounting to 50% or more of the Loan notify the Facility Agent that the cost to it or them of obtaining matching deposits in the Relevant Interbank Market would be in excess of LIBOR.

11.4 Notification of market disruption. The Facility Agent shall promptly notify the Borrower and each of the Lenders, stating the circumstances falling within Section 11.3 which have caused its notice to be given (the “Market-Disruption Notification”); provided, however, that the level of detail of the Market-Disruption Notification shall be in the Facility Agent’s discretion and the Market-Disruption Notification itself shall, absent manifest error, be final, conclusive and binding on all parties hereto.

11.5 Alternative rate of interest during market disruption. For so long as the circumstances falling within Section 11.3 are continuing, the rate of interest on each Lender’s share of the Loan for the Interest Period shall be the percentage rate per annum which is the aggregate of (i) the rate notified to the Facility Agent by that Lender as soon as practicable and in any event before interest is due to be paid in respect of that Interest Period, to be that which expresses as a percentage rate per annum the cost to that Lender of funding its participation in the Loan from whatever source it may reasonably select, (ii) the Margin, and (iii) Mandatory Costs, if any.

11.6 Lender’s Certificate Conclusive. A certificate or determination notice of a the Facility Agent or any Lender, as the case may be, as to any of the matters referred to in this Section 11 shall, absent manifest error, be conclusive and binding on the Borrower.

11.7 Compensation for Losses. Where the Loan or any portion thereof is to be repaid by the Borrower pursuant to this Section 11, the Borrower agrees simultaneously with such repayment to pay to the relevant Lenders all accrued interest to the date of actual payment on the amount repaid and all other sums then payable by the Borrower to the relevant Creditor pursuant to this Agreement, together with such amounts as may be necessary and are certified by the relevant Lender to be necessary to compensate such Lender for any actual loss, premium or penalties incurred or to be incurred thereby on account of funds borrowed to make, fund or maintain the Loan or such portion thereof for the remainder (if any) of the then current Interest Period or Interest Periods, if any, but otherwise without penalty or premium.

12. CURRENCY INDEMNITY

12.1 Currency Conversion. If, for the purpose of obtaining or enforcing a judgment in any court in any country, it becomes necessary to convert into any other currency (the “judgment currency”) an amount due in Dollars under any Transaction Document, then the conversion shall be made, in the discretion of the Facility Agent, at the rate of exchange prevailing either on the date of default or on the day before the day on which the judgment is given or the order for enforcement is made, as the case may be (the “conversion date”), provided that the Creditors shall not be entitled to recover under this Section 12.1 any amount in the judgment currency which exceeds at the conversion date the amount in Dollars due under any Transaction Document.

12.2 Change in Exchange Rate. If there is a change in the rate of exchange prevailing between the conversion date and the date of actual payment of the amount due, the Borrower shall pay such additional amounts (if any, but, in any event, not a lesser amount) as may be necessary to ensure that the amount paid in the judgment currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount then due under the Transaction Documents in Dollars; any excess over the amount due received or collected by any Lender shall be remitted to the Borrower.

12.3 Additional Debt Due. Any amount due from any Credit Party under this Section 12 shall be due as a separate debt and shall not be affected by judgment being obtained for any other sums due under or in respect of the Transaction Documents.

12.4 Rate of Exchange. The term “rate of exchange” in this Section 12 means the rate at which the Facility Agent in accordance with its normal practices is able on the relevant date to purchase Dollars with the judgment currency and includes any premium and costs of exchange payable in connection with such purchase.

13. EXPENSES

13.1 [Intentionally Omitted].

13.2 Expenses. The Credit Parties agree, whether or not the transactions hereby contemplated are consummated, on demand to pay, or reimburse the Facility Agent, the Security Trustee and the Lenders for payment of, (i) the reasonable expenses of the Facility Agent, the Security Trustee and the Lenders incident to said transactions (and in connection with any supplements, amendments, waivers or consents relating thereto or incurred in connection with the enforcement or defense of any of the Creditors' rights or remedies with respect thereto or in the preservation of the Creditors' priorities under the documentation executed and delivered in connection therewith), including, without limitation, all costs and expenses of preparation, negotiation, execution and administration of this Agreement and the documents referred to herein, the reasonable and documented fees and disbursements of Lenders' counsel in connection therewith, as well as the fees and expenses of any independent appraisers, surveyors, engineers, inspectors and other consultants retained by a Lender in connection with this Agreement and the transactions contemplated hereby and under the Security Documents, (ii) all costs and expenses, if any, in connection with the enforcement of this Agreement, the Note and the Security Documents and (iii) stamp and other similar taxes, if any, incident to the execution and delivery of the documents (including, without limitation, the Note) herein contemplated and to hold the Facility Agent, the Security Trustee and the Lenders free and harmless in connection with any liability arising from the nonpayment of any such stamp or other similar taxes. Such stamp or other similar taxes and, if any, interest and penalties related thereto as may become payable after the Closing Date shall be paid immediately by the Borrower to the Facility Agent, the Security Trustee or the Lenders, as applicable, when liability therefor is no longer contested by the Facility Agent, the Security Trustee or the Lenders or reimbursed immediately by the Borrower to the Facility Agent, the Security Trustee or the Lenders after payment thereof (if the Facility Agent, the Security Trustee or the Lenders, in their sole discretion, choose to make such payment).

14. APPLICABLE LAW, JURISDICTION AND WAIVER

14.1 Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

14.2 Jurisdiction. Each of the Credit Parties hereby irrevocably submits to the jurisdiction of the courts of the State of New York and of the United States District Court for the Southern District of New York in any action or proceeding brought against it by any of the Creditors under this Agreement or under any document delivered hereunder and hereby irrevocably agrees that valid service of summons or other legal process on it may be effected by serving a copy of the summons and other legal process in any such action or proceeding on such Credit Party by mailing or delivering the same by hand to such Credit Party at the address indicated for notices in Section 16.1. The service, as herein provided, of such summons or other legal process in any such action or proceeding shall be deemed personal service and accepted by such Credit Party as such, and shall be legal and binding upon such Credit Party for all the purposes of any such action or proceeding. Final judgment (a certified or exemplified copy of which shall be conclusive evidence of the fact and of the amount of any indebtedness of the Credit Parties to the Lenders) against such Credit Party in any such legal action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment. Each Credit Party will advise the Facility Agent promptly of any change of address for the purpose of service of process. Notwithstanding anything herein to the contrary, the Creditors may bring any legal action or proceeding in any other appropriate jurisdiction.

14.3 WAIVER OF IMMUNITY. TO THE EXTENT THAT ANY OF THE CREDIT PARTIES HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY FROM SUIT, JURISDICTION OF ANY COURT OR ANY LEGAL PROCESS (WHETHER THROUGH ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID OF EXECUTION, EXECUTION OF A JUDGMENT, OR FROM ANY OTHER LEGAL PROCESS OR REMEDY) WITH RESPECT TO ITSELF OR ITS PROPERTY, SUCH CREDIT PARTY HEREBY IRREVOCABLY WAIVES SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT.

14.4 WAIVER OF JURY TRIAL. IT IS MUTUALLY AGREED BY AND AMONG THE EACH OF THE CREDIT PARTIES AND EACH OF THE CREDITORS THAT EACH OF THEM HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY HERETO AGAINST ANY OTHER PARTY HERETO ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS.

15. THE FACILITY AGENT / THE SECURITY TRUSTEE.

15.1 Appointment of Agent. Each of the Lenders and the Swap Banks hereby irrevocably appoints and authorizes the Facility Agent and the Security Trustee, respectively, to take such action as agent on its behalf and to exercise such powers under the Transaction Documents as are delegated to the Facility Agent and the Security Trustee, respectively by the terms hereof and thereof. Neither the Facility Agent, nor the Security Trustee nor any of its directors, officers, employees or agents shall be liable for any action taken or omitted to be taken by it or them under any Transaction Document or in connection therewith, except for its or their own gross negligence or willful misconduct.

15.2 Security Trustee as Trustee. Each of the Creditors irrevocably appoints, designates and authorizes the Security Trustee as trustee on its behalf with regard to (i) the security, powers, rights, titles, benefits and interests (both present and future) constituted by and conferred on the Creditors or any of them or for the benefit thereof under or pursuant to this Agreement or the other Transaction Documents (including, without limitation, the benefit of all covenants, undertakings, representations, warranties and obligations given, made or undertaken to any Creditor in the Transaction Documents), (ii) all moneys, property and other assets paid or transferred to or vested in any Creditor or any agent of any Creditor or received or recovered by any Creditor or any agent of any Creditor pursuant to, or in connection with, the Transaction Documents whether from the Borrower or any other Credit Party or any other person and (iii) all money, investments, property and other assets at any time representing or deriving from any of the foregoing, including all interest, income and other sums at any time received or receivable by any Creditor or any agent of any Creditor in respect of the same (or any part thereof). The Security Trustee hereby accepts such appointment and declares that it holds all such property on trust for the Creditors on the terms contained in this Agreement and the other Transaction Documents (but shall have no obligations under this Agreement or the other Transaction Documents except those expressly set forth herein and therein). Neither the Security Trustee nor any of its directors, officers, employees or agents shall be liable for any action taken or omitted to be taken by it or them under this Agreement, the Note or the other Transaction Documents or in connection therewith, except for its or their own gross negligence or willful misconduct.

15.3 Distribution of Payments. Whenever any payment is received by the Facility Agent or the Security Trustee from the Borrower or any other Credit Party for the account of the Lenders, or any of them, whether of principal or interest on the Note, commissions, fees under Sections 3.6 and 13, or otherwise, it will thereafter cause like funds relating to such payment to be promptly distributed ratably to the Lenders according to their respective Commitments, in each case to be applied according to the terms of this Agreement. Unless the Facility Agent or the Security Trustee, as the case may be, shall have received notice from the Borrower prior to the date when any payment is due hereunder that the Borrower will not make any payment on such date, the Facility Agent or the Security Trustee may assume that the Borrower has made such payment to the Facility Agent or the Security Trustee, as the case may be, on the relevant date and the Facility Agent or the Security Trustee may, in reliance upon such assumption, make available to the Lenders on such date a corresponding amount relating to such payment ratably to the Lenders according to their respective Commitments. If and to the extent that the Borrower shall not have so made such payment available to the Facility Agent or the Security Trustee, as the case may be, the Lenders and the Borrower (but without duplication) severally agrees to repay to the Facility Agent or the Security Trustee, as the case may be, forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Lenders until the date such amount is repaid to the Facility Agent or the Security Trustee, as the case may be, as calculated by the Facility Agent or Security Trustee to reflect its cost of funds.

15.4 Holder of Interest. The Facility Agent may treat each Lender as the holder of all of the interest of such Lender in the Loan unless and until the Facility Agent has received a copy of an Assignment and Assumption Agreement evidencing the transfer of all or any part of such Lender's interest in the Loan.

15.5 No Duty to Examine, Etc. The Facility Agent shall not be under a duty to examine or pass upon the validity, effectiveness or genuineness of any of this Agreement, the other Transaction Documents or any instrument, document or communication furnished pursuant to this Agreement or in connection therewith or in connection with any other Transaction Document and the Facility Agent shall be entitled to assume that the same are valid, effective and genuine, have been signed or sent by the proper parties and are what they purport to be.

15.6 Facility Agent and Security Trustee as Lenders. With respect to that portion of the Loan made available by it, each of the Facility Agent and the Security Trustee shall have the same rights and powers hereunder as any other Lender and may exercise the same as though it were not an Facility Agent or the Security Trustee, as the case may be, and the term "Lender" or "Lenders" shall include the Facility Agent and the Security Trustee in their capacity as Lenders. Each of the Facility Agent and the Security Trustee and their respective Affiliates may accept deposits from, lend money to and generally engage in any kind of business with, the Borrower as if it were not the Facility Agent or the Security Trustee, as the case may be.

15.7 Obligations of Facility Agent and Security Trustee. The obligations of each of the Facility Agent and the Security Trustee, respectively, under this Agreement and the other Transaction Documents are only those expressly set forth herein and therein.

(b) Neither the Facility Agent nor the Security Trustee shall at any time be under any duty to investigate whether an Event of Default, or a Default, has occurred or to investigate the performance of this Agreement or the other Transaction Documents by any Credit Party.

(c) Promptly upon receipt thereof by the Facility Agent, the Facility Agent shall furnish each Lender with a copy of all financial reports and notices delivered to it by the Borrower hereunder.

15.8 Discretion of Facility Agents and Security Trustee. Each of the Facility Agent and the Security Trustee, respectively, shall be entitled to use its discretion with respect to exercising or refraining from exercising any rights which may be vested in it by, and with respect to taking or refraining from taking any action or actions which it may be able to take under or in respect of the Transaction Documents, unless the Facility Agent or Security Trustee, as the case may be, shall have been instructed by the Majority Lenders to exercise such rights or to take or refrain from taking such action; provided, however, that neither the Facility Agent nor the Security Trustee shall be required to take any action which (in the Facility Agent's and/or the Security Trustee's sole discretion) may expose such Facility Agent or the Security Trustee, as the case may be, to personal liability or which is contrary to this Agreement or applicable law.

(b) Each of the Facility Agent and the Security Trustee shall in all cases be fully protected in acting or refraining from acting under this Agreement or under any other Transaction Document in accordance with the instructions of the Majority Lenders (or, where expressly required hereby, all the Lenders), and any action taken or failure to act pursuant to such instructions shall be binding on all of the Lenders.

15.9 Assumption re Event of Default. Except as otherwise provided in Section 15.15, the Facility Agent shall be entitled to assume that no Event of Default or Default has occurred and is continuing, unless the Facility Agent has been notified by the Borrower of such fact or has been notified by a Lender that such Lender considers that an Event of Default or such an event (specifying in detail the nature thereof) has occurred and is continuing. In the event that the Facility Agent shall have been notified by any party in the manner set forth in the preceding sentence of any Event of Default or of any Default, the Facility Agent shall promptly notify the Lenders and shall take action and assert such rights and/or advise the Security Trustee to take such action or assert such rights under the Transaction Documents as the Majority Lenders shall request in writing.

15.10 No Liability of Agents and the Lenders. Neither the Facility Agent, nor the Security Trustee nor any Lender nor any Swap Bank shall be under any liability or responsibility whatsoever:

(a) to any Credit Party or any other person or entity as a consequence of any failure or delay in performance by, or any breach by, any other Lender or any other person of any of its or their obligations under this Agreement or the other Transaction Documents;

(b) to any Lender or Lenders or any Swap Bank as a consequence of any failure or delay in performance by, or any breach by any Credit Party of any of its obligations under this Agreement or the other Transaction Documents; or

(c) to any Lender or Lenders or any Swap Bank for any statements, representations or warranties contained in this Agreement or the other Transaction Documents or in any document or instrument delivered in connection with the transaction hereby contemplated; or for the validity, effectiveness, enforceability or sufficiency of this Agreement or the other Transaction Documents or any document or instrument delivered in connection with the transactions hereby contemplated.

15.11 Indemnification of Facility Agent and Security Trustee. The Lenders and the Swap Banks agree to indemnify each of the Facility Agent and the Security Trustee (to the extent not reimbursed by the Borrower), pro rata according to the respective amounts of their interests in the Loan, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (including reasonable legal fees and expenses incurred in investigating claims and defending itself against such liabilities) which may be imposed on, incurred by or asserted against, the Facility Agent or the Security Trustee, as the case may be, in any way relating to or arising out of this Agreement or the other Transaction Documents, any action taken or omitted by the Facility Agent or the Security Trustee, as the case may be, hereunder or thereunder or the preparation, administration, amendment or enforcement of, or waiver of any provision of, this Agreement or the other Transaction Documents, except that no Lender or Swap Bank shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Facility Agent's or Security Trustee's, as the case may be, gross negligence or willful misconduct.

15.12 Consultation with Counsel. Each of the Facility Agent and the Security Trustee may consult with legal counsel selected by the Facility Agent or Security Trustee, as the case may be and shall not be liable for any action taken, permitted or omitted by it in good faith in accordance with the advice or opinion of such counsel.

15.13 Resignation. Each of the Facility Agent and the Security Trustee may resign at any time by giving sixty (60) days' written notice (the "Resignation Effective Date") thereof to the Creditors and the Borrower. Upon any such resignation, the Majority Lenders shall have the right to appoint a successor Facility Agent or Security Trustee, as the case may be. If no successor Facility Agent or Security Trustee, as the case may be, shall have been so appointed by the Majority Lenders and shall have accepted such appointment within sixty (60) days after the retiring Facility Agent's or Security Trustee's, as the case may be, giving notice of resignation, then the retiring Facility Agent or Security Trustee, as the case may be, may, on behalf of the Creditors, appoint a successor Facility Agent or Security Trustee, as the case may be, which shall be a bank or trust company of recognized standing. The appointment by the Majority Lenders of any successor to the Facility Agent or Security Trustee shall (unless an Event of Default has occurred and is continuing) be subject to the prior written consent of the Borrower, such consent not to be unreasonably withheld. After any resignation of the Facility Agent or Security Trustee hereunder, the provisions of this Section 15 shall continue in effect for its benefit with respect to any actions taken or omitted by it while acting as Facility Agent or Security Trustee, as the case may be. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

15.14 Representations of Lenders. Each Creditor represents and warrants to each other Creditor that:

- (i) in making its decision to enter into this Agreement and to make its Commitment available hereunder, it has independently taken whatever steps it considers necessary to evaluate the financial condition and affairs of the Borrower and the other Credit Parties, that it has made an independent credit judgment and that it has not relied upon any statement, representation or warranty by any other Creditor; and
- (ii) so long as any portion of its Commitment remains outstanding, it will continue to make its own independent evaluation of the financial condition and affairs of the Borrower and the other Credit Parties.

15.15 Notification of Event of Default. If the Facility Agent has received a notice from the Borrower or any Creditor about the occurrence of a Default or Event of Default, the Facility Agent shall promptly notify the Creditors of such Default or Event of Default.

15.16 Sharing of Payments, Etc. If any Creditor shall obtain any payment (whether by voluntary payment, by realization upon security, by the exercise of the right of setoff or banker's lien, by counterclaim or cross action, by the enforcement of any right under the Note or the Security Documents, or otherwise) on account of the amounts advanced and owing to it (other than pursuant to Sections 11.2 or 11.7 or otherwise in respect of any gross up for Taxes pursuant to Section 7.1) in excess of its ratable share of payments on account of the amounts advanced obtained by all the Creditors, such Creditor shall forthwith purchase from the other Creditors such participations in the amounts advanced owing to them as shall be necessary to cause such purchasing Creditor to share the excess payment ratably with each of them; provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Creditor, such purchase from each Creditor shall be rescinded and such Creditor shall repay to the purchasing Creditor the purchase price to the extent of such recovery together with an amount equal to such Creditor's ratable share (according to the proportion of (i) the amount of such Creditor's required repayment to (ii) the total amount so recovered from the purchasing Creditor) of any interest or other amount paid or payable by the purchasing Creditor in respect of the total amount so recovered. The Borrower agrees that any Creditor so purchasing a participation from another Creditor pursuant to this Section 15.16 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Creditor were the direct creditor of the Borrower in the amount of such participation.

16. NOTICES AND DEMANDS

16.1 Notices. All notices, requests, demands and other communications to any party hereunder shall be in writing (including prepaid overnight courier, facsimile transmission, electronic mail or similar writing) and shall be given to the Borrower and/or the Facility Agent and/or the Security Trustee at its respective address or facsimile number set forth below and to the Creditors at their addresses and facsimile numbers set forth in Schedule 1 hereto or at such other address or facsimile numbers as such party may hereafter specify for the purpose by notice to the other party hereto. Each such notice, request or other communication shall be effective (i) if given by facsimile, when such facsimile is transmitted to the facsimile number specified in this Section 16.1 and telephonic confirmation of receipt thereof is obtained, or (ii) if given by mail, prepaid overnight courier or any other means, when received at the address specified in this Section 16.1 or when delivery at such address is refused. If to Borrower:

c/o SEACOR Marine LLC
7910 Main St. 2nd Floor
Houma, Louisiana 70360
Attn: Executive Vice President
Facsimile No.: 985-876-5444
E-mail: jllorca@seacormarine.com

With a copy to:
SEACOR Marine Holdings Inc.
7910 Main St. 2nd Floor
Houma, Louisiana 70360

Attn: Legal Department
Facsimile No.: 985-876-5444
E-mail: aeverett@seacormarine.com

If to any of the other Credit Parties:

c/o SEACOR Marine Holdings Inc.
7910 Main St. 2nd Floor
Houma, Louisiana 70360

Attn: Legal Department
Facsimile No.: 985-876-5444
E-mail: aeverett@seacormarine.com

If to the Facility Agent or Security Trustee:

DNB BANK ASA
200 Park Avenue, 31st Floor
New York, New York 10166
Telephone No.: (212) 681-3800
Attention: Credit Middle Office / Loan Services Department
Facsimile No.: (212) 681-4123
Email: nyloanscsd@dnb.no

17. MISCELLANEOUS

17.1 Right of Set-off. Upon the occurrence and during the continuance of any Event of Default, the Facility Agent and each Creditor and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and otherwise apply any and all deposits (general or special, time or demand, provisional or final) at any time held (including, but not limited to, the Earnings Account(s)) and other indebtedness at any time owing by the Facility Agent, such Creditor or such Affiliate to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under the Transaction Documents, irrespective of whether the Facility Agent or such Creditor shall have made any demand under this Agreement and although such obligations may be unmatured. The Facility Agent and each Creditor agrees promptly to notify the Borrower after any such set-off and application; provided, however, that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Facility Agent and each Creditor and their respective Affiliates under this Section 17.1 are in addition to other rights and remedies (including, without limitation, other rights of set-off) that the Facility Agent, such Creditor, the Security Trustee and their respective Affiliates may have. Notwithstanding anything to the contrary set forth in Section 17 or elsewhere herein, the Facility Agent may not discriminate against the Creditors generally in favor of its own interests when exercising setoff rights against amounts received from the Borrower hereunder, including any amount in any Earnings Account.

17.2 Time of Essence. Time is of the essence with respect to this Agreement but no failure or delay on the part of any of the Facility Agent, the Security Trustee or the other Creditors to exercise any power or right under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise by any of the Facility Agent, the Security Trustee or the other Creditors of any power or right hereunder preclude any other or further exercise thereof or the exercise of any other power or right. The remedies provided herein are cumulative and are not exclusive of any remedies provided by law.

17.3 Unenforceable, etc., Provisions—Effect. In case any one or more of the provisions contained in this Agreement or any other Transaction Document would, if given effect, be invalid, illegal or unenforceable in any respect under any law applicable in any relevant jurisdiction, said provision shall not be enforceable against the Borrower or other applicable Credit Party, but the validity, legality and enforceability of the remaining provisions herein or therein contained shall not in any way be affected or impaired thereby.

17.4 References. References herein to Articles, Sections, Exhibits and Schedules are to be construed as references to sections of, exhibits to, and schedules to, this Agreement or the other Transaction Documents as applicable, unless the context otherwise requires.

17.5 Further Assurances. Each Credit Party agrees that if this Agreement or any of the other Transaction Documents shall, in the reasonable opinion of the Creditors, at any time be deemed by the Creditors for any reason insufficient in whole or in part to carry out the true intent and spirit hereof or thereof, it will execute or cause to be executed such other and further assurances and documents as in the opinion of the Creditors may be required in order to more effectively accomplish the purposes of this Agreement and/or the other Transaction Documents (including, without limitation, to create, perfect, vest in favor of the Security Trustee or protect the priority of security conferred or intended to be conferred by or pursuant to the Transaction Documents).

17.6 Prior Agreements, Merger. Any and all prior understandings and agreements heretofore entered into between the Credit Parties on the one part, and any of the Creditors, on the other part, relating to the transactions contemplated hereby, whether written or oral are superseded by and merged into this Agreement and the other agreements (the forms of which are exhibited hereto) to be executed and delivered in connection herewith to which the Credit Parties and the Creditors, as the case may be, are parties, which alone fully and completely express the agreements between the Credit Parties and the Creditors.

17.7 Entire Agreement; Amendments. This Agreement constitutes the entire agreement of the parties hereto. Neither this Agreement, the Note, any of the Security Documents nor any Interest Rate Agreement nor any terms hereof or thereof may be waived or amended unless such waiver or amendment is approved by the Credit Parties and the Majority Lenders, provided, that no such waiver or amendment shall, without the written consent of each Lender affected thereby, (i) reduce the interest rate (other than any waiver of any default interest) or extend the time of a scheduled payment of principal or interest or fees (but not prepayment) on the Loan or reduce the principal amount of the Loan hereunder, (ii) increase or decrease the Commitment of any Lender or subject any Lender to any additional obligation, (iii) amend, modify or waive any provision of this Section 17.7, (iv) amend the definition of Majority Lenders (including component parts thereof), (v) consent to the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement, or (vi) release any Transaction Party from any of its obligations under any Transaction Document except as expressly provided herein or in such Transaction Document; provided, further, that no such waiver or amendment shall amend, modify or otherwise affect the rights or duties of the Facility Agent or the Security Trustee without the prior written consent of the Facility Agent or the Security Trustee acting as such at the effective date of such agreement, as applicable. It is understood and agreed that Schedules 1-A and 4 may be amended by the Facility Agent and the Borrower from time to time to reflect the changes to the list of Subsidiary Guarantors and Vessels in accordance with the terms of this Agreement (including Section 9.4). It is acknowledged by the parties hereto as of the date hereof that Exhibits attached hereto are in substantially final form, but may be subject to additional review and modification as may be mutually agreed after the date hereof among the Borrower, the Majority Lenders and the Facility Agent.

17.8 Assumption re Event of Default. The Creditors shall be entitled to assume that no Event of Default or Default has occurred and is continuing, unless the Creditors have been notified by the Borrower of such fact. In the event that any Creditor shall have been notified, in the manner set forth in the preceding sentence, by the Borrower of any Event of Default or Default, such Creditor shall promptly notify the Facility Agent in writing, and the Majority Lenders may take action and assert such rights under this Agreement or under any other Transaction Document or as provided for under applicable law as they determine are appropriate.

17.9 Indemnification. Neither any Creditor nor any of its directors, officers, agents or employees shall be liable to any Credit Party for any action taken or not taken thereby in connection herewith in the absence of its own gross negligence or willful misconduct. Each of the Credit Parties hereby jointly and severally agrees to indemnify the Creditors, their respective affiliates and the respective directors, officers, agents and employees of the foregoing (each an “Indemnitee”) and hold each Indemnitee harmless from and against any and all claims, losses, damages, expenses, obligations, penalties, actions, judgments, suits, costs or disbursements of every nature and character (other than taxes) arising out of, in connection with, or as a result of the execution or delivery of the Transaction Documents or any agreement or instrument contemplated thereby, the performance by the parties hereto of their respective obligations under the Transaction Documents or the consummation of the transactions contemplated hereby including, without limitation, (a) any actual or proposed use by the Borrower of the proceeds of the Loan, (b) the reversal or withdrawal of any provisional credits granted by the Facility Agent upon the transfer of funds from lock box, bank agency, concentration accounts or otherwise under any cash management arrangements with the Borrower, (c) any claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort, or any other theory, and regardless of whether any Indemnitee is a party thereof, (d) any civil penalty or fine assessed by OFAC or another Governmental Authority against the Facility Agent or any other Creditor as a result of conduct of any Credit Party or any Related Party thereof that violates a Sanctions Law or Anti-Money Laundering Law, and all reasonable costs and expenses (including reasonable counsel fees and disbursements) incurred in connection with defense thereof or (e) with respect to the Credit Parties and their respective properties and assets, the violation of any Environmental Law, the presence, disposal, escape, seepage, leakage, spillage, discharge, emission, release or threatened release of any Materials of Environmental Concern or any action, suit, proceeding or investigation brought or threatened with respect to any Materials of Environmental Concern relating, in each case, to any circumstance or occurrence arising in relation to, or during the time of, the management, use, control ownership or operation of property or assets by the Credit Parties, in each case including, without limitation, the reasonable fees and disbursements of counsel incurred in connection with any such investigation, litigation or other proceeding; provided, however, the relevant Credit Party shall not be responsible for any liabilities, losses, damages and/or expenses under this Section 17.9 caused by an Indemnitee’s own gross negligence or willful misconduct. Notwithstanding anything herein to the contrary, the foregoing indemnification shall not apply to the extent that any claims, damages, expenses, obligations, penalties, actions, judgments, suits or costs arise with respect to any Vessel from and after such time as any Creditor (or any designee thereof) takes possession or control of such Vessel (except to the extent that any such matter arising under subsection 17.9(e) hereof relates to any circumstance or occurrence arising prior to such time). In litigation, or the preparation therefor, the Creditors and their Affiliates shall be entitled to select their own counsel and, if arising after the occurrence and during the continuation of an Event of Default, the Borrower agrees to pay promptly the reasonable fees and expenses of such counsel. To the extent that the respective interests of the Creditors in such litigation do not, and reasonably could not be expected to, conflict (such determination of existing or potential conflict to be made by the Creditors using their reasonable good faith judgment), the Creditors shall make reasonable efforts to use common counsel in connection with such litigation and the preparation therefor. If, and to the extent that the obligations of any Credit Party under this Section 17.9 are unenforceable for any reason, such Credit Party hereby agree to make the maximum contribution to the payment in satisfaction of such obligations which is permissible under applicable law. The covenants contained in this Section 17.9 shall survive payment or satisfaction in full of the Loan and all other obligations under this Agreement and the other Transaction Documents.

17.10 USA Patriot Act Notice; Bank Secrecy Act. The Facility Agent hereby notifies each of the Credit Parties that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56, signed into law October 26, 2001) (the “Patriot Act”), and the policies and practices of the Facility Agent, each of the Creditors is required to obtain, verify and record certain information and documentation that identifies each of the Credit Parties, which information includes the name and address of each of the Credit Parties and such other information that will allow the Creditors to identify each of the Credit Parties in accordance with the Patriot Act. In addition, each of the Credit Parties shall comply, and cause any of its subsidiaries to comply, with all applicable Bank Secrecy Act laws and regulations, as amended.

17.11 CEA Eligible Contract Participant. Notwithstanding anything to the contrary in any Transaction Document, no Credit Party shall be deemed to guarantee, become jointly and severally obligated for or pledge assets in support of a “swap,” as defined in Section 1(a)(47) of the Commodity Exchange Act (“CEA”) of another Credit Party if at the time that swap is entered into, such Credit Party is not an “eligible contract participant” as defined in Section 1(a)(18) of the CEA.

17.12 Contractual Recognition of Bail-In.

Notwithstanding any other term of any Transaction Document or any other agreement, arrangement or understanding between the parties, each party acknowledges and accepts that any liability of any party to any other party under or in connection with the Transaction Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

- (a) any Bail-In Action in relation to any such liability, including (without limitation):
 - (i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
 - (ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
 - (iii) a cancellation of any such liability; and

(b) a variation of any term of any Transaction Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

17.13 Confidentiality. Each of the Facility Agent, Security Trustee and the Creditors agree to maintain the confidentiality of the Information, except that Information may be disclosed (a) to its Affiliates and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential); (b) to the extent required or requested by any regulatory authority or government agency purporting to have jurisdiction and/or supervision over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners); (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process; (d) to any other party hereto; (e) in connection with the exercise of any remedies hereunder or under any other Transaction Document or any action or proceeding relating to this Agreement or any other Transaction Document or the enforcement of rights hereunder or thereunder; (f) subject to an agreement containing provisions substantially the same as those of this Section 17.13, to (i) any assignee of or participant in, or any prospective assignee of or participant in, any of its rights and obligations under this Agreement, (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder or (iii) to any credit insurance provider; (g) on a confidential basis to any rating agency in connection with rating the Parent Guarantor or its Subsidiaries or the Loan; (h) with the consent of the Borrower; or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section 17.13, or (y) becomes available to the Facility Agent, Security Trustee, any Creditor or any of their respective Affiliates on a non-confidential basis from a source other than a Credit Party. In addition, the Facility Agent, Security Trustee and the Creditors may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to the Facility Agent, Security Trustee and the Creditors in connection with the administration of this Agreement, the other Transaction Documents, and the Commitments. It is understood and agreed that any Person required to maintain the confidentiality of Information as provided in this Section 17.13 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information

17.14 Counterparts; Electronic Delivery. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one and the same instrument. Delivery of an executed counterpart of this Agreement by facsimile or electronic transmission shall be deemed as effective as delivery of an originally executed counterpart. In the event that any Credit Party delivers an executed counterpart of this Agreement by facsimile or electronic transmission, such Credit Party shall also deliver an originally executed counterpart as soon as practicable, but the failure of such Credit Party to deliver an originally executed counterpart of this Agreement shall not affect the validity or effectiveness of this Agreement.

17.15 Headings. In this Agreement, section headings are inserted for convenience of reference only and shall not be taken into account in the interpretation of this Agreement.

17.16 Publication. The Facility Agent or any Mandated Lead Arranger may, at its option and sole expense, publish information about its participation (including its arranger and agent role) in the Loan and for such purpose only, use the logo and trademark of the Borrower, the Parent Guarantor or any other Credit Party.

17.17 Termination; Release.

(a) This Agreement shall terminate and the Collateral shall be automatically released from the Lien of this Agreement when the Facility Agent notifies the Borrower that the principal of and interest and premium (if any) on the Loan, all fees and all other expenses or amounts payable under this Agreement shall have been paid in full (other than contingent indemnification obligations for which no claim or demand has been made and that, pursuant to the provisions of this Agreement or the Security Documents, survive the termination thereof). Upon termination hereof, the security interests granted by the Security Documents shall automatically terminate and all rights to the Collateral shall revert to the applicable Credit Party. Upon termination hereof or any release of Collateral in accordance with the provisions of this Agreement, the applicable Creditor shall promptly execute and deliver to such Credit Party all releases or other documents reasonably necessary and in form reasonably satisfactory to the Credit Party, any vessel registry or other registry, as applicable, and take such reasonable further actions for the release of such Collateral from the security interests created thereby, upon the written request and at the sole cost and expense of the Credit Parties, assign, transfer and deliver to the Credit Parties, against receipt and without recourse to or warranty of any kind (either express or implied) by such Creditor (except that such Creditor has not assigned or otherwise transferred its security interest in the Collateral), such of the Collateral to be released (in the case of a release) as may be in possession or control of such Creditor and as shall not have been sold or otherwise applied pursuant to the terms hereof, and, with respect to any other Collateral, with such endorsements or proper documents and instruments (including UCC-3 termination statements or releases) acknowledging the termination hereof or the release of such Collateral, as the case may be.

(b) If any of the Collateral is sold, transferred or otherwise disposed of by any Credit Party (other than to another Credit Party) in a transaction permitted by this Agreement, then the lien created pursuant to any Security Document in such Collateral shall be released, and the applicable Creditor, at the request and sole expense of such Credit Party, shall promptly execute and deliver to such Credit Party all releases or other documents reasonably necessary and in form reasonably satisfactory to the Credit Party and take such reasonable further actions for the release of such Collateral from the security interests created thereby, provided that the applicable Credit Party shall have delivered to such Creditor, at least five (5) Banking Days (or such shorter period of time acceptable to such Creditor) prior to the date of the proposed release, a certificate of a Responsible Officer of such Credit Party with request for release identifying the relevant Collateral and certifying that such transaction is in compliance with this Agreement and the Security Documents.

18. GUARANTEE AND INDEMNITY

18.1 Guarantee and Indemnity. In order to induce the Lenders to make the Loan to the Borrower, each Subsidiary Guarantor irrevocably and unconditionally jointly and severally:

(a) guarantees to each Creditor, as a primary obligor and not merely as a surety, punctual payment and performance by the Borrower and each other Credit Party of all their respective obligations under the Transaction Documents;

(b) undertakes with each Creditor that whenever the Borrower or any other Credit Party does not pay any amount (whether for principal, interest, fees, expenses or otherwise) when due (whether at stated maturity, by acceleration or otherwise) under or in connection with any Transaction Document, such Subsidiary Guarantor shall immediately on demand pay that amount as if it were the primary obligor; and

(c) agrees with each Creditor that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Creditor immediately on demand against any cost, loss or liability it incurs as a result of the Borrower or any other Credit Party not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Transaction Document on the date when it would have been due. The amount payable by such Subsidiary Guarantor under this indemnity will not exceed the amount it would have had to pay under this Section 18 if the amount claimed had been recoverable on the basis of a guarantee.

18.2 Continuing Guarantee. This guarantee is a continuing guarantee that shall remain in full force and effect until the irrevocable payment and performance in full by any Credit Party under the Transaction Documents, regardless of any intermediate payment or discharge in whole or in part. This guarantee constitutes a guarantee of punctual performance and payment and not merely of collection. Notwithstanding the foregoing, any Hedging Obligations guaranteed by the Subsidiary Guarantors under this Section 18 shall not include any Excluded Hedging Obligations.

18.3 Reinstatement. If any discharge, release or arrangement (whether in respect of the obligations of any Credit Party or any security for those obligations or otherwise) is made by a Creditor in whole or in part on the basis of any payment, security or other disposition which is rescinded, discharged, avoided or reduced, or must be restored or returned, upon insolvency, bankruptcy, reorganization, liquidation, administration or otherwise, without limitation, then the liability of each Subsidiary Guarantor under this Section 18 will continue or be reinstated as if the discharge, release or arrangement had not occurred.

18.4 Waiver of Defenses. The obligations of each Subsidiary Guarantor under this Section 18 and in respect of any security provided by or pursuant to the Security Documents are irrevocable, absolute and unconditional and shall not be affected or discharged by an act, omission, matter or thing which, but for this Section 18.4, would reduce, release or prejudice any of its obligations under this Section 18 or in respect of any security provided by or pursuant to the Security Documents (without limitation and whether or not known to it or any Creditor) including (and each Subsidiary Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to):

- (a) any time, waiver or consent granted to, or composition with, any Credit Party or other person;
- (b) the release of any other Credit Party or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect or delay in perfecting, or refusal or neglect to take up or enforce, or delay in taking or enforcing any rights against, or security over assets of, any Credit Party or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realize the full value of any collateral;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the corporate or company structure, shareholders, members or status of a Credit Party or any other person (including without limitation any change in the holding of such Credit Party's or other person's Equity Interests);
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Transaction Document or any other document or security including, without limitation, any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Transaction Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Transaction Document or any other document or security;
- (g) any bankruptcy, insolvency or similar proceedings;
- (h) any election of remedies by a Creditor that in any manner impairs, reduces, releases or otherwise adversely affects the subrogation, reimbursement, exoneration, contribution or indemnification rights of such Subsidiary Guarantor or other rights of such Subsidiary Guarantor to proceed against any Credit Party, any other guarantor or any other person or entity or any collateral;
- (i) any right of set-off or counterclaim against or in respect of the obligations of such Subsidiary Guarantor hereunder; or
- (j) any other circumstance whatsoever that might otherwise constitute a defense available to, or a legal or equitable discharge of, any Credit Party.

18.5 Other Waivers. Each Subsidiary Guarantor hereby unconditionally and irrevocably waives:

- (a) promptness, diligence, notice of acceptance, presentment, demand for performance, notice of non-performance, default, acceleration, protest or dishonor and any other notice and this guarantee and any requirement that a Creditor protect, secure, perfect or insure any security, Lien or any property subject thereto or exhaust any right or take any action against a Credit Party, any other guarantor or any other person or entity or any collateral;

(b) any right to revoke this guarantee; and

(c) any duty on the part of a Credit Party to disclose to such Subsidiary Guarantor any matter, fact or thing relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of that Credit Party or any of their respective Subsidiaries now or hereafter known by any Creditor.

18.6 Acknowledgment of Benefits. Each Subsidiary Guarantor acknowledges that it will receive substantial direct and indirect benefits from the financing arrangements contemplated by the Transaction Documents and that the waivers set forth in this Section 18 are knowingly made in contemplation of such benefits.

18.7 Immediate Recourse. Each Subsidiary Guarantor waives any right it may have of first requiring any Creditor (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person (including without limitation to commence any proceedings under any Transaction Document or to enforce any security provided by or pursuant to the Security Documents) before claiming or commencing proceedings under this Section 18. This waiver applies irrespective of any law or any provision of a Transaction Document to the contrary.

18.8 Appropriations. Until all amounts which may be or become payable by the Credit Party under or in connection with the Transaction Documents have been irrevocably paid in full, each Creditor (or any trustee or agent on its behalf) may:

(a) refrain from applying or enforcing any other moneys, security or rights held or received by that Creditor (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Subsidiary Guarantor shall be entitled to the benefit of the same; and

(b) hold in an interest-bearing suspense account any moneys received from a Subsidiary Guarantor or on account of a Subsidiary Guarantor's liability under this Section 18.

18.9 Deferral of Subsidiary Guarantors' Rights. All rights which a Subsidiary Guarantor at any time has (whether in respect of this guarantee, a mortgage or any other transaction) against the Borrower, any other Credit Party or their respective assets shall be fully subordinated to the rights of the Creditors under the Transaction Documents and until all obligations under the Transaction Documents are paid in full and unless the Facility Agent otherwise directs, no Subsidiary Guarantor will exercise its rights which it may have (whether in respect of any Transaction Document to which it is a Party or any other transaction) by reason of performance by it of its obligations under the Transaction Documents or by reason of any amount being payable, or liability arising, under this Section 18:

(a) to be indemnified by any Credit Party;

(b) to claim any contribution from any third party providing security for, or any other guarantor of, any Credit Party's obligations under the Transaction Documents;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Creditors under the Transaction Documents or of any other guarantee or security taken pursuant to, or in connection with, the Transaction Documents by any Creditor;

(d) to bring legal or other proceedings for an order requiring any Credit Party to make any payment, or perform any obligation, in respect of which a Subsidiary Guarantor has given a guarantee, undertaking or indemnity under Section 18.1;

(e) to exercise any right of set-off against any Credit Party; and/or

(f) to claim or prove as a creditor of any Credit Party in competition with any Creditor.

If a Subsidiary Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Creditors by the Credit Party under or in connection with the Transaction Documents to be repaid in full on trust for the Creditors and shall promptly pay or transfer the same to the Facility Agent or as the Facility Agent may direct for application in accordance with the terms of this Agreement.

18.10 Additional Security. This guarantee and any other security or Lien given by each Subsidiary Guarantor is in addition to and is not in any way prejudiced by, and shall not prejudice, any other guarantee or security or any other right of recourse now or subsequently held by any Creditor or any right of set-off or netting or right to combine accounts in connection with the Transaction Documents.

18.11 Independent Obligations. The obligations of each Subsidiary Guarantor under or in respect of this guarantee are independent of any other obligations of any other Credit Party under or in respect of the Transaction Documents, and a separate action or actions may be brought and prosecuted against each Subsidiary Guarantor to enforce this guarantee irrespective of whether any action is brought against any other Credit Party or whether any other Credit Party is joined in any such action or actions.

18.12 Limitation of Liability. Each of the Subsidiary Guarantors and each of the Creditors hereby confirms that it is its intention that the obligations under this guarantee not constitute a fraudulent transfer or conveyance for purposes of the U.S. Bankruptcy Code, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar law. To effectuate the foregoing intention, each of the Subsidiary Guarantors and each of the Creditors hereby irrevocably agrees that the obligations guaranteed by each Subsidiary Guarantor under this guarantee shall be limited to such amount as will, after giving effect to such maximum amount and all other (contingent or otherwise) liabilities of such Subsidiary Guarantor that are relevant under such laws, result in the obligations of such Subsidiary Guarantor in respect of such maximum amount not constituting a fraudulent transfer or conveyance.

18.13 Applicability of Provisions of Guarantee to Other Security. Sections 18.2, 18.3, 18.4, 18.5, 18.6, 18.7, 18.8, 18.9, 18.10, 18.11 and 18.12 shall apply, with any necessary modifications, to any security or Lien which a Subsidiary Guarantor creates (whether at the time at which it signs this Agreement or at any later time) to secure the obligations under the Transaction Documents or any part of them.

18.14 Keepwell. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Subsidiary Guarantor to honor all of its obligations under this Section 18 in respect of any Hedging Obligations (provided, that each Qualified ECP Guarantor shall be liable under this Section 18.14 only for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 18.14, or otherwise under this Section 18, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). Each Qualified ECP Guarantor intends that this Section 18.14 constitute, and this Section 18 shall be deemed to constitute, a “keepwell, support, or other agreement” for the benefit of each other Subsidiary Guarantor for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

18.15 Subordination.

(a) Subordination of Liabilities. Each Credit Party, for itself, its successors and assigns, hereby subordinates its claims with respect to all Intercompany Debt, and all amounts owing in respect thereof (all such claims and amounts in respect of such Intercompany Debt, "Subordinated Indebtedness"), of any other Credit Party owing to it, whether now existing or hereafter arising, to the prior payment in full in cash of all obligations due to the Creditors under any Transaction Document always subject to and in accordance with the subordination provisions set forth in this Section 18.15 (including any exceptions); provided, that notwithstanding anything contained herein to the contrary, each Credit Party may repay any Intercompany Debt in full or in part so long as no Event of Default shall have occurred and be continuing.

(b) Payor Not to Make Payments with Respect to Subordinated Indebtedness in Certain Circumstances.

- (i) Upon the maturity of any Senior Indebtedness (including interest thereon or fees or any other amounts owing in respect thereof), whether at stated maturity, by acceleration or otherwise, all obligations owing in respect of the Senior Indebtedness shall first be paid in full in cash in accordance with the terms thereof, before any payment of any kind or character, whether in cash, property, securities or otherwise, is made on account of the Subordinated Indebtedness then outstanding.
- (ii) No Credit Party that is a payor under any Intercompany Debt shall, directly or indirectly (and no person or other entity on behalf of such Credit Party may), make any payment of any Subordinated Indebtedness until all Senior Indebtedness has been paid in full in cash if any Event of Default has occurred and is continuing or would result therefrom. Each Credit Party that is a holder of the Subordinated Indebtedness hereby agrees that, so long as any such Event of Default has occurred and is continuing, it will not sue for, or otherwise take any action to enforce the payor's obligations to pay, amounts owing in respect of the Subordinated Indebtedness. Each Credit Party that is a holder of the Subordinated Indebtedness understands and agrees that to the extent that sub-clause (i) of this clause (b) or this sub-clause (ii) prohibits the payment of any Subordinated Indebtedness, such unpaid amount shall not constitute a payment default under the Subordinated Indebtedness and the holder(s) of the Subordinated Indebtedness may not sue for, or otherwise take action to enforce the payor's obligation to pay such amount, provided that such unpaid amount shall remain an obligation of the payor to the holder(s) of the Subordinated Indebtedness pursuant to the terms of the Subordinated Indebtedness. Notwithstanding the foregoing, so long as an Event of Default is not continuing, each Credit Party will be entitled to make (and any person or other entity on behalf of the such Credit Party shall be entitled to make) and the holder(s) of any Subordinated Indebtedness will be entitled to receive, payments of principal and/or interest under the Subordinated Indebtedness.

- (iii) In the event that, notwithstanding the provisions of the preceding sub-clauses (i) and (ii) of this clause (b), any Credit Party that is a payor under any Subordinated Indebtedness (or any Person on behalf of such Credit Party) makes (or the holder(s) of the Subordinated Indebtedness receives) any payment on account of the Subordinated Indebtedness at a time when payment is not permitted by said sub-clause (i) or (ii), such payment shall be held by the holder(s) of the Subordinated Indebtedness, in trust for the benefit of, and shall be paid forthwith over and delivered to, the Facility Agent, for application pro rata to the payment of all Senior Indebtedness remaining unpaid to the extent necessary to pay all Senior Indebtedness in full in cash in accordance with the terms of such Senior Indebtedness, after giving effect to any concurrent payment or distribution to or for the holders of Senior Indebtedness.

(c) Subordination to Prior Payment of All Senior Indebtedness on Dissolution, Liquidation or Reorganization of a Credit Party. Upon any distribution of assets of any Credit Party upon dissolution, winding up, liquidation or reorganization of such Credit Party (whether in bankruptcy, insolvency or receivership proceedings or upon an assignment for the benefit of creditors or otherwise):

- (i) the holders of all Senior Indebtedness shall first be entitled to receive payment in full in cash of all Senior Indebtedness in accordance with the terms thereof (including, without limitation, post-petition interest at the rate provided in the documentation with respect to the Senior Indebtedness, whether or not such post-petition interest is an allowed claim against the debtor in any bankruptcy or similar proceeding) before the holder(s) of the Subordinated Indebtedness is entitled to receive any payment of any kind or character on account of the Subordinated Indebtedness;
- (ii) any payment or distributions of assets of such Credit Party of any kind or character, whether in cash, property or securities to which the holder(s) of any outstanding Subordinated Indebtedness would be entitled except for the provisions of this Section 18.15, shall be paid by the liquidating trustee or agent or other person making such payment or distribution, whether a trustee in bankruptcy, a receiver or liquidating trustee or other trustee or agent, directly to the Facility Agent, to the extent necessary to make payment in full in cash of all Senior Indebtedness remaining unpaid, after giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness; and
- (iii) in the event that, notwithstanding the foregoing provisions of this clause (c), any payment or distribution of assets of such Credit Party of any kind or character, whether in cash, property or securities, shall be received by the holder(s) of the Subordinated Indebtedness on account of Subordinated Indebtedness before all Senior Indebtedness is paid in full in cash in accordance with the terms thereof, such payment or distribution shall be received and held in trust for and shall be paid over to the Facility Agent for application to the payment of such Senior Indebtedness until all such Senior Indebtedness shall have been paid in full in cash in accordance with the terms thereof, after giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness.

(d) Obligation of the Payor Unconditional. Nothing contained in this Section 18.15 or in the Subordinated Indebtedness is intended to or shall impair, as between the payor of any Subordinated Indebtedness on the one hand and the holder(s) of the Subordinated Indebtedness on the other hand, the obligation of the payor, which is absolute and unconditional, to pay to the holder(s) of the Subordinated Indebtedness the principal of and interest on the Subordinated Indebtedness as and when the same shall become due and payable in accordance with their terms, or is intended to or shall affect the relative rights of the holder(s) of the Subordinated Indebtedness and creditors of the payor other than the holders of the Senior Indebtedness, nor shall anything herein or therein prevent the holder(s) of the Subordinated Indebtedness from exercising all remedies otherwise permitted by applicable law upon an event of default under the Subordinated Indebtedness, subject to the provisions of this Section 18.15 and the rights, if any, under this Section 18.15 of the holders of Senior Indebtedness in respect of cash, property, or securities of the payor of any Subordinated Indebtedness received upon the exercise of any such remedy. Upon any distribution of assets of the payor of any Subordinated Indebtedness referred to in this Section 18.15, the holder(s) of the Subordinated Indebtedness shall be entitled to rely upon any order or decree made by any court of competent jurisdiction in which such dissolution, winding up, liquidation or reorganization proceedings are pending, or a certificate of the liquidating trustee or agent or other person making any distribution to the holder(s) of the Subordinated Indebtedness, for the purpose of ascertaining the persons entitled to participate in such distribution, the holders of the Senior Indebtedness and other indebtedness of such payor, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Section 18.15.

(e) Subordination Rights Not Impaired by Acts or Omissions of Payor or Holders of Senior Indebtedness. No right of any present or future holders of any Senior Indebtedness to enforce subordination as herein provided shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of any Credit Party or by any act or failure to act in good faith by any such holder, or by any noncompliance by any Credit Party with the terms and provisions of the Subordinated Indebtedness, regardless of any knowledge thereof which any such holder may have or be otherwise charged with. The holders of the Senior Indebtedness may, without in any way affecting the obligations of the holder(s) of the Subordinated Indebtedness with respect hereto, at any time or from time to time and in their absolute discretion, change the manner, place or terms of payment of, change or extend the time of payment of, or renew, increase or otherwise alter, any Senior Indebtedness or amend, modify or supplement any agreement or instrument governing or evidencing such Senior Indebtedness or any other document referred to therein, or exercise or refrain from exercising any other of their rights under the Senior Indebtedness including, without limitation, the waiver of default thereunder and the release of any collateral securing such Senior Indebtedness, all without notice to or assent from the holder(s) of the Subordinated Indebtedness.

(f) Senior Indebtedness. The term “Senior Indebtedness” shall mean all obligations of the Credit Parties under, or in respect of, this Agreement and each other Transaction Document.

[Signature Pages Follow]

IN WITNESS whereof, the parties hereto have caused this Agreement to be duly executed by their duly authorized representatives as of the day and year first above written.

SEACOR MARINE HOLDINGS INC.,
as Parent Guarantor

By: /s/ Jesús Llorca

Name: Jesús Llorca

Title: *Executive Vice President and Chief Financial Officer
(Principal Financial Officer)*

SEACOR MARINE FOREIGN HOLDINGS INC.,
as Borrower

By: /s/ Jesús Llorca

Name: Jesús Llorca

Title: *Executive Vice President*

AARON S. MCCALL LLC,
AS SUBSIDIARY GUARANTOR

By: /s/ Jesús Llorca

Name: Jesús Llorca

Title: *Vice President*

ALYA MCCALL LLC,
as Subsidiary Guarantor

By: /s/ Jesús Llorca

Name: Jesús Llorca

Title: *Vice President*

MICHAEL G MCCALL LLC,
as Subsidiary Guarantor

By: /s/ Jesús Llorca

Name: Jesús Llorca

Title: *Vice President*

FALCON PEARL LLC,
as Subsidiary Guarantor

By: /s/ Jesús Llorca

Name: Jesús Llorca
Title: *Vice President*

FALCON DIAMOND LLC,
as Subsidiary Guarantor

By: /s/ Jesús Llorca

Name: Jesús Llorca
Title: *Vice President*

PUTFORD ACHIEVER LTD.,
as Subsidiary Guarantor

By: /s/ John Anniss

Name: John Anniss
Title: *Director*

PUTFORD SAVIOUR LTD.,
as Subsidiary Guarantor

By: /s/ John Anniss

Name: John Anniss
Title: *Director*

PUTFORD PRIDE LTD.,
as Subsidiary Guarantor

By: /s/ John Anniss

Name: John Anniss
Title: *Director*

PUTFORD JAGUAR LTD.,
as Subsidiary Guarantor

By: /s/ John Anniss

Name: John Anniss
Title: *Director*

SEA-CAT CREWZER LLC,
as Subsidiary Guarantor

By: /s/ Jesús Llorca

Name: Jesús Llorca
Title: *Vice President*

SEA-CAT CREWZER II LLC,
as Subsidiary Guarantor

By: /s/ Jesús Llorca

Name: Jesús Llorca
Title: *Vice President*

SEACOR HAWK LLC,
as Subsidiary Guarantor

By: /s/ Jesús Llorca

Name: Jesús Llorca
Title: *Vice President*

SEACOR EAGLE LLC,
as Subsidiary Guarantor

By: /s/ Jesús Llorca

Name: Jesús Llorca
Title: *Vice President*

PUTFORD DEFENDER LIMITED,
as Subsidiary Guarantor

By: /s/ John Anniss

Name: John Anniss
Title: *Director*

PUTFORD PHOENIX LIMITED,
as Subsidiary Guarantor

By: /s/ John Anniss

Name: John Anniss
Title: *Director*

DNB BANK ASA, NEW YORK BRANCH
as Facility Agent, Security Trustee and Swap Bank

By: /s/ Mita Zalavadia

Name: Mita Zalavadia

Title: *Assistant Vice President*

By: /s/ Vadim Shutov

Name: Vadim Shutov

Title: *Assistant Treasurer*

DNB CAPITAL LLC,
as Lender

By: /s/ Philippe Wulfers

Name: Philippe Wulfers

Title: *First Vice President*

By: /s/ Andrew J. Shoet

Name: Andrew J. Shoet

Title: *First Vice President*

CLIFFORD CAPITAL PTE. LTD.
as Lender

By: /s/ Low Li Ping, Audra

Name: Low Li Ping, Audra
Title: *Head of Origination and Structuring*

NIBC BANK N.V.
as Lender

By: /s/ Sven de Veij

Name: Sven de Veij
Title: *Managing Director*

By: /s/ H.J. van West

Name: H.J. van West
Title: *Managing Director*

HANCOCK WHITNEY BANK,
as Lender

By: /s/ Tommy D. Pitre

Name: Tommy D. Pitre
Title: *Senior Vice President*

CITICORP NORTH AMERICA, INC.,
as Lender

By: /s/ Robert Malleck

Name: Robert Malleck
Title: *Vice President*

SCHEDULE 1

PARTIES

SCHEDULE 1-A

SECURITY PARTIES

(a) Borrower

Party	Jurisdiction
SEACOR Marine Foreign Holdings Inc.	Marshall Islands

(b) Parent Guarantor

SEACOR Marine Holdings Inc.	Delaware
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(c) Subsidiary Guarantors

Aaron S. McCall LLC	Delaware
Alya McCall LLC	Delaware
Michael G McCall LLC	Delaware
Falcon Pearl LLC	Marshall Islands
Falcon Diamond LLC	Marshall Islands
Putford Achiever Ltd.	England and Wales
Putford Saviour Ltd.	England and Wales
Putford Pride Ltd.	England and Wales
Putford Jaguar Ltd.	England and Wales
Sea-Cat Crewzer LLC	Marshall Islands
Sea-Cat Crewzer II LLC	Marshall Islands
SEACOR Hawk LLC	Delaware
SEACOR Eagle LLC	Delaware
Putford Defender Limited	England and Wales
Putford Phoenix Limited	England and Wales

(d) Relevant Parents

Falcon Global International LLC	Marshall Islands
C-Lift LLC	Delaware
SEACOR Offshore Safety Ltd.	England and Wales
Boston Putford Offshore Safety Ltd.	England and Wales
SEACOR Offshore Vessel Holdings LLC	Delaware

SCHEDULE 1-B

LENDERS AND COMMITMENTS

<u>Name/Notice Details</u>	<u>Commitment Amount</u>
<p>DNB CAPITAL LLC 200 Park Avenue, 31st Floor New York, New York 10166</p> <p>Attention: Mr. Philippe Wulfers Telephone No.: (212) 681-3821 Facsimile No.: (212) 681-3900 Email: philippe.wulfers@dnb.no</p> <p>Loan Administration Department: Attention: Loan Services Department Telephone: (212) 681-3837 / (212) 681-3800 Facsimile: (212) 681-4123 Email: nyloanscsd@dnb.no</p>	\$55,500,000
<p>CLIFFORD CAPITAL PTE. LTD. One Raffles Quay #23-01 North Tower Singapore 048583</p> <p>Credit: Attention: Desmond Wong / Loh Yao Sheng Telephone No.: +65 6229 2926 / +65 6229 2924</p> <p>Facsimile No: +65 6444 9600 Email: risk@cliffordcap.sg</p> <p>Loan Administration: Attention: Cindy Oh / Lee Li Ling Telephone No.: +65 6229 2929 / +65 6229 2930 Facsimile No: +65 6444 9600 Email: fto@cliffordcap.sg</p>	\$30,000,000
<p>NIBC BANK N.V. Carnegieplein 4 2517 KJ Den Haag The Netherlands</p> <p>Credit: Attention: Ekaterina Kouznetsova / Lucas Luik Telephone: +31 (0)70 342 5618 / +31 (0)70 342 5714 Email: ekaterina.kouznetsova@nibc.com / lucas.luik@nibc.com</p> <p>Administrative: Attention: Loan Servicing Telephone: +31 (0)70 342 9544 Email: loanservicing@nibc.com</p>	\$25,000,000

<p>HANCOCK WHITNEY BANK 7910 Main Street Houma, LA 70360 Telephone No.: (985) 853-7429 Attention: Mr. Tommy Pitre Facimile No.: (985) 853-7479 Email: tommy.pitre@hancockwhitney.com</p> <p>Loan Administration Department: Attention: Specialized Lending Administrator Telephone: (504) 552-4517 Facsimile: (504) 801-3850 Email: pscls@hancockwhitney.com</p>	<p>\$10,000,000</p>
<p>CITICORP NORTH AMERICA, INC. 388 Greenwich Street, 22nd Floor New York, NY 10013</p> <p>Credit: Attention: Rob Malleck / Kaan Balabaner Telephone: +1 (212) 816 5435 / +1 (713) 821 4741 Facsimile: +1 (646) 291 1688 Email: Robert.mallek@citi.com / kaan.balabaner@citi.com</p> <p>Administrative: Attention: Saket Kumar Darshan / Bhasker Vinoliya Telephone: +1 (201) 751 7571 Email: GLOriginationOps@citigroup.com</p>	<p>\$9,500,000</p>

SWAP BANKS

<p>DNB BANK ASA, NEW YORK BRANCH 200 Park Avenue, 31st Floor New York, New York 10166 Telephone No.: (212) 681-3800 Attention: Credit Middle Office / Loan Services Department Facsimile No.: (212) 681-4123 Email: nyloanscsd@dnb.no</p>
<p>HANCOCK WHITNEY BANK 7910 Main Street Houma, LA 70360 Telephone No.: (985) 853-7429 Attention: Mr. Tommy Pitre Facimile No.: (985) 853-7479 Email: tommy.pitre@hancockwhitney.com</p> <p>Loan Administration Department: Attention: Specialized Lending Administrator Telephone: (504) 552-4517 Facsimile: (504) 801-3850 Email: pscls@hancockwhitney.com</p>
<p>NIBC BANK N.V. Carnegieplein 4 2517 KJ Den Haag The Netherlands Attention: Mirja Ciere Telephone: +31 70 3429833 Email: Mirja.Ciere@nibc.com</p>

SCHEDULE 2

INDEBTEDNESS

- A promissory note dated September 13, 2018 made by SEACOR Marine Foreign Holdings Inc., in favor of Seabulk Overseas Transport, Inc. in the principal sum of \$30,470,557, which shall be payable on September 13, 2028 (so long as such promissory note is subordinated pursuant to the terms similar to those contained in Section 18.15)
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SCHEDULE 3

LIENS

None

SCHEDULE 4

SCHEDULE 4-A

CREDIT SUPPORT VESSELS

Asset Class / Name	Owner	Flag
Fast Supply Vessels		
SEACOR Cheetah	Sea-Cat Crewzer LLC	Marshall Islands
SEACOR Cougar	Sea-Cat Crewzer LLC	Marshall Islands
SEACOR Leopard	Sea-Cat Crewzer II LLC	Marshall Islands
SEACOR Lynx	Sea-Cat Crewzer II LLC	Marshall Islands
Aaron S. McCall	Aaron S. McCall LLC	Marshall Islands
Alya McCall	Alya McCall LLC	Marshall Islands
Michael G McCall	Michael G McCall LLC	Marshall Islands
Liam J McCall	SEACOR Marine LLC	United States
Liftboats		
Falcon Diamond	Falcon Diamond LLC	Marshall Islands
Falcon Pearl	Falcon Pearl LLC	Marshall Islands
Standby Vessels		
Putford Achiever	Putford Achiever Ltd.	Cayman Islands
Putford Saviour	Putford Saviour Ltd.	Cayman Islands
Centrica Pride	Putford Pride Ltd.	United Kingdom
Putford Jaguar	Putford Jaguar Ltd.	United Kingdom

SCHEDULE 4-B

ADDITIONAL CREDIT SUPPORT VESSELS

Asset Class / Name	Owner	Flag
Fast Supply Vessels		
John G McCall	SEACOR Marine LLC	United States
Michael Crombie McCall	SEACOR Marine LLC	United States
Liftboats		
SEACOR Hawk	SEACOR Hawk LLC	United States
SEACOR Eagle	SEACOR Eagle LLC	United States
Standby Vessel		
Putford Defender	Putford Defender Limited	United Kingdom
Putford Phoenix	Putford Phoenix Limited	United Kingdom

SCHEDULE 5
INVESTMENTS

None

SCHEDULE 6
AFFILIATE TRANSACTION

None

PROMISSORY NOTE

SEACOR MARINE FOREIGN HOLDINGS INC.
as borrower

in favor of

DNB BANK ASA, NEW YORK BRANCH,
as Facility Agent

[_____], 2018

PROMISSORY NOTE

U.S. \$130,000,000

[_____] , 2018
New York, New
York

FOR VALUE RECEIVED, the undersigned, SEACOR MARINE FOREIGN HOLDINGS INC., a corporation incorporated and existing under the laws of the Republic of the Marshall Islands (the "Borrower"), with offices at c/o SEACOR Marine LLC, 7910 Main St., 2nd Floor, Houma, Louisiana 70360, as borrower, hereby promise to pay to DNB Bank ASA, New York Branch as agent for the benefit of the Lenders (as defined below), or its registered assigns (the "Facility Agent"), at its office at 200 Park Avenue, 31st Floor, New York, NY 10166, or as it may otherwise direct, the principal sum of One Hundred Thirty Million United States Dollars (U.S. \$130,000,000) or, if less, such portion of the unpaid principal amount of the Loan (as defined in the Credit Agreement (as hereinafter defined)) from time to time outstanding made available by the Lenders to the Borrower pursuant to the Credit Agreement dated as of [_____] , 2018 (as amended, restated, modified or supplemented from time to time, the "Credit Agreement"), by and among, *inter alios*, (i) the Borrower, as borrower, (ii) SEACOR Marine Holdings Inc., as parent guarantor, (iii) the entities listed on Schedule 1-A thereto as subsidiary guarantors, (iv) DNB Bank ASA, New York Branch, as facility agent and security trustee and (v) the financial institutions identified on Schedule 1-B thereto, as lenders (together with any bank or financial institution which becomes a lender pursuant to Section 10 thereto, the "Lenders"). The Borrower shall repay the indebtedness represented by this Note as provided in Section 5 of the Credit Agreement. This Note may be prepaid on such terms as provided in the Credit Agreement.

Words and expressions used herein (including those in the foregoing paragraph) and defined in the Credit Agreement shall have the same meaning herein as therein defined.

The Borrower shall also pay interest on such portion of the Loan from the date of drawdown until payment in full at the rates determined from time to time in accordance with Section 6 of the Credit Agreement, which provisions are incorporated herein with full force and effect as if they were fully set forth herein. Any principal payment not paid when due, whether on an installment payment date or by acceleration, shall bear interest thereafter at the Default Rate. All interest shall accrue and be calculated on the actual number of days elapsed and on the basis of a 360-day year.

Both principal and interest are payable in Dollars to the Facility Agent, for the account of the Lenders, as the Facility Agent may direct, in immediately available same day funds.

If this Note or any payment required to be made hereunder becomes due and payable on a day which is not a Banking Day, the due date thereof shall be extended until the next following Banking Day and interest shall be payable during such extension at the rate applicable immediately prior thereto, unless such next following Banking Day falls in the following calendar month, in which case the due date thereof shall be adjusted to the immediately preceding Banking Day.

This Note is the Note referred to in the Credit Agreement and is entitled to the security and benefits therein provided, including, but not limited to, such security as provided in the relevant Security Documents and any relevant Interest Rate Agreement. Upon the occurrence of any Event of Default under Section 8 of Credit Agreement, the principal hereof and accrued interest hereon may be declared to be (or, with respect to certain Events of Default, automatically shall become) immediately due and payable.

In the event that any holder of this Note shall institute any action for the enforcement or the collection of this Note, there shall be immediately due and payable, in addition to the unpaid balance hereof, all late charges and all costs and expenses of such action, including reasonable attorneys' fees.

The Borrower hereby waives presentment, protest, demand for payment, diligence, notice of dishonor and of nonpayment, and any and all other notices or demands in connection with the delivery, acceptance, performance, default or enforcement of this Note, hereby waives and renounces all rights to the benefits of any statute of limitations and any moratorium, appraisal, exemption and homestead now provided or which may hereafter be provided by any federal or state statute, including, without limitation, exemptions provided by any federal or state statute, including, without limitation, exemptions provided by or allowed under any federal or state bankruptcy or insolvency laws, both as to themselves and as to all of their property, whether real or personal, against the enforcement and collection of the obligations evidenced by this Note and any and all extensions, renewals and modifications hereof and hereby consent to any extensions of time, renewals, releases of any party this Note, waiver or modification that may be granted or consented to by the holder of this Note.

The Borrower agrees that its liabilities hereunder are absolute and unconditional without regard to the liability of any other party and that no delay on the part of the holder hereof in exercising any power or right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any power or right hereunder preclude other or further exercise thereof or the exercise of any other power or right.

If at any time this transaction would be usurious under applicable law, then regardless of any provision contained in the Credit Agreement or this Note or any other agreement made in connection with this transaction, it is agreed that (a) the total of all consideration which constitutes interest under applicable law that is contracted for, charged or received upon the Credit Agreement, this Note or any other agreement shall under no circumstances exceed the maximum rate of interest authorized by applicable law, if any, and any excess shall be credited to the Borrower and (b) if the Lenders elect to accelerate the maturity of, or if the Borrower prepays the indebtedness described in this Note, any amounts which because of such action would constitute interest may never include more than the maximum rate of interest authorized by applicable law and any excess interest, if any, provided for in the Credit Agreement, in this Note or otherwise, shall be credited to the Borrower automatically as of the date of acceleration or prepayment.

THE UNDERSIGNED AND, BY ITS ACCEPTANCE HEREOF, THE FACILITY AGENT EACH HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY HERETO OR ANY BENEFICIARY HEREOF ARISING IN RESPECT OF ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS NOTE.

This Note shall be governed by and construed in accordance with the laws of the State of New York.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned Borrower has executed and delivered this Note on the date and year first above written.

SEACOR Marine Foreign Holdings Inc.,
as Borrower

By _____
Name:
Title:

GUARANTY

by

SEACOR MARINE HOLDINGS INC.

in favor of

DNB BANK ASA, NEW YORK BRANCH,
as Security Trustee

September 28, 2018

B-1

GUARANTY

This GUARANTY (this "Guaranty"), dated as of September 28, 2018, is made by SEACOR MARINE HOLDINGS INC., a corporation incorporated and existing under the laws of the State of Delaware (the "Parent Guarantor"), in favor of DNB BANK ASA, New York Branch, a corporation organized under the laws of the Kingdom of Norway ("DNB"), as security trustee (the "Security Trustee") for the Creditors under the Credit Agreement referred to in Recital (A) below.

WITNESSETH THAT:

WHEREAS:

(A) Pursuant to the credit agreement dated as of September 26, 2018 (as the same may be further amended, supplemented or otherwise modified from time to time with the consent of the Parent Guarantor, the "Credit Agreement") made by and among, *inter alios*, (i) SEACOR Marine Foreign Holdings Inc. (the "Borrower"), a corporation incorporated and existing under the laws of the Republic of the Marshall Islands, as borrower, (ii) DNB, as facility agent (the "Facility Agent") and security trustee and (iii) the financial institutions identified on Schedule 1 thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the "Lenders"), the Lenders have agreed to provide to the Borrower a senior secured term loan facility in the aggregate amount of One Hundred Thirty Million United States Dollars (\$130,000,000) (the "Loan").

(B) It is a condition under the Credit Agreement that the Parent Guarantor enter into this Guaranty and otherwise agree to be bound by the terms of this Guaranty.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which the Parent Guarantor hereby acknowledges, the Parent Guarantor hereby agrees as follows:

1. DEFINITIONS

1.1 Specific Definitions. In this Guaranty, unless the context otherwise requires:

"Cash Equivalents" means any of the following: (i) marketable securities (a) issued or directly and unconditionally guaranteed as to interest and principal by the United States Government or (b) issued by any agency of the United States the obligations of which are backed by the full faith and credit of the United States, in each case maturing within one (1) year after such date; (ii) marketable direct obligations issued by any state of the United States or any political subdivision of any such state or any public instrumentality thereof, in each case maturing within one (1) year after such date and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's; (iii) commercial paper maturing no more than three (3) months from the date of creation thereof and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's; (iv) certificates of deposit or bankers' acceptances maturing within three (3) months after such date and issued or accepted by any Lender or by any commercial bank organized under the laws of the United States or any state thereof or the District of Columbia that (a) is at least "adequately capitalized" (as defined in the regulations of its primary federal banking regulator) and (b) has Tier 1 capital (as defined in such regulations) of not less than \$1,000,000,000; and (v) shares of any money market mutual fund that (a) has substantially all of its assets invested continuously in the types of investments referred to in clauses (i) and (ii) above, (b) has net assets of not less than \$5,000,000,000, and (c) has the highest rating obtainable from either S&P or Moody's;

“Cash and Cash Equivalents” means, on any date of determination, the sum of (a) cash and (b) Cash Equivalents, in each case that are held by the Parent Guarantor and its Subsidiaries on a consolidated basis free and clear of all Liens (other than Liens pursuant to the Transaction Documents and any statutory Liens in favor of a bank (including rights of set-off) incurred in the ordinary course of business on deposit accounts maintained with such bank and cash and Cash Equivalents in such accounts;

“Consolidated Book Equity” means the consolidated book equity of the Parent Guarantor, calculated in accordance with GAAP and reflected on the balance sheet of the Parent Guarantor;

“Consolidated EBITDA” means, for any accounting period, the consolidated net income of the Parent Guarantor and its Subsidiaries on a consolidated basis for that accounting period:

- (a) plus, to the extent reducing consolidated net income, the sum, without duplication, of:
 - (i) provisions for all federal, state, local and foreign income taxes and any tax distributions;
 - (ii) Consolidated Net Interest Expense; and
 - (iii) depreciation, depletion, amortization of intangibles and other non-cash charges or non-cash losses (including non-cash transaction expenses and the amortization of debt discounts) and any extraordinary losses;
- (b) minus, to the extent added in computing the consolidated net income of the Parent Guarantor for that accounting period, any non-cash income or non-cash gains (excluding any such non cash gain to the extent it represents the reversal of an accrual or reserve for potential cash item in any prior period);

“Consolidated Net Interest Expense” means the aggregate of all interest payments in respect of outstanding Indebtedness thereof that are due from the Parent Guarantor and its Subsidiaries on a consolidated basis during the relevant accounting period, determined on a consolidated basis in accordance with GAAP and as shown in the consolidated statements of income for the Parent Guarantor;

“Financial Covenants” means the covenants set forth in Section 4(a)(xiv), Section 4(a)(xv) and Section 4(a)(xvi) of this Guaranty.

“Gross Interest Bearing Debt” means, on any date of determination, the total amount of Indebtedness of the Parent Guarantor and its Subsidiaries on a consolidated basis outstanding on such date minus the aggregate amount of Indebtedness under all Warehouse Financing Facilities and the Chase Facility;

“Lease Obligations” means the amount of all lease or charter obligations calculated in accordance with GAAP and reflected on the balance sheet of any Credit Party;

“Total Capital” means the sum of the liabilities (other than Indebtedness under all Warehouse Financing Facilities and the Chase Facility) and shareholders’ equity of the Parent Guarantor and its Subsidiaries on consolidated basis, in each case determined in accordance with GAAP; and

“Total Debt” means the sum of Gross Interest Bearing Debt and Lease Obligations of the Parent Guarantor and its Subsidiaries.

“Unconsolidated JV Investments” means the amount of “investments, at equity, and advances to 50% or less owned companies” reflected on the consolidated balance sheet of the Parent Guarantor excluding any increase to such amount after June 30, 2018 in respect of any profits of such companies.

1.2 Defined Expressions. Unless otherwise defined herein, terms defined in the Credit Agreement shall have the same meanings when used herein, including in the preamble and recitals hereof.

2. GUARANTY

(a) The Parent Guarantor hereby unconditionally and irrevocably:

(i) guarantees to the Security Trustee for the account of the Creditors, as a primary obligor and not merely as a surety, punctual payment and performance by the Borrower and each other Credit Party of all their respective payment and performance obligations under the Transaction Documents;

(ii) undertakes with the Security Trustee on behalf of the Creditors that whenever the Borrower or any other Credit Party does not pay any amount (whether for principal, interest, fees, expenses or otherwise) when due (whether at stated maturity, by acceleration or otherwise) under or in connection with any Transaction Document, the Parent Guarantor shall immediately on demand pay that amount as if it were the primary obligor; and

(iii) agrees with the Security Trustee on behalf of the Creditors that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Creditor immediately on demand against any cost, loss or liability it incurs as a result of the Borrower or any other Credit Party not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Transaction Document on the date when it would have been due. The amount payable by such Parent Guarantor under this indemnity will not exceed the amount it would have had to pay under this Guaranty if the amount claimed had been recoverable on the basis of a guarantee (all obligations referred to in clauses (i) through (iii) above are herein referred to as the “Obligations”).

(b) This Guaranty is a guaranty of payment and not of collection and the Parent Guarantor expressly agrees that it shall not be necessary or required that any of the Creditors exercise any right, assert any claim or demand or enforce any remedy whatsoever against the Borrower or any of the other Credit Parties or any other Person before or as a condition to the obligations of the Parent Guarantor hereunder. This Guaranty is a primary obligation of the Parent Guarantor and shall be an absolute, unconditional, present, and continuing obligation and shall not be subject to any counterclaim, setoff, deduction, diminution, abatement, recoupment, suspension, deferment, reduction, or defense based on any claim the Parent Guarantor or any other person may have against the Borrower, any of the Credit Parties or any other person, and shall not be released, discharged or affected by any circumstance whatsoever, including without limitation: (a) the unenforceability, invalidity, irregularity or lack of genuineness of the Credit Agreement, the Note, any other Transaction Document or any of the obligations under the Credit Agreement, the Note and the other Transaction Documents; (b) any amendment, modification, termination, or removal of, or addition or supplement to, the Credit Agreement, the Note or any other Transaction Document, or any change in time, manner, or place of payment or performance of any Obligation; (c) any assignment, mortgage, release, exchange, addition, or transfer of any Collateral; (d) any failure, refusal, omission or delay on the part of the Borrower, any of the Credit Parties or any other Person to conform or comply with any term of the Credit Agreement, the Note or any other Transaction Document or any other agreement; (e) any waiver, consent, extension, indulgence, surrender, settlement, subordination, release, compromise, or other agreement, or the exercise or non-exercise of any right or remedy thereunder, with or without consideration; (f) the occurrence and/or continuance of any bankruptcy, insolvency, reorganization, liquidation, arrangement, adjustment of debt, relief of debtors, dissolution, or similar proceeding with respect to the Borrower, any of the Credit Parties, or any other Person, including without limitation any modification of the Borrower's obligations under the Credit Agreement, the Note or any other Transaction Document in connection with any such proceeding; (g) any defect in the title, condition, compliance with specifications, design, operation, or fitness for use of, or any damage to or loss of, or governmental prohibition or restriction, condemnation, requisition, or seizure of, any Collateral for any reason; (h) any merger, consolidation, restructuring, termination of existence, sale of assets, or change in the ownership of any membership interests or shares of capital stock of either of the Borrower or the Parent Guarantor; (i) any present or future law, regulation, or order in any jurisdiction (whether of right or in fact) or any agency thereof affecting any term of any Obligation or any rights of any of the Creditors with respect thereto, including, without limitation, any law, regulation or order purporting to vary the terms of payment or to restrict the right or power of the Borrower or of the Parent Guarantor to make payment of its Obligations to the Creditors; or (j) any other circumstances whatsoever which might otherwise constitute a defense available to, or a discharge of, the Borrower or the Parent Guarantor.

3. REPRESENTATIONS AND WARRANTIES

(a) The Parent Guarantor hereby makes all of the representations and warranties expressly applicable to the Parent Guarantor set forth in Section 2 of the Credit Agreement as if they were set forth in this Guaranty.

4. COVENANTS

(a) The Parent Guarantor hereby covenants and undertakes with the Security Trustee on behalf of the Creditors that from the date hereof and so long as any principal, interest or other monies are owing by the Credit Parties under or in connection with the Credit Agreement, the Note, the other Transaction Documents, or any of them, it will:

(i) duly perform and observe the terms of this Guaranty;

(ii) obtain every consent and do all other acts and things which may from time to time be necessary or advisable for the continued due performance of all its obligations under this Guaranty and, if this Guaranty shall, in the reasonable opinion of the Creditors, at any time be deemed by the Creditors for any reason insufficient in whole or in part to carry out the purposes of this Guaranty hereof, it will execute or cause to be executed such other and further assurances and documents as in the reasonable opinion of the Creditors may be required in order to accomplish the purposes of this Guaranty;

(iii) promptly upon any Responsible Officer of the Parent Guarantor obtaining actual knowledge thereof, inform the Facility Agent of the occurrence of (a) any Default or Event of Default, (b) any litigation, arbitration or governmental proceeding pending or threatened in writing against it not previously disclosed to the Lenders or any development in respect of a previously disclosed litigation, arbitration or governmental proceeding, which if adversely determined could reasonably be expected to have a Material Adverse Effect, including but not limited to, in respect of any Environmental Claim or any judgment entered against it and (c) any other event or condition which is reasonably likely to have a Material Adverse Effect;

(iv) deliver to the Facility Agent:

(1) as soon as available but not later than one hundred twenty (120) days after the end of each fiscal year of the Parent Guarantor ending after the Closing Date, complete copies of the consolidated financial reports of the Parent Guarantor (together with a calculation of Cash and Cash Equivalents and a Compliance Certificate), all in reasonable detail, which shall include at least the consolidated balance sheet of the Parent Guarantor as of the end of such year and the related consolidated statements of income and sources and uses of funds for such year, which shall be audited reports prepared by an Acceptable Accounting Firm;

(2) as soon as available but not later than sixty (60) days after the end of each of the first three full quarters of each fiscal year of the Parent Guarantor ending after the Closing Date, a quarterly interim consolidated balance sheet of the Parent Guarantor (together with a Compliance Certificate), and the related consolidated profit and loss statements and sources and uses of funds, all in reasonable detail, unaudited, but accompanied by the certification of the chief executive officer, chief financial officer or controller of the Parent Guarantor that such financial statements fairly present the financial condition of Parent Guarantor as at the dates indicated, subject to changes resulting from audit and normal year-end adjustments;

(3) as soon as they become available, but in any event prior to each fiscal year beginning after the Closing Date, the consolidated budget including the annual cash flow projections of the Parent Guarantor; and

(4) such other information and data with respect to Parent Guarantor or any of its Subsidiaries as from time to time may be reasonably requested by the Facility Agent or any Lender;

provided that any delivery requirement under this Section 4(a)(iv) shall be deemed satisfied by the posting of such information, materials or reports as applicable on EDGAR or any successor website maintained by the SEC;

(v) except as otherwise permitted by the Credit Agreement or hereunder, do or cause to be done all things necessary to preserve and keep its separate identity and existence under the laws of its jurisdiction of incorporation and all licenses, franchises, permits and assets necessary to the conduct of its business;

(vi) at all times keep proper books of record and account into which full and correct entries shall be made in accordance with GAAP;

(vii) pay and discharge all taxes, assessments and governmental charges or levies imposed upon its income or property prior to the date upon which penalties attach thereto; provided, however, that it shall not be required to pay and discharge, or cause to be paid and discharged, any such tax, assessment, charge or levy so long as the legality thereof shall be contested in good faith and by appropriate proceedings or other acts and it shall set aside on its books adequate reserves with respect thereto;

(viii) allow, upon ten (10) Banking Days' notice from the Facility Agent, any representative or representatives designated by the Facility Agent, subject to applicable laws and regulations, at normal business hours, to visit and inspect any of its properties, and, on request and subject to customary confidentiality arrangements, to examine its books of account, records, reports, agreements and other papers and to discuss its affairs, finances and accounts with its officers; provided that (i) the Facility Agent shall only be allowed to conduct one such inspection per calendar year prior to the occurrence of an Event of Default and an unlimited amount of inspections during the continuance of an Event of Default; and (ii), the foregoing inspections by the Facility Agent shall not unreasonably interfere with the conduct of the Parent Guarantor's or any of its Subsidiary's business (unless, with respect to Transaction Parties only, an Event of Default has occurred and is continuing);

(ix) except where failure to comply would not alone or in the aggregate result in a Material Adverse Effect, do or cause to be done, all things necessary to materially comply with all contracts or agreements to which it is a party, and all laws, and the rules and regulations thereunder, applicable to it, including, without limitation, those laws, rules and regulations relating to employee benefit plans and environmental matters;

(x) promptly upon the occurrence of any of the following conditions, provide to the Facility Agent notice thereof, specifying in reasonable detail the nature of such condition: (a) its receipt of any written communication that alleges that it is not in compliance with any applicable Environmental Law or Environmental Approval, if such failure to comply would reasonably be expected to have a Material Adverse Effect, (b) any Environmental Claim pending or threatened against it, which would reasonably be expected to have a Material Adverse Effect, or (c) any release, emission, discharge or disposal of any Material of Environmental Concern that would reasonably be expected to form the basis of any Environmental Claim against it, if such Environmental Claim could reasonably be expected to have a Material Adverse Effect. Upon the written request by the Facility Agent, it will submit to the Facility Agent at reasonable intervals, a report providing an update of the status of any issue or claim identified in any notice or certificate required pursuant to this subsection 4(a)(x);

(xi) forthwith upon learning of the existence or occurrence of any ERISA Funding Event, ERISA Termination Event, Foreign Termination Event or Foreign Underfunding that, when taken together with all other ERISA Funding Events, ERISA Termination Events, Foreign Termination Events and Foreign Underfundings that exist or have occurred, or which could reasonably be expected to exist or occur, could reasonably be expected to result in a liability to the Parent Guarantor in the aggregate in excess of \$5,000,000, furnish or cause to be furnished to the Facility Agent written notice thereof;

(xii) provide all documentation reasonably requested by Lenders in connection with their know your customer requirements;

(xiii) remain, and instruct each Subsidiary of the Parent Guarantor who is a Security Party, any Vessel Manager who is a Transaction Party and any Related Party thereof to remain, in compliance with applicable Sanctions Laws and Anti-Money Laundering Laws;

(xiv) at all times maintain a minimum balance of Cash and Cash Equivalents equal to the greater of (i) Thirty Five Million Dollars (\$35,000,000) and (ii) 7.5% of Total Debt;

(xv) maintain as of the last day of each fiscal quarter of each fiscal year of the Parent Guarantor a ratio of (x) Gross Interest Bearing Debt to (y) Total Capital not exceeding 60%; and

(xvi) maintain as of the last day of each fiscal quarter described below a ratio of (x) Consolidated EBITDA to (y) Consolidated Net Interest Expense of not less than:

(1) 2.00:1.00 for the four consecutive fiscal quarters ending on March 31, 2020 through the four consecutive fiscal quarters ending on June 30, 2020,

(2) 2.50:1.00 for the four consecutive fiscal quarters ending on September 30, 2020 through the four consecutive fiscal quarters ending on December 31, 2020, and

(3) 3.00:1.00 for each four consecutive fiscal quarters of the Parent Guarantor thereafter;

provided, that notwithstanding the foregoing, if on any date on which the ratio under this Section 4(a)(xvi) is to be tested, Consolidated EBITDA is less than, but at least 20% of, the amount necessary for the Parent Guarantor to be in compliance with the required ratio level applicable for such date, the Parent Guarantor may (A) cause to be contributed an amount of Cash and Cash Equivalents (which shall be through the sale or issuance of equity of the Parent Guarantor or any other capital contribution to the Parent Guarantor) or (B) designate an existing amount of Cash and Cash Equivalents in excess of the Cash and Cash Equivalents that the Parent Guarantor is required to maintain under Section 4(a)(xiv) (the "Cure Amount" and, such contribution or designation, the "Cure Right") as an increase to Consolidated EBITDA for such testing period and for calculating Consolidated EBITDA in each subsequent testing period which includes the fiscal quarter for which the Cure Right is exercised; provided, further, that (i) the Parent Guarantor shall have provided notice to the Facility Agent that it is exercising the Cure Right, (ii) such amounts are contributed or designated, as the case may be, on or prior to the fifteenth (15th) Banking Day after each such testing date (it being understood and agreed that until such date, neither the Facility Agent nor any Lender shall be permitted to exercise any rights on account of any actual or prospective breach of this Section 4(a)(xvi) and that such breach shall be deemed cured immediately upon the contribution or designation of the Cure Amount), (iii) the Cure Amount for any fiscal quarter does not exceed the aggregate amount necessary to cure the shortfall under this Section 4(a)(xvi) for such fiscal quarter, (iv) Cash and Cash Equivalents contributed or designated as a Cure Amount in any fiscal quarter shall not be used as a Cure Amount in any of the three consecutive fiscal quarters immediately following such fiscal quarter and (v) in each period of four consecutive fiscal quarters, there shall be at least two (2) fiscal quarters in which no Cure Right is exercised and the Cure Right shall not be exercised in more than five (5) fiscal quarters over the term of this Guaranty.

(b) The Parent Guarantor hereby covenants and undertakes with the Security Trustee on behalf of the Creditors that, from the date hereof and so long as any principal, interest or other monies are owing by any of the Credit Parties under or in connection with the Credit Agreement, the Note, the other Transaction Documents or any of them, it will not, without the prior written consent of the Security Trustee on behalf of the Creditors other than as expressly permitted by the terms of the Credit Agreement and the other Security Documents:

(i) create, assume or permit to exist, or permit any of its Subsidiaries to create, assume or permit to exist, any Lien (other than Permitted Liens) upon any property or assets of such Subsidiary that are subject to a Lien pursuant to the Security Documents;

(ii) make any new Investment in any Person which is not a Subsidiary of the Parent Guarantor and which is not consolidated on the balance sheet of the Parent Guarantor if, before or after giving effect to such Investment:

(1) there shall have occurred an Event of Default described in sub-sections (a) and (j) of Section 8.1 of the Credit Agreement that is continuing,

(2) the Parent Guarantor shall not be in compliance with the Financial Covenants, or

(3) the aggregate amount of Unconsolidated JV Investments shall exceed 30% of the Consolidated Book Equity of the Parent Guarantor;

(iii) ensure that the aggregate amount of all Lease Obligations incurred by the Parent Guarantor and its Subsidiaries shall not exceed \$75,000,000;

(iv) enter into any transaction with an Affiliate, other than on an arms-length basis other than transactions for its benefit; provided, that the foregoing restriction shall not apply to (i) any transaction between or among the Parent Guarantor and any other Credit Party; (ii) reasonable and customary fees paid to members of the board of directors (or similar governing body) of the Parent Guarantor and its Subsidiaries; (iii) compensation arrangements for officers and other employees of the Parent Guarantor and its Subsidiaries entered into in the ordinary course of business; (iv) transactions expressly permitted by the Credit Agreement, including but not limited to the extension of Intercompany Debt pursuant to Section 9.2(n)(ii) thereof and (v) other affiliate transactions existing on the Closing Date and set forth on Schedule 6 of the Credit Agreement;

(v) materially change the nature of its business or commence any business materially different from its current business;

(vi) change its name or principal place of business unless the Facility Agent shall have received five (5) Banking Days' prior written notice of such change;

(vii) make any Restricted Payment unless both before and after giving effect thereto, (1) there shall not have occurred an Event of Default that is continuing and (2) the Parent Guarantor and its Subsidiaries are in compliance with the Financial Covenants; provided, that no dividends or distributions may be made by the Parent Guarantor within two (2) years from the date hereof; and provided further, that in the event a Cure Amount is contributed or designated in connection with the Parent Guarantor's exercise of the Cure Right, no dividends or distributions may be made by the Parent Guarantor unless and until the Financial Covenants are satisfied without giving effect to such Cure Amount;

(viii) consolidate with, or merge into, any corporation or other entity, or merge any corporation or other entity into it or enter into any demerger, amalgamation, consolidation or corporate reconstruction or restructuring;

(ix) change its fiscal year (other than as may be required to conform to GAAP);

(x) sell, assign, transfer, pledge or otherwise convey or dispose of any of its shares of or interest in any of the other Credit Parties or allow any Security Party to do the same;

(xi) create, incur, issue, or otherwise become directly or indirectly liable for, or permit any of its Subsidiaries to incur issue, or otherwise become directly or indirectly liable for, any Indebtedness, other than the following:

(1) Permitted Indebtedness;

(2) in the case of any Subsidiary of the Parent Guarantor that is not a Credit Party, any Indebtedness existing on the date hereof that is non-recourse to the Parent Guarantor, including, without limitation, the Chase Facility;

(3) Indebtedness of any Subsidiary of the Parent Guarantor that is not a Credit Party (other than Indebtedness extended to such Subsidiary by the Parent Guarantor or any Subsidiary of the Parent Guarantor), so long as the aggregate amount of all such Indebtedness shall not exceed 30% of Consolidated Book Equity of the Parent Guarantor (excluding for this purpose (x) all Lease Obligations of such Subsidiary, (y) any Indebtedness described in Section 4(b)(xi)(2) and (z) normal trade credits in the ordinary course of business); and

(4) in the case of the Parent Guarantor, additional Indebtedness, so long as (1) both before and after giving effect thereto (x) no Event of Default described in sub-sections (a) and (j) of Section 8.1 of the Credit Agreement shall have occurred and be continuing and (y) the Parent Guarantor shall be in compliance with the Financial Covenants and (2) the final maturity date for such Indebtedness is more than 91 days after the Final Payment Date; provided, that the foregoing restriction shall not apply to Indebtedness incurred in the ordinary course of business, including Indebtedness in respect of or arising from (i) non-speculative interest rate hedges and foreign exchange transactions, (ii) letters of credit or similar instruments, or (iii) contracts entered into with respect to the chartering of vessels or the acquisition of equipment (other than any vessel),

(xii) (1) engage in a trade or financial transaction or other dealing with any individual, entity or Sanctioned Country that would violate Sanctions Laws; or (2) use any proceeds from the Loan, directly or, to its knowledge, indirectly, (A) to fund any trade or business involving any Blocked Person (except to the extent licensed or approved by OFAC or other applicable Governmental Authority), or (B) for the purpose of engaging in any activities that would result in a violation of Sanctions Laws or Anti-Money Laundering Laws by any Credit Party;

- (xiii) allow any Change of Control to occur under paragraphs (b), (c) or (d) of the defined term “Change of Control”; or
- (xiv) create, assume or permit to exist, any Lien on any of the Equity Interests of the Borrower without the consent of the Lenders.

5. PAYMENTS

5.1 Payment. All payments by the Parent Guarantor under this Guaranty shall be made in the same manner as the Borrower is required to make payments under the Credit Agreement as specifically set forth therein.

(b) On all sum or sums for which the Parent Guarantor is liable hereunder interest shall be due at the Default Rate specified in Section 6 in the Credit Agreement from the due date thereof under the Credit Agreement until the date of payment of such amount by the Parent Guarantor.

5.2 Taxes; Withholdings. Should the Parent Guarantor be compelled by law, regulation, decree, order or stipulation to make any deduction or withholding on account of any present or future taxes (including, without limitation, property, sales, use, consumption, franchise, capital, occupational, license, value added, excise, stamp, levies and imposts taxes and customs and other duties), assessments, fees (including, without limitation, documentation, license, filing and registration fees), deductions, withholdings and charges, of any kind or nature whatsoever, together with any penalties, fines, additions to tax or interest thereon, however imposed, withheld, levied, or assessed by any country or governmental subdivision thereof or therein, any international authority or any other taxing authority (“Taxes”) from any payment due under this Guaranty for the account of the Creditors, the sum due from the Parent Guarantor in respect of such payment shall be increased by such additional amounts necessary to ensure that, after the making of such deduction or withholding with respect to Taxes, each of the Creditors receives a net sum equal to the sum which it would have received had no such deduction or withholding with respect to Taxes been made and the Parent Guarantor shall indemnify each of the Creditors against any losses or costs incurred by it by reason of any failure of the Parent Guarantor to make any such deduction or withholding or by reason of any such additional payment not being made to the relevant Creditor on the due date for such payment. The Parent Guarantor will deliver to the relevant Creditor evidence satisfactory to such Creditor including all relevant tax receipts that such Tax has been duly remitted to the appropriate authority. Notwithstanding the preceding sentence, the Parent Guarantor shall not be required to pay additional amounts or otherwise indemnify any Creditor for or on account of:

(i) Taxes based on or measured by the overall net income of any Creditor or Taxes in the nature of franchise taxes or taxes for the privilege of doing business imposed by any jurisdiction or any political subdivision or taxing authority therein unless such are imposed as a result of the activities of the Credit Parties within the relevant taxing jurisdiction; or

(ii) Taxes imposed by any jurisdiction or any political subdivision or taxing authority therein on such Creditor that would not have been imposed but for such Creditor's being organized in or conducting business in or maintaining a place of business in the relevant taxing jurisdiction, or engaging in activities or transactions in the relevant taxing jurisdiction that are unrelated to the transactions contemplated by the Credit Agreement, but only to the extent such Taxes are not imposed as a result of the activities of the Credit Parties within the relevant taxing jurisdiction or the legal status of the Credit Parties under the laws of the taxing jurisdiction.

5.3 Delivery of Tax Forms. Section 7.4 of the Credit Agreement (*Delivery of Tax Forms*) is incorporated herein by reference with necessary changes to substitute the Parent Guarantor for the Borrower.

5.4 FATCA Information; FATCA Withholding. Sections 7.5 and 7.6 of the Credit Agreement (*FATCA Information*) and (*FATCA Withholding*), respectively, are incorporated herein by reference with necessary changes to substitute the Parent Guarantor for the Borrower.

6. PRESERVATION OF RIGHTS

(a) The Parent Guarantor hereby consents that from time to time, without notice to or further consent of the Parent Guarantor, the time for the performance and/or observance by the Credit Parties, or any of them, of any of the agreements, covenants or conditions in the Credit Agreement, the Note or the other Transaction Document, or any of them, on the part of the Credit Parties, or any of them, to be performed and/or observed may be waived or the time of performance thereof extended by any of the Creditors and payment of any sums owing or payable under any such document may be extended or any such document may be renewed in whole or in part or modified in any respect or any collateral or arrangement provided for by any such document as security for any obligation contemplated by any such document may be exchanged, surrendered, released or otherwise dealt with as the Creditors may determine, that the time for the making of any payment of any obligation hereby guaranteed may be accelerated in accordance with any agreement between any of the Creditors and the Credit Parties, or any of them, and that any of the acts mentioned in any of said documents may be done and that any document or security therefor may be released in whole or in part without affecting the obligations of the Parent Guarantor hereunder.

(b) The Parent Guarantor hereby waives, to the extent permitted by applicable law: (i) any notice required by law or otherwise to preserve any rights hereunder or under the Credit Agreement, the Notes or any other Transaction Document against the Parent Guarantor or against the Credit Parties, or any of them, including without limitation: (A) acceptance, presentment, demand, protest, or proof of nonperformance of any Obligation, (B) notice of the sale of any Collateral or the transfer the Credit Parties, or any of them, of any interest in any Collateral or the Credit Agreement, the Notes or any other Transaction Document, (C) notice of the acceptance of this Guaranty and of any change in any of the Credit Parties' financial condition, (D) notices of the creation, renewal, extension, or accrual of any Obligation or any of the matters referred to in Section 2 hereof, or any notice of or proof of reliance by any of the Creditors upon this Guaranty or acceptance of this Guaranty (the Obligations, and any of them, shall conclusively be deemed to have been created, contracted, incurred or renewed, extended, amended or waived in reliance upon this Guaranty and all dealings between the Credit Parties or the Parent Guarantor and the Creditors shall be conclusively presumed to have been had or consummated in reliance upon this Guaranty), and (E) notices which may be required by statute, rule of law or otherwise, now or hereafter in effect, to preserve intact any rights of any of the Creditors against the Parent Guarantor; (ii) the prior exercise of any remedy contained in the Credit Agreement, the Notes or any other Transaction Document or otherwise available to the Creditors; (iii) any requirement of diligence on the part of any Person including without limitation diligence in making any claim or commencing suit hereon or on the Credit Agreement, the Notes or any other Transaction Document, and any requirement to mitigate damages or exhaust remedies under the Credit Agreement, the Notes or any other Transaction Document; (iv) the right to interpose all substantive and procedural defense of the law of guaranty, indemnification, suretyship, or other applicable law except the defense of prior payment or prior performance by any of the Credit Parties or the Parent Guarantor of the Obligations; (v) all rights and remedies accorded by applicable laws to guarantors or sureties, including any extension of time conferred by any law now or hereafter in effect; (vi) any right or claim of right to cause a marshaling of any of the Credit Parties' assets or to cause any of the Creditors to proceed against any of the Credit Parties or any collateral held by any of the Creditors at any time or in any particular order; (vii) rights to the enforcement, assertion, or exercise by any of the Creditors of any right, power, privilege, or remedy conferred herein or in the Credit Agreement, the Notes or any other Transaction Document or otherwise; (viii) notices of the sale, transfer or other disposition of any right, title to, or interest in the Credit Agreement, the Notes or any other Transaction Document; and (ix) any other right whatsoever which might otherwise constitute a discharge, release, or defense of the Parent Guarantor hereunder or of any of the Credit Parties under the Credit Agreement, the Notes or any other Transaction Document or which might otherwise limit recourse against the other Credit Parties. No failure to exercise and no delay in exercising, on the part of any of the Creditors, any right, power, or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise thereof, or the exercise of any other power or right. The obligations of the Parent Guarantor hereunder shall not be affected by receipt by any of the Creditors of any proceeds of any security at any time held by any of the Creditors. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.

(c) The Parent Guarantor agrees that so long as any of the Credit Parties remains under any actual or contingent liability under the Credit Agreement, the Notes and the other Transaction Documents any rights which the Parent Guarantor may at any time have by reason of the performance by the Parent Guarantor of its obligations hereunder (a) to be indemnified by any of the Credit Parties and/or (b) to claim any contribution from the Borrower or any other guarantor of the Borrower's obligations under the Credit Agreement, the Notes or the other Transaction Documents and/or (c) to take the benefit (in whole or in part) of any security taken pursuant to this Guaranty or the Credit Agreement, the Notes or any other Transaction Documents by, all or any of the persons to whom the benefit of the Parent Guarantor's obligations are given, shall be exercised by the Parent Guarantor in such manner and upon such terms as the Creditors may require and further agrees to hold any monies at any time received by it as a result of the exercise of any such rights or otherwise for and on behalf of and to the order of the Creditors for application in or towards payment of any sums at any time owed by the Credit Parties under the Credit Agreement, the Notes or the other Transaction Documents.

(d) The Parent Guarantor further agrees that its liabilities hereunder shall be unconditional irrespective of any other circumstance which might otherwise constitute a discharge at law or in equity of a guarantor or surety. The Parent Guarantor further guarantees that all payments made by the Borrower, the Parent Guarantor, the other Credit Parties or any of them, to any of the Creditors on any obligation hereby guaranteed will, when made, be final and agrees that, if any such payment is recovered from, or repaid by, any of the Creditors in whole or in part in any bankruptcy, insolvency or similar proceeding instituted by or against the Borrower, the Parent Guarantor, the other Credit Parties, or any of them, this Guaranty shall continue to be fully applicable to such obligation to the same extent as though the payment so recovered or repaid had never been originally made on such obligation.

(e) The Creditors may enforce the obligations of the Parent Guarantor hereunder without in any way first pursuing or exhausting any other rights or remedies which the Creditors may have against any of the other Credit Parties, or against any other person, firm or corporation, or against any security any of the Creditors may hold.

(f) The Parent Guarantor hereby irrevocably waives all rights of subrogation (whether contractual, under Section 509 of Title 11 of the United States Code entitled "Bankruptcy" as now or hereafter in effect, or any successor thereto (herein called the "Bankruptcy Code"), under common law, or otherwise) to the claims of any of the Creditors against the Credit Parties, or any of them, and all contractual, statutory or common law rights of contribution, reimbursement, indemnification and similar rights and "claims" (as such term is defined in the Bankruptcy Code) against the Credit Parties, or any of them, which arise in connection with, or as a result of, this Guaranty, until such time as the obligations of the Credit Parties under or in connection with the Credit Agreement, the Notes and the other Transaction Documents have been indefeasibly paid in full.

(g) The Parent Guarantor shall not assign, transfer, hypothecate or dispose of any claim that it has or may have against the Credit Parties, or any of them, while any indebtedness of the Credit Parties to any of the Creditors remains unpaid, without the written consent of the Creditors.

(h) Any delay in or failure to exercise any right or remedy of any of the Creditors shall not be deemed a waiver of any obligation of the Parent Guarantor or right of any of the Creditors. This Guaranty may be modified, and the Creditors' rights hereunder waived, only by an agreement in writing signed by the Creditors.

(i) Notice of acceptance by the Creditors of this Guaranty and of the incurring of any or all of the obligations hereby guaranteed is hereby waived by the Parent Guarantor, and this Guaranty and all of the terms and provisions hereof shall immediately be binding upon the Parent Guarantor from the date of execution hereof.

7. BENEFIT OF GUARANTY; ASSIGNMENT

This Guaranty shall inure to the benefit of the Creditors, their successors and assigns, and shall bind the successors and assigns of the Parent Guarantor.

8. WAIVER OF JURY TRIAL; GOVERNING LAW; JURISDICTION

EACH OF THE PARENT GUARANTOR AND, BY ITS ACCEPTANCE HEREOF, THE SECURITY TRUSTEE AND EACH OF THE OTHER CREDITORS, HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY HERETO OR BENEFICIARY HEREOF ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS GUARANTY.

TO THE EXTENT THAT THE PARENT GUARANTOR HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY FROM SUIT, JURISDICTION OF ANY COURT OR ANY LEGAL PROCESS (WHETHER THROUGH ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID OF EXECUTION, EXECUTION OF A JUDGMENT, OR FROM ANY OTHER LEGAL PROCESS OR REMEDY) WITH RESPECT TO ITSELF OR ITS PROPERTY, THE PARENT GUARANTOR HEREBY IRREVOCABLY WAIVES SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER THIS GUARANTY.

THIS GUARANTY AND ALL RIGHTS, OBLIGATIONS AND LIABILITIES ARISING HEREUNDER SHALL BE CONSTRUED ACCORDING TO THE LAWS OF THE STATE OF NEW YORK.

Unless the context otherwise requires, all terms used herein which are defined in the New York Uniform Commercial Code shall have the meanings therein stated.

Any legal action or proceeding against the Parent Guarantor with respect to this Guaranty or the obligations guaranteed hereby may be brought in the courts of the State of New York, United States of America, the United States Federal Courts in such State, or in the courts of any other appropriate jurisdiction, as the Creditors may elect, and the Parent Guarantor hereby irrevocably submits to the jurisdiction of such courts for the purpose of any such action or proceeding. The Parent Guarantor hereby agrees that service of process in any such action or proceeding brought in New York may be made upon it by serving a copy of the summons and other legal process in any such action or proceeding on the Parent Guarantor by mailing or delivering the same by hand to the Parent Guarantor at the address indicated for notices in Section 9 hereof. The service, as herein provided, of such summons or other legal process in any such action or proceeding shall be deemed personal service and accepted by the Parent Guarantor as such, and shall be legal and binding by the Parent Guarantor for all the purposes of any such action or proceeding. In the event that the Parent Guarantor shall not be conveniently available for such service, the Parent Guarantor hereby irrevocably appoints Farkouh, Furman & Faccio, LLP, 460 Park Avenue, New York, NY 10022, Attention: Fred Farkouh as its agent for service of process in respect of the proceeding before such courts (and agrees that service on such agent shall be deemed personal service).

9. NOTICES

Notices and other communications hereunder shall be in writing and may be given or made by facsimile as follows:

If to the Parent Guarantor:

c/o SEACOR Marine Holdings Inc.
7910 Main St. 2nd Floor
Houma, Louisiana 70360
Attention: Jesus Llorca, Chief Financial Officer
Facsimile No.: (985) 876-5444

If to the Facility Agent or Security Trustee:

DNB BANK ASA
New York Branch
200 Park Avenue, 31st Floor
New York, New York 10166
Attn: Credit Middle Office / Loan Services Department
Facsimile No.: (212) 681-4123

or to such other address as any party shall from time to time specify in writing. Any notice sent by facsimile shall be confirmed by letter dispatched as soon as practicable thereafter.

Every notice or demand shall, except so far as otherwise expressly provided by this Guaranty, be deemed to have been received (provided that it is received prior to 2 p.m. New York time), in the case of a facsimile, on the date of dispatch thereof (provided that if the date of dispatch is not a Banking Day in the locality of the party to whom such notice or communication is sent it shall be deemed to have been received on the next following Banking Day in such locality), in the case of a letter, at the time of receipt thereof.

10. CEA Eligible Contract Participant

Notwithstanding anything to the contrary in any Transaction Document, the Parent Guarantor shall not be deemed to guarantee, become jointly and severally obligated for or pledge assets in support of a “swap,” as defined in Section 1(a)(47) of the Commodity Exchange Act (“CEA”), of any Credit Party if at the time that swap is entered into, the Parent Guarantor is not an “eligible contract participant” as defined in Section 1(a)(18) of the CEA.

11. HEADINGS

In this Guaranty, Section headings are inserted for convenience of reference only and shall be ignored in the interpretation hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, this Guaranty has been duly executed by the Parent Guarantor as of the 28th day of September, 2018.

SEACOR MARINE HOLDINGS INC.

By: _____
Name:
Title:

B-17

FIRST PREFERRED MORTGAGE

- on the -

Marshall Islands Flag Vessel

[VESSEL],

[OWNER],

as Owner

to

DNB BANK ASA, NEW YORK BRANCH,
as Mortgagee

[_____], 2018

THIS FIRST PREFERRED MORTGAGE is made and given this [] day of [] 2018 by [OWNER], a limited liability company organized and existing under the laws of the Republic of the Marshall Islands (the "Owner"), in favor of DNB BANK ASA, New York Branch ("DNB"), a corporation organized under the laws of the Kingdom of Norway, as security trustee for the Creditors (as defined in the Credit Agreement (as hereinafter defined)) (the "Mortgagee").

W H E R E A S:

A. The Owner is the sole owner of the whole of the vessel [VESSEL], Official No. [OFFICIAL NUMBER], of [GROSS TONS] gross tons and [NET TONS] net tons, and registered and documented in the name of the Owner under the laws and flag of the Republic of the Marshall Islands.

B. By a senior secured Credit Agreement dated as of [], 2018 (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement") made by and among, *inter alios*, (1) SEACOR Marine Foreign Holdings Inc., as borrower (the "Borrower"), (2) SEACOR Marine Holdings Inc., as parent guarantor (the "Parent Guarantor"), (3) the entities listed on Schedule 1-A thereto, including the Owner, as subsidiary guarantors, (4) DNB, as facility agent (in such capacity, the "Facility Agent") and security trustee and (5) the financial institutions identified on Schedule 1-B thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the "Lenders"), a copy of the form of the Credit Agreement, without schedules or exhibits, is attached hereto as Exhibit A, the Lenders have agreed to provide to the Borrower a senior secured credit facility in the aggregate amount of up to One Hundred Thirty Million United States Dollars (U.S. \$130,000,000) (the "Facility"), the obligations of the Borrower to repay the Loan (as defined in the Credit Agreement) being evidenced by that certain promissory note dated the date hereof, executed by the Borrower to the order of the Facility Agent for the benefit of the Lenders (the "Note"), a copy of the form of which is attached hereto as Exhibit B. The Facility, and interest, fees and commissions thereon are to be repaid and paid, as the case may be, as provided in the Credit Agreement.

C. The Borrower may from time to time enter into one or more Interest Rate Agreements with respect to the Facility with one or more Swap Banks providing for, among other things, the payment of certain amounts by the Borrower to the Swap Banks. The obligations of the Borrower to the Swap Banks, including obligations to pay any sums of money, interest thereon, fees and all expenses, costs and charges otherwise from time to time payable by the Borrower under the Interest Rate Agreements, are to be repaid and paid, as the case may be, as shall be provided in the Interest Rate Agreements. The Borrower and the Swap Banks estimate that the maximum amount that may be payable by the Borrower to the other Creditors at any time under the Interest Rate Agreements will not exceed a maximum aggregate amount of Thirteen Million United States Dollars (U.S. \$13,000,000) (the "Hedging Liability").

D. All obligations (including but not limited to the Facility and the Hedging Liability) under or in connection with the Credit Agreement and the other Transaction Documents are guaranteed by the Owner pursuant to Section 18 of the Credit Agreement.

E. Pursuant to Section 15 of the Credit Agreement, each of the Creditors has appointed the Mortgagee as security trustee on its behalf with regard to, inter alia, the security conferred on such Creditors pursuant to the Credit Agreement, the Note and the other Transaction Documents.

F. The Owner, in order to secure the payment of the Obligations, as that term is defined in sub-section 1(A)(v) hereof, and to secure the performance and observance of and compliance with all the covenants, terms and conditions in the Note, the Credit Agreement and in this Mortgage contained, expressed or implied, to be performed, observed and complied with by and on the part of the Owner, has duly authorized the execution and delivery of this First Preferred Mortgage under and pursuant to Chapter 3 of the Maritime Act 1990 of the Republic of Marshall Islands, as amended (the "Maritime Law").

NOW, THEREFORE, THIS MORTGAGE

WITNESSETH:

1.1 Definitions: In this Mortgage, unless the context otherwise requires:

- (A)
- (i) “Earnings” means (i) all moneys and claims for moneys due and to become due thereto, whether as charter hire, freights, loans, indemnities, payments or otherwise, under, and all claims for damages arising out of any breach of, any bareboat, time or voyage charter, contract of affreightment or other contract for the use or employment of the Vessel, (ii) all remuneration for salvage and towage services, demurrage and detention moneys and any other earnings whatsoever due or to become due to the Owner arising from the use or employment of the Vessel, (iii) all moneys or other compensation payable by reason of requisition for title or for hire or other compulsory acquisition of the Vessel, and (iv) all proceeds of all of the foregoing;
 - (ii) “Event of Default” means any of the events of default set out in Section 7 of this Mortgage;
 - (iii) “Insurances” includes all policies and contracts of insurance and reinsurance, including all entries of the Vessel in a protection and indemnity or war risks association or club which are from time to time taken out or entered into in respect of the Vessel, the Vessel’s hull and machinery, and all benefits thereof, including, without limitation, all claims of whatsoever nature, as well as return premiums, or otherwise howsoever in connection with the Vessel;
 - (iv) “Obligations” means all obligations owed by the Owner under or in connection with the Credit Agreement, the Note, this Mortgage, any other relevant Transaction Document (including the Interest Rate Agreements);
 - (v) “Requisition Compensation” means all moneys or other compensation payable and belonging to the Owner during the Security Period by reason of requisition for title or other compulsory acquisition of the Vessel otherwise than by requisition for hire;
 - (vi) “Security Period” means the period commencing on the date hereof and terminating upon discharge of the security created by this Mortgage by payment in full of the Obligations;
 - (vii) “Total Loss” means any of the:
 - (a) actual, constructive or compromised or arranged total loss of the Vessel;
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- (b) requisition for title or other compulsory acquisition of the Vessel (otherwise than by requisition for hire) which shall continue for thirty (30) days; and
 - (c) capture, seizure, arrest, detention or confiscation of the Vessel by any government or by Persons acting or purporting to act on behalf of any government unless the Vessel be released and restored to the Owner from such capture, seizure, arrest, detention or confiscation within thirty (30) days after the occurrence thereof; and
- (viii) "Vessel" means the whole of the vessel described in Recital A hereof and includes her engines, machinery, boats, boilers, masts, rigging, anchors, chains, cables, apparel, tackle, outfit, spare gear, fuel, consumable or other stores, freights, belongings and appurtenances, whether on board or ashore, whether now owned or hereafter acquired, and all additions, improvements and replacements hereafter made in or to said Vessel, or any part thereof, or in or to the stores, belongings and appurtenances aforesaid except such equipment or stores which, when placed aboard said Vessel, do not become the property of the Owner.

(B) In Section 5(B) hereof:

- (i) "excess risks" means the proportion of claims for general average and salvage charges and under the ordinary running-down clause not recoverable in consequence of the value at which a vessel is assessed for the purpose of such claims exceeding her insured value;
- (ii) "protection and indemnity risks" means the usual risks covered by a United States or an English or another protection and indemnity association or club acceptable to the Mortgagee including the proportion not recoverable in case of collision under the ordinary running-down section; and
- (iii) "war risks" means the risk of mines and all risks excluded from the standard form of United States marine policy by the War, Strikes and Related Exclusion clause.

1.2 Other Defined Terms. Except as otherwise defined herein, terms defined in the Credit Agreement shall have the same meaning when used herein. For the purposes of this Mortgage, when any term is modified by the word "relevant" such term shall be construed to mean with respect to, among others, as the case may be, the Owner.

1.3 Credit Agreement Prevails. This Mortgage shall be read together with the Credit Agreement but in case of any inconsistency or conflict between the two, the provisions of the Credit Agreement shall prevail to the extent not contrary to any relevant legal requirement relating to the creation, validity and enforceability of the security interests purported to be created pursuant to this Mortgage and provided further that this Section 1.3 shall not be construed to limit in any way any covenant or obligation of the Owner under this Mortgage or to affect the governing law provision found in Section 24 of this Mortgage.

2. Grant of Mortgage; Representations and Warranties.

2.1 In consideration of the premises and of other good and valuable consideration, the receipt and adequacy whereof are hereby acknowledged, and in order to secure the payment of the Obligations and to secure the performance and observance of and compliance with the covenants, terms and conditions in the Credit Agreement, the Note, this Mortgage and the other relevant Transaction Documents contained, the Owner has granted, conveyed and mortgaged and does by these presents grant, convey and mortgage to and in favor of the Mortgagee, its successors and assigns, the whole of the Vessel **TO HAVE AND TO HOLD** the same unto the Mortgagee, its successors and assigns, forever, upon the terms set forth in this Mortgage for the enforcement of the payment of the Obligations and to secure the performance and observance of and compliance with the covenants, terms and conditions in this Mortgage, the Credit Agreement, the Note and the other relevant Transaction Documents contained;

PROVIDED, ONLY, and the conditions of these presents are such that, if the Owner and/or its successors or assigns shall pay or cause to be paid to the Mortgagee or the Creditors, as the case may be, their respective successors and assigns, the Obligations as and when the same shall become due and payable in accordance with the terms of this Mortgage, the Credit Agreement, the Note and the other relevant Transaction Documents and shall perform, observe and comply with all and singular of the covenants, terms and conditions in this Mortgage, the Credit Agreement, the Note and the other relevant Transaction Documents contained, expressed or implied, to be performed, observed or complied with by and on the part of the Owner or its successors or assigns, all without delay or fraud and according to the true intent and meaning hereof and thereof, then, these presents and the rights of the Mortgagee under this Mortgage shall cease and desist and, in such event, the Mortgagee agrees by accepting this Mortgage, at the expense of the Owner, to execute all such documents as the Owner may reasonably require to discharge this Mortgage under the laws of the Republic of the Marshall Islands; otherwise to be and remain in full force and effect.

2.2 The Owner hereby represents and warrants to the Mortgagee that:

(A) the Owner is a limited liability company duly organized, validly existing and in good standing under the laws of the Republic of the Marshall Islands with its registered office at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960;

(B) the Owner lawfully owns the whole of the Vessel free from any security interest, debt, lien, mortgage, charge, encumbrance or other adverse interest, other than the encumbrance of this Mortgage and except as permitted by Section 5(O) hereof; and

(C) the Vessel is tight, staunch and strong and well and sufficiently tackled, appareled, furnished and equipped and in all respects seaworthy and in the highest possible classification and rating for vessels of the same age and type with the respective Classification Society without any material outstanding recommendations or adverse notations affecting class.

3. Payment of Obligations. The Owner hereby further covenants and agrees to pay when due the Obligations to the Creditors or their successors or assigns in the manner provided for and in the terms of the Credit Agreement, this Mortgage and the other Transaction Documents.

4. Covenants Regarding Security Granted Hereunder. It is declared and agreed that:

(A) The security created by this Mortgage shall be held by the Mortgagee as a continuing security for the payment of the Obligations and that the security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the amount hereby secured.

(B) Any settlement or discharge under this Mortgage between the Mortgagee and the Owner shall be conditional upon no security or payment to the Mortgagee or the other Creditors, related to or which reduces the obligations secured hereby, by the Owner or any other Person being avoided or set-aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency or liquidation for the time being in force, and if such condition is not satisfied, the Mortgagee shall be entitled to recover from the Owner on demand the value of such security or the amount of any such payment as if such settlement or discharge had not occurred.

(C) The rights of the Mortgagee under this Mortgage and the security hereby constituted shall not be affected by any act, omission, matter or thing which, but for this provision, might operate to impair, affect or discharge such rights and security, including without limitation, and whether or not known to or discoverable by the Owner, the Mortgagee or any other Person:

(i) any time or waiver granted to, or compromise with, the Owner or any other Person; or

(ii) the taking, variation, compromise, renewal or release of or refusal or neglect to perfect or enforce any rights, remedies or securities against the Owner or any other Person; or

(iii) any legal limitation, disability, dissolution, incapacity or other circumstances relating to the Owner or any other Person; or

(iv) any amendment or supplement to the Credit Agreement, the Note or any other relevant Transaction Document; or

(v) the unenforceability, invalidity or frustration of any obligations of the Owner or any other Person under the Credit Agreement, the Note or any other relevant Transaction Document.

(D) The Owner acknowledges and agrees that it has not received any security from any Person for the granting of this Mortgage and it will not take any such security without the prior written consent of the Mortgagee, and the Owner will hold any security taken in breach of this provision in trust for the Mortgagee.

(E) Until the Obligations have been unconditionally and irrevocably paid and discharged in full to the satisfaction of the Mortgagee, the Owner shall not by virtue of any payment made under the Credit Agreement, the Note, this Mortgage or any other relevant Transaction Document on account of such moneys and liabilities or by virtue of any enforcement by the Mortgagee of its right under or the security constituted by this Mortgage:

(i) be entitled to exercise any right of contribution or indemnity from any co-surety liable in respect of such moneys and liabilities under any other guarantee, security or agreement; or

(ii) exercise any right of set-off or counterclaim against any such co-surety; or

(iii) receive, claim or have the benefit of any payment, distribution, security or indemnity from any such co-surety; or

(iv) unless so directed by the Mortgagee (which the Owner shall prove in accordance with such directions), claim as a creditor of any such co-surety in competition with the Mortgagee (or any trustee or agent on its behalf).

The Owner shall hold in trust for the Mortgagee and forthwith pay or transfer (as appropriate) to the Mortgagee any such payment (including an amount equal to any such set-off), distribution or benefit of such security, indemnity or claim in fact received by it.

(F) The Owner hereby irrevocably subordinates all of its rights of subrogation (whether contractual, statutory, under common law or otherwise) to the claims of the Mortgagee against any Person and all contractual, statutory or common law rights of contribution, reimbursement indemnification and similar rights and claims against any Person which arise in connection with, or as a result of, the Credit Agreement, this Mortgage or any other relevant Transaction Document until full and final payment of all of the Obligations.

5. Affirmative Covenants and Insurances. The Owner further covenants with the Mortgagee and undertakes at all times throughout the Security Period:

(A) to maintain:

- (i) its existence as a limited liability company of the Republic of the Marshall Islands;
- (ii) its good standing under the laws of the Republic of the Marshall Islands; and
- (iii) a registered office as required by the laws of the Republic of the Marshall Islands;

(B) (i) To insure and keep the Vessel insured or cause or procure the Vessel to be insured and to be kept insured at no expense to the Mortgagee (or, with regard to the insurance cover described in (d) below, to reimburse the Mortgagee therefor), in regard to:

- (a) all fire and usual marine risks (including increased value, which shall not exceed twenty percent (20%) of the total hull and machinery coverage) on an agreed value basis, which hull and machinery insured value shall be at least 80% of the Fair Market Value of the Vessel in accordance with Section 9.1(v)(iii) of the Facility Agreement;
 - (b) war risks on an agreed value basis (including war protection and indemnity liability with a separate limit not less than hull value) covering, inter alia, the perils of confiscation, terrorism, piracy, expropriation, nationalization, seizure and blocking;
 - (c) protection and indemnity risks (including pollution risks and including protection and indemnity war risks in excess of the amount for war risks (hull)) to the highest amount available in the market for the full value and tonnage of the ship, as approved in writing by the Mortgagee, and, in case of oil pollution liability risks, at the highest level of cover from time to time available under basic protection and indemnity clubs entry, currently One Billion United States Dollars (\$1,000,000,000); and
-

(d) Mortgagee's interest including mortgagee's interest additional perils (pollution) risks and, on demand, reimburse the Security Trustee for all premiums, costs and expenses paid or incurred by the Mortgagee from time to time;

(ii) with respect to the Vessel, to effect the Insurances aforesaid or to cause or procure the same to be effected:

(a) in the cases of the Insurances referred to in sub-sections (i) (a), (b) and (d) above and total loss, (A) in such amounts on an agreed value basis as shall be at least equivalent to the higher of (I) the Fair Market Value of the Vessel and (II) One Hundred Twenty percent (120%) of the aggregate outstanding principal amount of the Facility (when aggregated with the insured value of the other Vessels then financed under the Credit Agreement), (B) all such insurance shall be payable in lawful money of the United States of America, and (C) upon such terms (including provisions as to named insureds and loss payees and prior notice of cancellation) and with such deductibles as shall from time to time be approved by the Mortgagee in the reasonable exercise of its judgment;

(b) in the case of the protection and indemnity Insurances referred to in sub-section (i)(c) above, in respect of the Vessel's full tonnage, and in an amount equal to the highest level of cover commercially available as at the date of this Mortgage and to include provisions as to loss payees and prior notice of cancellation in form and substance satisfactory to the Mortgagee; and

(c) with insurance companies, underwriters, funds, mutual insurance associations, war risks and protection and indemnity risks associations or clubs of recognized standing, in each case, acceptable to the Mortgagee (hereinafter called "the Insurers");

(iii) to renew or replace all such Insurances or cause or procure the same to be renewed or replaced before the relevant policies or contracts expire and to procure that the Insurers or the firm of insurance brokers referred to herein below shall promptly confirm in writing to the Mortgagee as and when each such renewal or replacement is effected;

(iv) to procure, if instructed by any Lender, concurrently with the execution hereof and thereafter at intervals of not more than twelve (12) calendar months, a detailed report from a firm of independent marine insurance brokers, appointed by the Facility Agent, with respect to the Insurances together with their opinion to the Mortgagee that the Insurances comply with the provisions of this Section 5(B), such report and opinion to be addressed and delivered promptly to the Mortgagee and the costs of such report and opinion procured concurrently with the execution hereof to be for the account of the Owner;

(v) to cause the said independent marine insurance brokers or the Insurers to agree to use reasonable efforts to advise the Mortgagee promptly of any failure to renew any of the Insurances and of any default in payment of any premium and of any other act or omission on the part of the Owner of which they have knowledge and which might, in their opinion, invalidate or render unenforceable, or cause the lapse of or prevent the renewal or extension of, in whole or in part, any Insurances on the Vessel;

(vi) to cause the said independent marine insurance brokers to agree to mark their records and to use their best efforts to advise the Mortgagee, at least fourteen (14) days prior to the expiration date of any of the Insurances, that such Insurances have been renewed or replaced with new insurance which complies with the provisions of this Section 5(B);

(vii) duly and punctually to pay or to cause duly and punctually to be paid all premiums, calls, contributions or other sums payable in respect of all such Insurances, to produce or to cause to be produced all relevant receipts when so required by the Mortgagee and duly and punctually to perform and observe or to cause duly and punctually to be performed and observed any other obligations and conditions under all such Insurances;

(viii) to execute or use reasonable efforts to cause to be executed such guarantees as may from time to time be required by any relevant protection and indemnity association or club;

(ix) to procure that all policies, binders, cover notes or other instruments of the Insurances referred to in subsections (i)(a) and (b) above shall be taken out in the name of the Owner, with the Mortgagee as an additional assured (without liability for premiums), as its or their respective interests may appear, and shall incorporate a loss payable clause naming the Mortgagee as loss payee prepared in compliance with the terms of this Mortgage and such loss payable clause to be in any event in form and substance acceptable to the Mortgagee and all policies, binders, cover notes or other instruments referred to in subsection (i) shall (a) provide for prior notice of at least fourteen (14) days (except war risks which shall be seven (7) days unless terminated automatically in accordance with the provisions of the automatic termination and cancellation clauses contained in such policies) to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums as to the Mortgagee; provided, however, that unless otherwise required by the Mortgagee by notice to the underwriters, although all losses under such Insurances are payable to the Mortgagee, in case of any such losses involving any damage to the Vessel the underwriters may pay direct for the repair, salvage and other charges involved or, if the Owner shall have first fully repaired the damage or paid all of the salvage and other charges may pay the Owner as reimbursement therefor, provided, further, however, that if such damage involves a loss in excess of U.S.\$500,000, or its equivalent, the underwriters shall not make such payment without first obtaining the written consent thereto of the Mortgagee, and (b) in the event that the Vessel shall be insured under any form of fleet cover, undertakings that the brokers, underwriters, association or club (as the case may be) will not set off claims relating to the Vessel against premiums, calls or contributions in respect of any other vessel or other insurance and that the insurance cover of the Vessel will not be cancelled by reason of non-payment of premiums, calls or contributions relating to any other vessel or other insurance;

(x) to procure that all entries, policies, binders, cover notes or other instruments of the Insurances referred to in sub-section (i)(c) above incorporate a loss payable clause naming the Mortgagee as loss payee prepared in compliance with the terms of this Mortgage and such loss payable clause to be in any event in form and substance acceptable to the Mortgagee and shall provide for prior notice of at least fourteen (14) days to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums, backcalls and assessments as to the Mortgagee, it being agreed that although such insurance is payable to the Mortgagee so long as no Event of Default has occurred and is continuing under this Mortgage, any loss payments under any such insurance on the Vessel may be paid directly to the Owner to reimburse it for any loss, damage or expenses incurred by it and covered by such insurance or to the Person to whom any liability covered by such insurance has been incurred;

(xi) not to reduce the coverage of any Insurances without the Mortgagee's prior written approval;

(xii) to procure that all policies, bindings, cover notes or other instruments of the Insurances referred to in sub-section (i)(d) to the extent obtained by the Owner shall be taken out in the name of the Mortgagee and shall incorporate a loss payable clause naming the Mortgagee as loss payee and shall provide for prior notice of at least fourteen (14) days to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums as to the Mortgagee and the Lenders;

(xiii) to procure that Certificates of Insurance or summaries or copies of all such instruments of Insurances as are referred to in sub-sections (ix) and (x) above shall be from time to time deposited with the Mortgagee within thirty (30) days after placement of the relevant Insurances, provided, however, that originals or copies of all such instruments of Insurances as are referred to in sub-sections (ix) and (x) above shall be made available to the Mortgagee upon request by the Mortgagee;

(xiv) not to employ the Vessel or suffer the Vessel to be employed otherwise than in conformity with the terms of all policies, binders, cover notes or other instruments of the Insurances (including any warranties express or implied therein) without first obtaining the written consent of the Insurers to such employment (if required by such Insurers) and complying with such requirements as to extra premiums or otherwise as the Mortgagee and/or the Insurers may prescribe;

(xv) to do all things necessary and proper, and execute and deliver all documents and instruments to enable the Mortgagee to collect or recover any moneys to become due the Mortgagee in respect of the Insurances; and

(xvi) to provide, within a reasonable period of time after a written request therefor, such additional insurances as the Mortgagee may from time to time reasonably require on account of such insurances being required by any applicable law, regulation, public body, classification society or similar relevant authority or such insurances in the reasonable opinion of the Mortgagee being customary or recommended for vessels of a similar type or vessels employed in a similar trade, in which case the provisions of this clause B shall be applicable, if appropriate.

(C) To keep and to cause to be kept the Vessel in a good and efficient state of repair so as to enable her to maintain her present class with its Classification Society and so as to enable her to comply with the provisions of all laws, regulations and other requirements (statutory or otherwise) from time to time applicable to vessels registered under the laws of the Republic of the Marshall Islands, to procure that the Vessel's Classification Society make available to the Mortgagee, upon its request, such information and documents in respect of the Vessel as are maintained in the records of such Classification Society, and to procure that all repairs to or replacements of any damaged, worn or lost parts or equipment be effected in such manner (both as regards workmanship and quality of materials) as not to diminish the value of the Vessel;

(D) To submit or to cause the Vessel to be submitted on a timely basis to such periodic or other surveys as may be required for classification purposes and, if reasonably requested by the Mortgagee, to supply or to cause to be supplied to the Mortgagee copies of all survey and inspection reports and confirmations of class issued in respect thereof and to procure that the Classification Society provides the Mortgagee with the same rights and privileges to its records relating to the Vessel as given to the Owner;

(E) To permit the Mortgagee, by surveyors or other Persons appointed by it in its behalf, to board the Vessel at all reasonable times for the purpose of inspecting her condition or for the purpose of satisfying themselves in regard to proposed or executed repairs and to afford or to cause to be afforded all proper facilities for such inspections, provided that such inspections will not unreasonably interfere with the normal operations of the Vessel and cause no undue delay to the Vessel;

(F) (i) To pay and discharge or to cause to be paid and discharged all debts, damages and liabilities whatsoever which have given or may give rise to maritime or possessory liens on or claims enforceable against the Vessel except to the extent permitted by Section 5(O) hereof and (ii) in event of arrest of the Vessel pursuant to legal process or in event of her detention in exercise or purported exercise of any such lien as aforesaid to procure the release of the Vessel from such arrest or detention within fifteen (15) Business Days of receiving notice thereof by providing bail or otherwise as the circumstances may require;

(G) Not to employ the Vessel or suffer her employment in any trade or business which is forbidden by the laws of the Republic of the Marshall Islands or the United States of America or is otherwise illicit or in carrying illicit or prohibited goods or in any manner whatsoever which may render her liable to condemnation or to destruction, seizure or confiscation and in event of hostilities in any part of the world (whether war be declared or not), not to employ the Vessel or suffer her employment in carrying any contraband goods or to enter or trade to any zone which is declared a war zone by any government or by the Vessel's war risks Insurers unless the required extra war risk insurance cover has been obtained for the Vessel;

(H) Promptly to furnish or to use its best efforts to cause promptly to be furnished to the Mortgagee all such information as the Mortgagee may from time to time reasonably request regarding the Vessel, her employment, position and engagements, particulars of all towages and salvages and copies of all charters and other contracts for her employment or otherwise howsoever pertaining to the Vessel;

(I) Promptly after learning of the same to notify or cause to be notified the Mortgagee forthwith in writing of:

(i) any accident to the Vessel involving repairs the cost whereof will or is likely to exceed five percent (5%) of the insured value of the Vessel;

(ii) any occurrence in consequence whereof the Vessel has become or is likely to become a Total Loss;

(iii) any material requirement or recommendation made by any Insurer or Classification Society or by any competent authority which is not complied with in accordance with reasonable commercial practices;

(iv) any arrest of the Vessel or the exercise or purported exercise of any lien on the Vessel or her Earnings; and

(v) any occurrence of circumstances forming the basis of an Environmental Claim.

(J) To keep or to cause to be kept proper books of account of the Owner in respect of the Vessel and her Earnings and, if reasonably requested by the Mortgagee, to make or to cause to be made such books available for inspection on behalf of the Mortgagee and furnish or cause to be furnished satisfactory evidence that the wages and allotments and the insurance and pension contributions of the Master and crew are being regularly paid and that all deductions from crew's wages in respect of any tax liability are being properly accounted for and that the Master has no claim for disbursements other than those incurred by him in the ordinary course of trading on the voyage then in progress;

(K) To assign and provide that Requisition Compensation is applied in accordance with Section 8 hereof as if received in respect of the sale of the Vessel;

(L) Not, without the previous consent in writing of the Mortgagee, materially alter the structure of the Vessel or its equipment or remove any material parts of the Vessel to the extent such action could reasonably be expected to reduce the value of the Vessel;

(M) [Not, without the previous consent in writing of the Mortgagee, to put the Vessel or suffer her to be put into the possession of any Person for the purpose of work being done upon her other than routine drydockings and ordinary maintenance in an amount exceeding or likely to exceed five percent (5%) of the insured value of the Vessel unless such work is fully covered by insurance, subject to applicable deductibles satisfactory to the Mortgagee, or unless such Person shall first have given to the Mortgagee and on terms satisfactory to it a written undertaking not to exercise any lien on the Vessel or her Earnings for the cost of such work or otherwise]¹[intentionally omitted];

(N) To keep the Vessel registered under the laws of the Republic of the Marshall Islands;

(O) To keep and to cause the Vessel to be kept free and clear of all liens, charges, mortgages and encumbrances except in favor of the Mortgagee, and except for crew's wages remaining unpaid in accordance with reasonable commercial practices or for collision or salvage, liens in favor of suppliers of necessities or other similar liens arising in the ordinary course of its business, accrued for not more than thirty (30) days (unless any such lien is being contested in good faith and by appropriate proceedings or other acts and the Owner shall have set aside on its books adequate reserves with respect to such lien and so long as such deferment in payment shall not subject the Vessel to forfeiture or loss) or liens for loss, damage or expense which are fully covered by insurance, subject to applicable deductibles satisfactory to the Mortgagee, or in respect of which a bond or other security has been posted by or on behalf of the Owner with the appropriate court or other tribunal to prevent the arrest or secure the release of the Vessel from arrest, and not, except in favor of the Mortgagee, to pledge, charge, assign or otherwise encumber (in favor of any Person other than the Mortgagee) her Insurances, Earnings or Requisition Compensation or to suffer the creation of any such pledge, charge, assignment or encumbrance as aforesaid to or in favor of any Person other than the Mortgagee;

(P) Not, without the previous consent in writing of the Mortgagee (and then only subject to such terms and conditions as the Mortgagee may impose), to sell, abandon or otherwise dispose of the Vessel or any interest therein;

(Q) To pay promptly to the Mortgagee all moneys (including fees of counsel) whatsoever which the Mortgagee shall or may expend, be put to or become liable for, in or about the protection, maintenance or enforcement of the security created by this Mortgage or in or about the exercise by the Mortgagee of any of the powers vested in it hereunder and to pay interest thereon at the Default Rate from the date whereon such expense or liability was incurred by the Mortgagee;

(R) To comply with all declaration and reporting requirements imposed by the protection and indemnity club or insurers including, without limitation, the quarterly declarations required by the U.S. Oil Pollution Section 20/2/91, and to pay all premiums required to maintain in force the necessary U.S. Oil Pollution Cover;

(S) To comply with and satisfy all the requisites and formalities established by the laws of the Republic of the Marshall Islands to perfect this Mortgage as a legal, valid and enforceable first and preferred lien upon the Vessel and to furnish to the Mortgagee from time to time such proofs as the Mortgagee may reasonably request for its satisfaction with respect to the compliance by the Owner with the provisions of this Section 5(S);

¹ To be included in mortgages for FALCON PEARL and FALCON DIAMOND

(T) Not without the previous consent of the Mortgagee in writing, which consent shall not be unreasonably withheld, to let the Vessel or permit the Vessel to be let on demise charter (other than any demise charter to a company related to the Owner or any of its members) for any period;

(U) To place or to cause to be placed and at all times and places to retain or to cause to be retained a properly certified copy of this Mortgage on board the Vessel with her papers and cause this Mortgage to be exhibited to any and all Persons having business with the Vessel which might give rise to any lien thereon other than liens for crew's wages and salvage, and to any representative of the Mortgagee on demand; and to place and keep or to cause to be placed and kept prominently displayed in the chart room and in the Master's cabin of the Vessel a framed printed notice in plain type in English of such size that the paragraph of reading matter shall cover a space not less than six inches wide by nine inches high, reading as follows:

“NOTICE OF MORTGAGE

This Vessel is owned by [OWNER] (the “Owner”) and is subject to a first preferred mortgage (the “First Mortgage”) in favor of DNB Bank ASA, New York Branch, as security trustee and mortgagee, under the authority of Chapter 3 of the Maritime Act 1990 of the Republic of the Marshall Islands, as amended. Under the terms of the First Mortgage, neither the Owner nor any charterer nor the Master of this Vessel nor any other person has any power, right or authority whatever to create, incur or permit to be imposed upon this Vessel any lien or encumbrance except for crew's wages and salvage.”

(V) to retain a manager of the Vessel, if any, as required under the Credit Agreement.

6. Mortgagee's Right to Cure. Without prejudice to any other rights of the Mortgagee hereunder:

(i) in the event that the provisions of Section 5(B) hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to effect and thereafter to replace, maintain and renew all such Insurances upon the Vessel as it in its sole discretion may deem advisable;

(ii) in the event that the provisions of Section 5(C) and/or 5(D) hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to arrange for the carrying out of such repairs and/or surveys as it deems expedient or necessary; and

(iii) in the event that the provisions of Section 5(F) hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to pay and discharge all such debts, damages and liabilities as are therein mentioned and/or to take any such measures as it deems expedient or necessary for the purpose of securing the release of the Vessel;

Any and all expenses incurred by the Mortgagee (including fees of counsel) in respect of its performances under the foregoing subsections (i), (ii) and (iii) shall be paid by the Owner on demand, with interest thereon at the rate provided for in Section 5(Q) hereof from the date when such expenses were incurred by the Mortgagee.

7. Events of Default and Remedies.

(A) Each of the following events shall constitute an "Event of Default":

- (i) a default in the payment when due (together with any applicable grace period) of all or any part of the Obligations; or
- (ii) an event of default stipulated in Section 8.1 of the Credit Agreement shall occur and be continuing; or
- (iii) a default by the Owner occurs in the due and punctual observance of any of the covenants contained in subsections (A)(i), (B) (other than subclauses (iv), (vi) and (xiii) thereof), (F), (G), (I), (K), (L), (M), (N), (O), (P), (R), (S), (T), (U) or (V) of Section 5 of this Mortgage; or
- (iv) a default by the Owner occurs in the due and punctual observance of any of the covenants contained in subsections (C), (D), (E), (H), (J), or (Q) or subclauses (ii) and (iii) of subsection (A) and subclauses (iv), (vi) or (xiii) of subsection (B) of Section 5 of this Mortgage and such default continues unremedied for a period of thirty (30) days; or
- (v) it becomes impossible or unlawful for the Owner to fulfill any of the covenants and obligations contained in this Mortgage and the Mortgagee reasonably considers that such impossibility or illegality will have a material adverse effect on its rights under this Mortgage or the enforcement thereof.

(B) If any Event of Default shall occur and be continuing, the Mortgagee shall be entitled:

- (i) to demand payment by written notice to the Owner of the Obligations, whereupon such payment shall be immediately due and payable, anything contained in the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents to the contrary notwithstanding and without prejudice to any other rights and remedies of the Mortgagee or the Creditors, as the case may be, under the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents, provided, however, that if, before any sale of the Vessel, all defaults shall have been remedied in a manner satisfactory to the Mortgagee, the Mortgagee may waive such defaults by written notice to that effect to the Owner; but no such waiver shall extend to or affect any subsequent or other default or impair any rights and remedies consequent thereon;
 - (ii) at any time and as often as may be necessary to take any such action as the Mortgagee may in its discretion deem advisable for the purpose of protecting the security created by this Mortgage and each and every expense or liability (including reasonable fees of counsel) so incurred by the Mortgagee in or about the protection of such security shall be repayable to it by the Owner promptly after demand, together with interest thereon at the rate provided for in Section 5(Q) hereof from the date whereon such expense or liability was incurred by the Mortgagee. The Owner shall promptly execute and deliver to the Mortgagee such documents or cause promptly to be executed and delivered to the Mortgagee such documents, if any, and shall promptly do and perform such acts, if any, as in the opinion of the Mortgagee or its counsel may be necessary or advisable to facilitate or expedite the protection, maintenance and enforcement of the security created by this Mortgage;
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- (iii) to exercise all the rights and remedies in foreclosure and otherwise given to the Mortgagee by any applicable law, including those under the provisions of the Maritime Law;
- (iv) to take possession of the Vessel, wherever the same may be, without prior demand and without legal process (when permissible under applicable law) and cause the Owner or other Person in possession thereof forthwith upon demand of the Mortgagee to surrender to the Mortgagee possession thereof as demanded by the Mortgagee, and by notice to the Owner, request that the crew be ordered to remain onboard the Vessel, that the Master of the Vessel be ordered to sail the Vessel at the cost of the Owner to any port designated by the Mortgagee and/or that the Owner take such action regarding the Vessel as may be requested by the Mortgagee;
- (v) to require that all policies, contracts and other records relating to the Insurances (including details of and correspondence concerning outstanding claims) be forthwith delivered to such adjusters, brokers or other insurers as the Mortgagee may nominate;
- (vi) to collect, recover, compromise and give a good discharge for all claims then outstanding or thereafter arising under the Insurances or any of them and to take over or institute (if necessary using the name of the Owner) all such proceedings in connection therewith as the Mortgagee in its absolute discretion deems advisable and to permit the brokers through whom collection or recovery is effected to charge the usual brokerage therefor;
- (vii) to discharge, compound, release or compromise claims against the Owner in respect of the Vessel which have given or may give rise to any charge or lien on the Vessel or which are or may be enforceable by proceedings against the Vessel;
- (viii) to take appropriate judicial proceedings for the foreclosure of this Mortgage and/or for the enforcement of the Mortgagee's rights hereunder or otherwise; recover judgment for any amount due by the Owner in respect of the Credit Agreement, the Note, this Mortgage, or any of the other relevant Transaction Documents and collect the same out of any property of the Owner;
- (ix) to sell the Vessel at public auction, free from any claim of or by the Owner of any nature whatsoever by first giving notice of the time and place of sale with a general description of the property in the following manner:
- (a) by publishing such notice for ten (10) consecutive days in a daily newspaper of general circulation published in New York City;
 - (b) if the place of sale should not be New York City, then also by publication of a similar notice in a daily newspaper, if any, published at the place of sale; and
 - (c) by sending a similar notice by facsimile confirmed by registered mail to the Owner at its address hereinafter set forth at least fourteen (14) days prior to the date of sale;
-

Such sale of the Vessel may be held at such place as the Mortgagee in such notices may have specified, or such sale may be adjourned by the Mortgagee from time to time by announcement at the time and place appointed for such sale or for such adjourned sale and without further notice or publication the Mortgagee may make such sale at the time and place to which the same shall be so adjourned; and such sale may be conducted without bringing the Vessel to the place designated for such sale and in such manner as the Mortgagee may deem to be for its best advantage, and the Mortgagee may become the purchaser at such sale.

(x) pending sale of the Vessel (either directly or indirectly) to manage, charter, lease, insure, maintain and repair the Vessel and to employ or lay up the Vessel upon such terms, in such manner and for such period as the Mortgagee in its absolute discretion deems expedient and for the purpose aforesaid the Mortgagee shall be entitled to do all acts and things incidental or conducive thereto and in particular to enter into such arrangements respecting the Vessel, her insurance, management, maintenance, repair, classification and employment in all respects as if the Mortgagee were the owner of the Vessel and without being responsible for any loss thereby incurred;

(xi) to recover from the Owner on demand any such losses as may be incurred by the Mortgagee in or about the exercise of the powers vested in the Mortgagee under Section 7(B)(x) above with interest thereon at the rate provided for in Section 5(Q) hereof from the date when such losses were incurred by the Mortgagee; and

(xii) to recover from the Owner on demand all expenses, payments and disbursements (including reasonable fees and expenses of counsel) incurred by the Mortgagee in or about or incidental to the exercise by it of any of the powers vested in it hereunder together with interest thereon at the rate provided for in Section 5(Q) hereof from the date when such expenses, payments or disbursements were incurred by it;

PROVIDED, ALWAYS, that any sale of the Vessel or any interest therein by the Mortgagee pursuant to and in compliance with Section 7(B)(ix) above shall operate to divest all right, title and interest of the Owner, its successors and assigns, in or to the Vessel so sold and upon such sale the purchaser shall not be bound to see or inquire whether the Mortgagee's power of sale has arisen in the manner herein provided and the sale shall be deemed to be within the power of the Mortgagee and the receipt of the Mortgagee for the purchase money shall effectively discharge the purchaser who shall not be concerned with the manner of application of the proceeds of sale or be in any way answerable therefor.

In case the Mortgagee shall have proceeded to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Mortgagee, then and in every such case the Owner and the Mortgagee shall be restored to their former positions and rights hereunder with respect to the property, subject or intended to be subject to this Mortgage, and all rights, remedies and powers of the Mortgagee shall continue as if no such proceedings had been taken.

(C) Notwithstanding the foregoing, it is understood that a Total Loss of the Vessel which is covered by the insurance maintained by Owner pursuant to Section 5(B) hereof shall not be deemed to be a default under this Mortgage, the Credit Agreement, the Note or any of the other relevant Transaction Documents, or any of them.

8. Application of Proceeds. The proceeds of any sale made either under the power of sale hereby granted to the Mortgagee or under a judgment or decree in any judicial proceedings for the foreclosure of this Mortgage or for the enforcement of any remedy granted to the Mortgagee hereunder, any net earnings arising from the management, charter or other use of the Vessel by the Mortgagee under any of the powers herein contained or by law provided and the proceeds of any and all Insurances and any claims for damages on account of the Vessel or the Owner of any nature whatsoever and any Requisition Compensation, shall be applied in accordance with Section 8.2 of the Credit Agreement,

In the event that the proceeds are insufficient to pay in full the Obligations, the Mortgagee shall be entitled to collect the balance from the Owner or any other Person liable therefor.

9. No Waiver. No delay or omission of the Mortgagee or the other Creditors to exercise any right or power vested in it under the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents, or any of them shall impair such right or power or be construed as a waiver thereof or as acquiescence in any default by the Owner hereunder, nor shall the acceptance by the Mortgagee of any payments in connection with this Mortgage from any source be deemed a waiver hereunder. However, if at any time after an Event of Default and prior to the actual sale of the Vessel by the Mortgagee or prior to any foreclosure proceedings the Owner cures all Events of Default and pays all expenses, advances and damages to the Mortgagee consequent on such Events of Default, with interest at the rate provided for in Section 5(Q) hereof from the date when such expenses, advances and damages were incurred, then the Mortgagee may accept such cure and payment and restore the Owner to its former position, but such action shall not affect any subsequent Event of Default or impair any rights consequent thereon.

10. Delegation of Power. The Mortgagee shall be entitled at any time and as often as may be expedient to delegate all or any of the powers and discretions vested in it by this Mortgage (including the power vested in it by virtue of Section 12 hereof) in such manner and upon such terms and to such Persons as the Mortgagee in its absolute discretion may deem advisable.

11. Indemnity. Without prejudice to any other rights and remedies of the Mortgagee under the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents, the Owner hereby agrees and undertakes to indemnify the Mortgagee against all obligations and liabilities whatsoever and whensoever arising which the Mortgagee may incur in good faith in respect of, in relation to or in connection with the Vessel or otherwise howsoever in relation to or in connection with the enforcement of the Mortgagee's rights hereunder or under the Credit Agreement, the Note or any of the other relevant Transaction Documents.

12. Power of Attorney.

(A) The Owner hereby irrevocably appoints the Mortgagee as its attorney-in-fact for the duration of the Security Period to do in its name or in the name of the Owner all acts which the Owner, or its successors or assigns, could do in relation to the Vessel, including without limitation, to demand, collect, receive, compromise, settle and sue for (insofar as the Mortgagee lawfully may) all freights, hire, earnings, issues, revenues, income and profits of the Vessel, and all amounts due from underwriters under the Insurances as payment of losses or as return premiums or otherwise, salvage awards and recoveries, recoveries in general average or otherwise, and all other sums due or to become due to the Owner or in respect of the Vessel, and to make, give and execute in the name of the Owner, acquittance, receipts, releases or other discharges for the same, whether under seal or otherwise, to take possession of, sell or otherwise dispose of or manage or employ, the Vessel, to execute and deliver charters and a bill of sale with respect to the Vessel, and to endorse and accept in the name of the Owner all checks, notes, drafts, warrants, agreements and all other instruments in writing with respect to the foregoing. PROVIDED, HOWEVER, that, unless the context otherwise permits under this Mortgage, such power shall not be exercisable by or on behalf of the Mortgagee unless and until any Event of Default stipulated in Section 7(A) hereof shall occur and be continuing and shall not be exercisable after all defaults have been cured.

(B) The exercise of the power granted in this Section 12 by or on behalf of the Mortgagee shall not require any Person dealing with the Mortgagee to conduct any inquiry as to whether any such Event of Default has occurred and is continuing, nor shall such Person be in any way affected by notice that any such Event of Default has not occurred nor is continuing, and the exercise by the Mortgagee of such power shall be conclusive evidence of its right to exercise the same.

13. Appointment of Receiver. If any legal proceedings shall be taken to enforce any right under this Mortgage, the Mortgagee shall be entitled as a matter of right to the appointment of a receiver of the Vessel and of the freights, hire, earnings, issues, revenues, income and profits due or to become due and arising from the operation thereof.

14. Commencement of Proceedings. The Mortgagee shall have the right to commence proceedings in the courts of any country having competent jurisdiction and in particular the Mortgagee shall have the right to arrest and take action against the Vessel at whatever place the Vessel shall be found lying and for the purpose of any action which the Mortgagee may bring before the local court for the jurisdiction of such court or other judicial authority and the Owner agrees that for the purpose of proceedings against the Vessel any writ, notice, judgment or other legal process or documents may be served upon the Master of the Vessel (or upon anyone acting as the Master) and that such service shall be deemed good service on the Owner for all purposes.

15. Partial Invalidity. In the event that any provision or provisions of this Mortgage shall be declared invalid, void or otherwise inoperative by any present or future court of competent jurisdiction in any country, the Owner will, without prejudice to any other right and remedy of the Mortgagee under the Credit Agreement, the Note, this Mortgage, the other relevant Transaction Documents or any of them, execute and deliver such other and further instruments and do such things as in the reasonable opinion of the Mortgagee or its counsel will be necessary or advisable to carry out the true intent and spirit of this Mortgage. In any event, any such declaration of partial invalidity shall not affect the validity of any other provision or provisions of this Mortgage, or the validity of this Mortgage as a whole.

16. Cumulative Remedies. Each and every power and remedy in this Mortgage specifically given to the Mortgagee shall be in addition to every other power and remedy herein or in the Credit Agreement, the Note or the other relevant Transaction Documents specifically given or now or hereafter existing at law, in equity, admiralty, or by statute, and each and every power and remedy whether specifically in this Mortgage or in the Credit Agreement, the Note or the other relevant Transaction Documents given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by the Mortgagee, and the exercise or the beginning of the exercise of any such power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other power or remedy under the Credit Agreement, the Note, this Mortgage or any other relevant Transaction Documents.

17. Recordation of Mortgage. For the purpose of recording this First Preferred Mortgage as required by Chapter 3 of the Maritime Act 1990 of the Republic of the Marshall Islands, as amended, the total amount is One Hundred Forty Three Million United States Dollars (U.S.\$143,000,000) and interest, expenses and performance of mortgage covenants, of this amount, (a) One Hundred Thirty Million United States Dollars (\$130,000,000) is attributable to the Loan under the Credit Agreement, and (b) Thirteen Million United States Dollars (\$13,000,000) is attributable to the Hedging Liability under the Interest Rate Agreements. It is not intended that this Mortgage shall include property other than the Vessel and it shall not include property other than the Vessel as the term "vessel" is used in the Maritime Law. Notwithstanding the foregoing, for property other than the Vessel, if any should be determined to be covered by this Mortgage, the discharge amount is zero point zero one percent (0.01%) of the total amount.

18. No Waiver of Preferred Status. Anything herein to the contrary notwithstanding, it is intended that nothing herein shall waive the preferred status of this Mortgage under the laws of the Republic of the Marshall Islands or under the corresponding provisions of any other jurisdiction in which it is sought to be enforced and that, if any provision or portion thereof herein shall be construed to waive the preferred status of this Mortgage, then such provision to such extent shall be void and of no effect.

19. Counterparts. This Mortgage may be executed in any number of counterparts each of which shall be an original but such counterparts shall together constitute but one and the same instrument.

20. Notices. Notices and other communications under this Mortgage shall be in writing and may be given by facsimile as follows:

If to the Owner -

[OWNER]
c/o SEACOR Marine LLC
7910 Main St. 2nd Floor
Houma, Louisiana 70360
Attn: President
Facsimile No.: (985) 876-5444

With a copy to:
SEACOR Holdings Inc.
2200 Eller Drive
P.O. Box 13038
Ft. Lauderdale, Florida 33316
Attn.: Legal Department
Facsimile No.: (954) 527-1772

If to the Mortgagee -

DNB BANK ASA, New York Branch
200 Park Avenue, 31st Floor
New York, New York 10166
Telephone No.: (212) 681-3800
Attention: Credit Middle Office / Loan Services Department
Facsimile No.: (212) 681-4123
Email: nyloanscsd@dnb.no

or to such other address as either party shall from time to time specify in writing to the other. Any notice sent by facsimile shall be confirmed by letter dispatched as soon as practicable thereafter.

Every notice or other communication shall, except so far as otherwise expressly provided by this Mortgage, be deemed to have been received (provided that it is received prior to 2 p.m. New York time; otherwise it shall be deemed to have been received on the next following Banking Day), in the case of a facsimile when such facsimile is transmitted to the facsimile number specified herein and telephonic confirmation of receipt thereof is obtained, and in the case of a letter, at the time of receipt thereof.

21. Rights of Owner. Unless one or more Events of Default shall have occurred and be continuing, the Owner (a) shall be suffered and permitted to retain actual possession and use of the Vessel and (b) shall have the right, from time to time in its discretion, and without application to the Mortgagee, and without obtaining a release thereof by the Mortgagee, to dispose of, free from the lien hereof, any boilers, engines, machinery, masts, spars, sails, rigging, boats, anchors, cables, chains, tackle, apparel, furniture, fittings, equipment or any other appurtenances of the Vessel that are no longer useful, necessary, profitable or advantageous in the operation of the Vessel, first or simultaneously replacing the same by new boilers, engines, machinery, masts, spars, sails, rigging, boats, anchors, cables, chains, tackle, apparel, furniture, fittings, equipment or any other appurtenances of substantially equal value to the Owner, which shall forthwith become subject to the lien of this Mortgage.

22. Waiver; Amendment. None of the terms and conditions of this Mortgage may be changed, waived, modified or varied in any manner whatsoever unless in writing duly signed by the Owner and the Mortgagee.

23. Successors and Assigns. All the covenants, promises, stipulations and agreements of the Owner and all the rights and remedies of the Mortgagee contained in this Mortgage shall bind the Owner, its successors and assigns, and shall inure to the benefit of the Mortgagee, its successors and assigns, whether so expressed or not.

24. Applicable Law. This Mortgage shall be governed by, and construed in accordance with, the laws of the Republic of the Marshall Islands.

25. Headings. In this Mortgage, section headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Mortgage.

[Signature Page Follows]

IN WITNESS WHEREOF, the Owner has executed this Mortgage by its duly authorized representative on the day and year first above written.

[OWNER]

By: _____
Name:
Title:

ACKNOWLEDGMENT OF MORTGAGE

STATE OF NEW YORK)
 : ss:
COUNTY OF NEW)
YORK

On this ____ day of _____, 2018, before me personally appeared _____, to me known, who, being by me duly sworn, did depose and say that he/she is _____ of [OWNER], the limited liability company described in and which executed the foregoing Mortgage; and that he/she signed his/her name thereto pursuant to authority granted to him/her by [OWNER] acting on behalf of said limited liability company.

Notary Public

Credit Agreement

Note



Maritime & Mortgage of a Ship
(The application form is to secure Account current / other Agency obligation)

GUIDANCE NOTES - PLEASE READ

If more than one mortgagor then a separate mortgage is required from each mortgagor, unless shares are jointly held.
In respect of fishing vessels, mortgages may be registered only against those registered with FULL registration.
The prompt registration of a mortgage deed with the Registry is essential to establish the priority of the mortgage. This is because the priority of the mortgage is determined by the date on which it is produced for registration and not from the date of the mortgage itself.
If the mortgagor is a company the mortgage must be registered with the Registrar of Companies within 21 days of its execution.
It is important that the Registry is informed of any changes.
Please write in black ink using BLOCK CAPITALS, and tick boxes where appropriate. If an * is stated, then please delete as appropriate.

The mortgage reference number (issued by the mortgagee) is:

1: DETAILS OF THE SHIP

Is this mortgage in respect of a Fishing Vessel? Yes No

Name of Ship	[CENTRICA PRIDE] [PUTFORD JAGUAR]
Official Number	[]

2: THE MORTGAGE

Whereas there is:

State "an account current" or write in a short description of the obligation.	a guarantee and indemnity
---	---------------------------

between

Full name(s) **[Putford Pride Limited] [Putford Jaguar Limited] a company incorporated under the laws of England and Wales whose principal place of business is at 7/8 Great James Street, London, United Kingdom, WC1N 3DF**

Address (Place of Business in respect of a company)

~~*as joint mortgagors~~ (hereinafter called "the mortgagor")

2: THE MORTGAGE (continued)

and

Full name(s) **DNB BANK ASA, New York Branch a company incorporated under the laws of Norway**
Address **acting through its office at 200 Park Avenue, 31st Floor,**
(Place of Business in respect of a company) **New York, New York 10166 in its capacity as security trustee for the Creditors (as hereinafter defined)**

~~*as joint mortgagors~~ (hereinafter called "the mortgagor")

Please see Annex A

Describe fully the nature of the liabilities secured. You may refer to another document.

ACCOUNT CURRENT

Please complete this section in respect of "account current", if this applies to you.

~~*I/we the mortgagor(s) in consideration of the advance made or to be made to *me/us by the mortgagee(s), bind *myself/ourselves to pay the mortgagee(s) the sums for the time being due on this security whether by way of principal, interest or otherwise at the time(s) and in the manner mentioned above.~~

OTHER OBLIGATION

Please complete this section in respect of "other obligation", if this applies to you.

~~*I/we the mortgagor(s) in consideration~~

of the advance made or to be made to the Borrower by the Lenders under the said loan agreement,

OTHER OBLIGATION (continued)

bind ~~*myself/~~ourselves to

pay to the Creditors or any of them the sums for the time being due on this security whether by way of principal, interest or otherwise at the time(s) and in the manner mentioned above.

for the purpose of better securing to the mortgagee(s) the *sums/obligation mentioned above.

***I/we hereby mortgage to the mortgagee(s)**

State the shares, in both
figures
and words

Figures
Words

64/64th
sixty four sixty fourth

(Figures and words)

shares of which *I/we are the owners in the ship described above and its appurtenances. Lastly, *I/we for myself/ourselves hereby declare that *I/we have the power to mortgage in the manner aforesaid the above-mentioned shares and that they are free from encumbrances. *Save as appears by the registry of the above ship.

PLEASE READ:

If the mortgagor is a company, then **SECTION 3A must be completed.**

If the mortgagor(s) are one or more individuals, then **SECTION 3B must be completed.**

If the mortgagor(s) are a Limited Liability Partnership, then **SECTION 3C must be completed.**

When the mortgage is originally executed you should send this deed (with the applicable fee) to:

Registry of Shipping and Seamen

Anchor Court, Keen Road, Cardiff, CF24 5JW, UK.

Tel No: 0203 90 85200

3A: COMPLETE IF THE MORTGAGOR IS A COMPANY

* Executed by the mortgagor as a deed (in England, Wales and Northern Ireland)

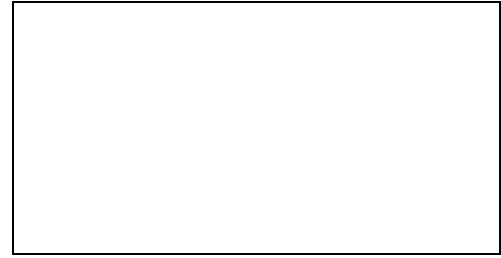
* Subscribed by the mortgagor (in Scotland)

On this day of 20 by:-

** (a) the affixing of the common seal of the mortgagor in the presence of the following persons signing;
or

** (b) signing by the following persons;

**delete as appropriate



Company seal

Director	
Director or Secretary	
Authorised Signatory	
Authorised Signatory	
# Witnessed by	
Name (print)	
Address (print)	

If the signature must be witnessed the name and address of the witness must be given

Note: IN ENGLAND, WALES & NORTHERN IRELAND - signature may be by (a) two directors; (b) by the company secretary and a director, or (c) by a director in the presence of a witness who completes the details above to attest the signature. If the common seal is affixed any special requirement of the company's articles about signing must be complied with.

IN SCOTLAND - signature may be by one director or the secretary of the company or one person authorised to sign the document on behalf of the company, or one member of the Limited Liability Partnership, provided such single signature is witnessed. Alternatively, signature may be effected without a witness by two directors, or a director and the secretary, or two persons authorised to sign the document on behalf of the company, or two members of the Limited Liability Partnership. Note that signature by one authorised signatory and either a director or the secretary of the company is not valid.

OFFICIAL USE ONLY

Discharge of mortgage (Priority)

Date of entry into the Register

Time of entry

Officer's Initials

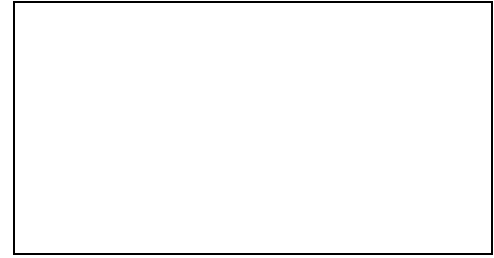
3B: COMPLETE IF THE MORTGAGOR(S) SHARE ONE OR MORE INDIVIDUAL(S)

*Executed as a deed (in England and Wales)

*Subscribed by the mortgagor (in Scotland)

*Signed, sealed and delivered (in Northern Ireland)

* Delete as appropriate



Seal if executed in Northern
Ireland

On this.....day of.....20.....

by the following person(s) signing as mortgagor(s):

Signature(s) of mortgagor(s)		
In the presence of:		
Name(s) of witness(es)		
Address(es) of witness(es)		
Occupation(s) of witness(es)		

NOTE: Every signature must have a witness.

OFFICIAL USE ONLY	
Discharge of mortgage (Priority) <input type="text"/>	Date of entry into the Register <input type="text"/>
Time of entry <input type="text"/>	Officer's Initials <input type="text"/>

3C: COMPLETE IF THE MORTGAGOR(S) ARE A LIMITED LIABILITY PARTNERSHIP

◇ Executed by the mortgagor as a deed (in England, Wales and Northern Ireland)

◇ Subscribed by the mortgagor (in Scotland)

* Delete as appropriate

On this.....day of.....20.....by signing by the following persons:

Member	
Member	
Witnessed by	
Name (print)	
Address (print)	

NOTE: In Scotland subscription may be by one member of the Limited Liability Partnership and one witness, or by two members of the Limited Liability Partnership.

OFFICIAL USE ONLY	
Discharge of mortgage (Priority) <input type="text"/>	Date of entry into the Register <input type="text"/>
Time of entry <input type="text"/>	Officer's Initials <input type="text"/>

4: TRANSFER OF MORTGAGE

*I/we, the below mentioned
mortgagor(s), in consideration of:

1

this day paid to *me/us by

2

hereby transfer to *him/her/them the benefit of the within written security.

*I/we (Tick here if joint Mortgagors) <input type="checkbox"/> (hereinafter called "the mortgagor")	Full Name(s) of Mortgagors	
	Address (Please write the place of business if a company)	

1 – Enter the sum of money in figures and words.

2 – Give name and address, with place of business in respect of a company

PLEASE READ:

If the transferor is a company, then **SECTION 4A must be completed.**

If the transferor(s) are one or more individuals, then **SECTION 4B must be completed.**

If the transferor(s) are a Limited Liability Partnership, then **SECTION 4C must be completed.**

When a transfer of mortgage is executed you should send this deed (without a fee) to:

Registry of Shipping and Seamen

Anchor Court, Keen Road, Cardiff, CF24 5JW, UK.

Tel No: 0203 90 85200

4A: COMPLETE IF THE TRANSFEROR IS A COMPANY

◇ Executed by the transferor as a deed (in England, Wales and Northern Ireland)

◇ Subscribed by the mortgagor (in Scotland)

On this day of 20 by:-

**** (a) the affixing of the common seal of the transferor in the presence of the following persons signing;**

or

**** (b) signing by the following persons; ** Delete as appropriate**

Company seal

Director	
Director or Secretary	
Authorised Signatory	
Authorised Signatory	
** Witnessed by	
Name (print)	
Address (print)	

Note: IN ENGLAND, WALES & NORTHERN IRELAND - signature may be by (a) two directors; (b) by the company secretary and a director, or (c) by a director in the presence of a witness who completes the details above to attest the signature. If the common seal is affixed any special requirement of the company's articles about signing must be complied with.

IN SCOTLAND - signature may be by one director or the secretary of the company or one person authorised to sign the document on behalf of the company, or one member of the Limited Liability Partnership, provided such single signature is witnessed. Alternatively, signature may be effected without a witness by two directors, or a director and the secretary, or two persons authorised to sign the document on behalf of the company, or two members of the Limited Liability Partnership. Note that signature by one authorised signatory and either a director or the secretary of the company is not valid.

OFFICIAL USE ONLY

Discharge of mortgage (Priority)

Date of entry into the Register

Time of entry

Officer's Initials

4B: COMPLETE IF TRANSFEROR(S) IS/ARE ONE OR MORE INDIVIDUALS

- * Executed as a deed (in England and Wales)
- * Subscribed (in Scotland)
- * Signed, sealed and delivered (in Northern Ireland)

* Delete as appropriate

Seal(s) if executed in Northern
Ireland

On this.....day of.....20.....by:-

by the following person(s) signing as transferor(s):

Signature of transferor(s)		
In the presence of:		
Name(s) of witness(es)		
Address(es) of witness(es)		
Occupation(s) of witness(es)		

NOTE: Every signature must have a witness.

OFFICIAL USE ONLY

Discharge of mortgage (Priority)

Date of entry into the Register

Time of entry

Officer's Initials

4C: COMPLETE IF TRANSFEROR(S) ARE A LIMITED LIABILITY PARTNERSHIP

◇ Executed by the transferor as a deed (in England, Wales and Northern Ireland)

◇ Subscribed by the transferor (in Scotland)

* Delete as appropriate

On this day of 20 by signing by the following persons:

Member	
Member	
Witnessed by	
Name (print)	
Address (print)	

NOTE: In Scotland subscription may be by one member of the Limited Liability Partnership and one witness, or by two members of the Limited Liability Partnership.

OFFICIAL USE ONLY

Discharge of mortgage (Priority)

Date of entry into the Register

Time of entry

Officer's Initials

5: DISCHARGE OF A MORTGAGE

*Received by the within-mentioned *mortgage(s)/transferee(s) of the mortgage, the sum of:

--

This within written security is now discharged.

* The within-mentioned *mortgage(s)/transferee(s) have agreed to discharge this within written security and it is therefore discharged.

PLEASE READ:

If the Discharge is given by a company, then **SECTION 5A must be completed.**

If the Discharge is given by one or more individuals, then **SECTION 5B must be completed.**

If the Discharge is given by a Limited Liability Partnership, then **SECTION 5C must be completed.**

When a discharge of mortgage is executed you should send this deed with the correct fee to:

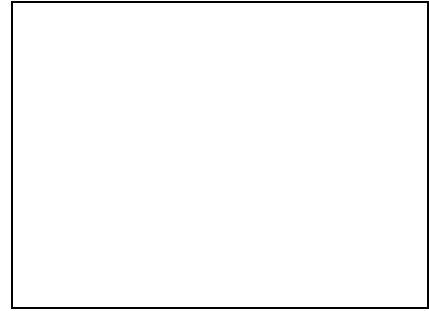
Registry of Shipping and Seamen

Anchor Court, Keen Road, Cardiff, CF24 5JW, UK.

Tel No: 0203 90 85200

5A: COMPLETE IF DISCHAGER IS GIVEN BY A COMPANY

- ◇ Executed by the mortgagee/transferee as a deed (in England, Wales and Northern Ireland)
- ◇ Subscribed by the mortgagee/transferee (in Scotland)



On this day of 20 by:-

**** (a) the affixing of the common seal of the * mortgagee/ transferee in the presence of the following persons signing; or**

**** (b) signing by the following persons; *delete as appropriate**

Company seal

Director	
Director or Secretary	
Authorised Signatory	
Authorised Signatory	
** Witnessed by	
Name (print)	
Address (print)	

Note: IN ENGLAND, WALES & NORTHERN IRELAND - signature may be by (a) two directors; (b) by the company secretary and a director, or (c) by a director in the presence of a witness who completes the details above to attest the signature. If the common seal is affixed any special requirement of the company's articles about signing must be complied with.

IN SCOTLAND - signature may be by one director or the secretary of the company or one person authorised to sign the document on behalf of the company, or one member of the Limited Liability Partnership, provided such single signature is witnessed. Alternatively, signature may be effected without a witness by two directors, or a director and the secretary, or two persons authorised to sign the document on behalf of the company, or two members of the Limited Liability Partnership. Note that signature by one authorised signatory and either a director or the secretary of the company is not valid.

OFFICIAL USE ONLY

Discharge of mortgage (Priority)

Date of entry into the Register

Time of entry

Officer's Initials

5B: COMPLETE IF DISCHARGE IS GIVEN BY ONE OR MORE INDIVIDUALS

* Executed as a deed (in England and Wales)

* Subscribed (in Scotland)

* Signed, sealed and delivered (in Northern Ireland)

* Delete as appropriate

On this day of 20.....

by the following person(s) signing as mortgagee(s)/transferee(s):

See if executed in Northern Ireland

Signature of mortgagee(s)/transferee(s)		
In the presence of:		
Name(s) of witness(es)		
Address(es) of witness(es)		
Occupation(s) of witness(es)		

NOTE: Every signature must have a witness.

Warning: If the discharged deed is not presented to the Registry the mortgage will remain registered against the vessel.

OFFICIAL USE ONLY

Discharge of mortgage (Priority)

Date of entry into the Register

Time of entry

Officer's Initials

5C: COMPLETE IF DISCHARGE IS GIVEN BY A LIMITED LIABILITY PARTNERSHIP

^ Executed by the mortgagor as a deed (in England, Wales and Northern Ireland)

^ Subscribed by the mortgagor (in Scotland)

* Delete as appropriate

On this day of 20 by signing by the following persons:

Member	
Member	
Witnessed by	
Name (print)	
Address (print)	

NOTE: In Scotland subscription may be by one member of the Limited Liability Partnership and one witness, or by two members of the Limited Liability Partnership.

OFFICIAL USE ONLY	
Discharge of mortgage (Priority) <input type="text"/>	Date of entry into the Register <input type="text"/>
Time of entry <input type="text"/>	Officer's Initials <input type="text"/>

Annex A

pursuant to a clause [18] of a loan agreement (hereinafter as the same may from time to time be amended, supplemented, novated or replaced called the "Agreement") dated 2018 made between the mortgagor and other entities as guarantors, SEACOR Marine Foreign Holdings Inc. as borrower (hereinafter called the "Borrower"), certain financial institutions as lenders (hereinafter called the "Lenders"), DNB Bank ASA, New York Branch as agent for the Lenders (hereinafter called the "Agent"), certain financial institutions as swap banks (hereinafter called the "Swap Banks"), certain financial institutions as secured L/C issuers, the mortgagee as security trustee, DNB Markets, Inc., Clifford Capital Pte. Ltd. and NIBC Bank N.V. as mandated lead arrangers and DNB Markets, Inc. as coordinator and bookrunner (the Lenders, the Agent, the Swap Banks and the mortgagee and their respective successors, transferees and assignees being herein together called the "Creditors"), whereby the mortgagor has (inter alia) guaranteed the due and punctual payment to the Creditors or any of them of all sums for the time being owing to the Creditors or any of them under the Agreement, under any master agreement relating to interest or currency exchange transactions entered into between the Swap Banks and the Borrower at any time (hereinafter, including each schedule thereto and each confirmation exchanged pursuant thereto, called the "Master Agreement") and under any and all documents executed from time to time pursuant to or in connection with the Agreement and whereas the mortgagor and the mortgagee have executed a deed of covenants of even date herewith (hereinafter as the same may from time to time be amended, supplemented, novated or replaced called the "Deed of Covenants") and whereas the mortgagor has agreed to execute this mortgage in favour of the mortgagee for the purpose of securing payment to the Creditors or any of them of all sums for the time being owing to the Creditors or any of them in the manner and at the times set forth in the Agreement, the Master Agreement and the Deed of Covenants and whereas the amount of principal and interest due at any given time can be ascertained by reference to the Agreement, the Master Agreement, the Deed of Covenants and to the books of account (or other accounting records) of the Agent and the Swap Banks.

Form No. 12A

MORTGAGE (to Secure Account Current, &c.)

(Body Corporate)

No. 81a (Sale)

Official No.	Name of Ship	No., Year and Port of Registry	Whether a Sailing, Steam or Motor Ship	Horse Power of Engines, if any
742477	Putford Saviour	No. 97 of 2010 George Town	Motor	
Length from forepart of stem, to the aft side of the head of the stern post		Metric units		Gross 1996
Main breadth to outside of plating		64.32		Number of Tons
Depth in hold from tonnage deck to ceiling amidships		14.95		Net 598
6.10				
And as described in more detail in the Certificate of the Surveyor and the Register Book				

Whereas (a) there is an account current between Putford Saviour Ltd., a limited liability company organized under the laws of England and Wales (hereinafter sometimes called the "**Mortgagor**") and DNB Bank ASA, New York Branch, a corporation organized under the laws of Norway, as security trustee for the Creditors (as defined in the Facility Agreement) (hereinafter sometimes called the "**Mortgagee**") regulated by (i) a term loan facility agreement dated as of _____ 2018 including any and all of the financial and vessel covenants contained therein (hereinafter sometimes called the "**Facility Agreement**" (as the same may be amended, restated, supplemented or varied from time to time)) to which document, *inter alios*, the Mortgagor and the Mortgagee are parties; and (ii) a deed of covenant bearing even date herewith to which document the Mortgagor and the Mortgagee are parties (which said deed of covenant as the same may from time to time be amended, supplemented, transferred or replaced is hereinafter called the "**Deed of Covenant**") and whereas pursuant to the Facility Agreement the Mortgagor has agreed to execute this mortgage for the purpose of securing payment by the Credit Parties (as defined in the Facility Agreement) to the Creditors of all sums for the time being owing to the Creditors in the manner and at the time set forth in the Facility Agreement, the Deed of Covenant and the other Transaction Documents or any of them (as defined in the Facility Agreement) and in order to secure the performance of all obligations of the Credit Parties under the Facility Agreement and the other Transaction Documents and whereas the amount of principal (which shall not exceed _____ (plus interest, costs, expenses, recovery costs etc.)) and interest or other monies due to the Creditors at any given time can be ascertained by reference to the Facility Agreement, the Deed of Covenant and/or the other Transaction Documents and/or the books of account (or other accounting records) of the Credit Parties and/or a certificate issued by the Mortgagee which amount should be the certain and liquidated amount due by the Credit Parties to the Creditors as aforesaid.

Now we (b) Mortgagor in consideration of the premises for ourselves and our successors, covenant with the said (c) Mortgagee and (d) its assigns, to pay to it the sums for the time being due on this security, whether by way of principal or interest, at the times and manner aforesaid. And for the purpose of better securing to the said (c) Mortgagee the payment of such sums as last aforesaid, we do hereby mortgage to the said (c) Mortgagee all 64/64 shares, of which we are the Owners in the Ship above particularly described, and in her boats and appurtenances (the "Ship"). Furthermore, it is hereby provided that it is prohibited to create further mortgages over the Ship, transfer the ownership of the Ship or terminate the registration of the Ship on application by the Mortgagor without, in each case, the written consent of the said Mortgagee.

Lastly, we for ourselves and our successors, covenant with the said (c) Mortgagee and (d) its assigns that we have power to mortgage in manner aforesaid the above-mentioned shares, and that the same are free from incumbrances.

In witness whereof we have executed this Mortgage as a Deed the _____ day of _____ Two thousand and _____.

EXECUTED as a Deed for and on behalf of Putford Saviour Ltd. by:

 Authorised Signatory
 in the presence of:

(a) Here state by way of recital that there is an account current between the Mortgagor (describing the Company and giving its address), and the Mortgagee (giving address and description – if the Mortgagee is a Body Corporate the full title and address must be given, and if Joint Mortgagees are concerned they must be so described), and describe the nature of the transaction so as to show how the amount of principal and interest due at any given time is to be ascertained, and the manner and time of payment. (b) Name of the Company. (c) Full name of Mortgagee. (d) "his", "their" or "its". (e) If any prior incumbrance add, "save as appears by the Registry of the said Ship". * Signatures and description of witnesses, i.e. Directors, Secretary, etc. (as the case may be).

Note: The prompt registration of a Mortgage Deed at the Port of Registry of the Ship is essential to the security of Mortgagee, as Mortgage takes its priority from the date of production for registry, *not from the date of the instrument*.

Note: Registered Owners or Mortgagees are reminded of the importance of keeping the Registrar of British Ships informed of any change of residence on their part.

N.B In the case of transfer it must be made by Indorsement in one of the following forms -

TRANSFER OF MORTGAGE - by Individual or Joint Mortgagees

(a) the within-mentioned in consideration of this day paid to (b) by hereby transfer to (c) the benefit of the within-written security. In witness whereof (a) have hereunto subscribed (d)name this day of 20

Executed by the above-named
.....
in the presence of †
.....

TRANSFER OF MORTGAGE - by Body Corporate

The within mentioned in consideration of this day paid to it by hereby transfer to (c) the benefit of the within-written security. In witness whereof we have hereunto affixed our common seal this day of 20.....
The Common Seal of
.....
was affixed in the presence of*.....
.....

N.B. In case a Mortgage is paid off, a Memorandum of its Discharge in one of the following forms must be used -

DISCHARGE OF MORTGAGE - by Individual or Joint Mortgagees

Received the sum of in discharge of this within written security. Dated at this day of 20

Executed by.....
.....
in the presence of †
.....

DISCHARGE OF MORTGAGE - by Bodies Corporate

Received the sum of in discharge of the within-written security. In witness whereof we have hereunto affixed our common seal this day of 20.....at

The Common Seal of
.....
was affixed in the presence of*.....
.....

*where the company seal of the mortgagee is not affixed the signature must be witnessed by a Notary Public.
† signature must be witnessed by a Notary Public.

- (a) 'I' or 'we'
- (b) 'me' or 'us'
- (c) 'him', 'them' or 'it'
- (d) 'my' or 'our'

FIRST PREFERRED MORTGAGE

- on the -

United States Flag Vessel

[VESSEL],

[OWNER],

as Owner

to

DNB BANK ASA, NEW YORK BRANCH,
as Mortgagee

[_____], 2018

SYNOPSIS OF MORTGAGE

Name and Official Number of Vessel: [VESSEL NAME],
Official Number []

Type of Instrument: First Preferred Mortgage

Date of Instrument: _____, 2018

Name of Owner (Percentage of Vessel owned): [OWNER'S NAME (100%)]

Address of Owner: 7910 Main St., 2nd Floor
Houma, Louisiana 70360

Name of Mortgagee: DNB BANK ASA, New York Branch,
as Security Trustee

Address of Mortgagee: 200 Park Avenue, 31st Floor
New York, New York 10166

Total amount of Mortgage: One Hundred Forty Three Million United States Dollars (U.S.\$143,000,000) and interest, expenses and performance of mortgage covenants, of this amount, (a) One Hundred Thirty Million United States Dollars (\$130,000,000) is attributable to the Loan under the Credit Agreement, and (b) Thirteen Million United States Dollars (\$13,000,000) is attributable to the Hedging Liability under the Interest Rate Agreements

THIS FIRST PREFERRED MORTGAGE is made and given this [__] day of [___] 2018 by [OWNER], a limited liability company organized and existing under the laws of the state of Delaware (the "Owner"), in favor of DNB BANK ASA, New York Branch ("DNB"), a corporation organized under the laws of the Kingdom of Norway, as security trustee for the Creditors (as defined in the Credit Agreement (as hereinafter defined)) (the "Mortgagee").

W H E R E A S:

A. The Owner is the sole owner of the whole of the vessel [VESSEL], Official No. [OFFICIAL NUMBER], of [GROSS TONS] gross tons and [NET TONS] net tons, and registered and documented in the name of the Owner under the laws and flag of the United States of America at the National Vessel Documentation Center.

B. By a senior secured Credit Agreement dated as of [__], 2018 (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement") made by and among, *inter alios*, (1) SEACOR Marine Foreign Holdings Inc., as borrower (the "Borrower"), (2) SEACOR Marine Holdings Inc., as parent guarantor (the "Parent Guarantor"), (3) the entities listed on Schedule 1-A thereto, including the Owner, as subsidiary guarantors, (4) DNB, as facility agent (in such capacity, the "Facility Agent") and security trustee and (5) the financial institutions identified on Schedule 1-B thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the "Lenders"), a copy of the form of the Credit Agreement, without schedules or exhibits, is attached hereto as Exhibit A, the Lenders have agreed to provide to the Borrower a senior secured credit facility in the aggregate amount of up to One Hundred Thirty Million United States Dollars (U.S. \$130,000,000) (the "Facility"), the obligations of the Borrower to repay the Loan (as defined in the Credit Agreement) being evidenced by that certain promissory note dated the date hereof, executed by the Borrower to the order of the Facility Agent for the benefit of the Lenders (the "Note"), a copy of the form of which is attached hereto as Exhibit B. The Facility, and interest, fees and commissions thereon are to be repaid and paid, as the case may be, as provided in the Credit Agreement.

C. The Borrower may from time to time enter into one or more Interest Rate Agreements with respect to the Facility with one or more Swap Banks providing for, among other things, the payment of certain amounts by the Borrower to the Swap Banks. The obligations of the Borrower to the Swap Banks, including obligations to pay any sums of money, interest thereon, fees and all expenses, costs and charges otherwise from time to time payable by the Borrower under the Interest Rate Agreements, are to be repaid and paid, as the case may be, as shall be provided in the Interest Rate Agreements. The Borrower and the Swap Banks estimate that the maximum amount that may be payable by the Borrower to the other Creditors at any time under the Interest Rate Agreements will not exceed a maximum aggregate amount of Thirteen Million United States Dollars (U.S. \$13,000,000) (the "Hedging Liability").

D. All obligations (including but not limited to the Facility and the Hedging Liability) under or in connection with the Credit Agreement and the other Transaction Documents are guaranteed by the Owner pursuant to Section 18 of the Credit Agreement.

E. Pursuant to Section 15 of the Credit Agreement, each of the Creditors has appointed the Mortgagee as security trustee on its behalf with regard to, inter alia, the security conferred on such Creditors pursuant to the Credit Agreement, the Note and the other Transaction Documents.

F. The Owner, in order to secure the payment of the Obligations, as that term is defined in sub-section 1(A)(v) hereof, and to secure the performance and observance of and compliance with all the covenants, terms and conditions in the Note, the Credit Agreement and in this Mortgage contained, expressed or implied, to be performed, observed and complied with by and on the part of the Owner, has duly authorized the execution and delivery of this First Preferred Mortgage under and pursuant to the Ship Mortgage Act.

N O W, T H E R E F O R E, T H I S M O R T G A G E

W I T N E S S E T H:

1.1 Definitions: In this Mortgage, unless the context otherwise requires:

- (A)
- (i) “Earnings” means (i) all moneys and claims for moneys due and to become due thereto, whether as charter hire, freights, loans, indemnities, payments or otherwise, under, and all claims for damages arising out of any breach of, any bareboat, time or voyage charter, contract of affreightment or other contract for the use or employment of the Vessel, (ii) all remuneration for salvage and towage services, demurrage and detention moneys and any other earnings whatsoever due or to become due to the Owner arising from the use or employment of the Vessel, (iii) all moneys or other compensation payable by reason of requisition for title or for hire or other compulsory acquisition of the Vessel, and (iv) all proceeds of all of the foregoing;
 - (ii) “Event of Default” means any of the events of default set out in Section 7 of this Mortgage;
 - (iii) “Insurances” includes all policies and contracts of insurance and reinsurance, including all entries of the Vessel in a protection and indemnity or war risks association or club which are from time to time taken out or entered into in respect of the Vessel, the Vessel's hull and machinery, and all benefits thereof, including, without limitation, all claims of whatsoever nature, as well as return premiums, or otherwise howsoever in connection with the Vessel;
 - (iv) “Obligations” means all obligations owed by the Credit Parties under or in connection with the Credit Agreement, the Note, this Mortgage, any other relevant Transaction Document (including the Interest Rate Agreements);
 - (v) “Requisition Compensation” means all moneys or other compensation payable and belonging to the Owner during the Security Period by reason of requisition for title or other compulsory acquisition of the Vessel otherwise than by requisition for hire;
 - (vi) “Security Period” means the period commencing on the date hereof and terminating upon discharge of the security created by this Mortgage by payment in full of the Obligations;
 - (vii) “Ship Mortgage Act” means the United States Ship Mortgage Act, 1920, as amended, inter alia, by Public Law 100-710 (46 USC Section 31301 et seq.);
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- (viii) "Total Loss" means any of the:
- (a) actual, constructive or compromised or arranged total loss of the Vessel;
 - (b) requisition for title or other compulsory acquisition of the Vessel (otherwise than by requisition for hire) which shall continue for thirty (30) days; and
 - (c) capture, seizure, arrest, detention or confiscation of the Vessel by any government or by Persons acting or purporting to act on behalf of any government unless the Vessel be released and restored to the Owner from such capture, seizure, arrest, detention or confiscation within thirty (30) days after the occurrence thereof; and
- (ix) "Vessel" means the whole of the vessel described in Recital A hereof and includes her engines, machinery, boats, boilers, masts, rigging, anchors, chains, cables, apparel, tackle, outfit, spare gear, fuel, consumable or other stores, freights, belongings and appurtenances, whether on board or ashore, whether now owned or hereafter acquired, and all additions, improvements and replacements hereafter made in or to said Vessel, or any part thereof, or in or to the stores, belongings and appurtenances aforesaid except such equipment or stores which, when placed aboard said Vessel, do not become the property of the Owner.

(B) In Section 5(B) hereof:

- (i) "excess risks" means the proportion of claims for general average and salvage charges and under the ordinary running-down clause not recoverable in consequence of the value at which a vessel is assessed for the purpose of such claims exceeding her insured value;
- (ii) "protection and indemnity risks" means the usual risks covered by a United States or an English or another protection and indemnity association or club acceptable to the Mortgagee including the proportion not recoverable in case of collision under the ordinary running-down section; and
- (iii) "war risks" means the risk of mines and all risks excluded from the standard form of United States marine policy by the War, Strikes and Related Exclusion clause.

1.2 Other Defined Terms. Except as otherwise defined herein, terms defined in the Credit Agreement shall have the same meaning when used herein. For the purposes of this Mortgage, when any term is modified by the word "relevant" such term shall be construed to mean with respect to, among others, as the case may be, the Owner.

1.3 Credit Agreement Prevails. This Mortgage shall be read together with the Credit Agreement but in case of any inconsistency or conflict between the two, the provisions of the Credit Agreement shall prevail to the extent not contrary to any relevant legal requirement relating to the creation, validity and enforceability of the security interests purported to be created pursuant to this Mortgage and provided further that this Section 1.3 shall not be construed to limit in any way any covenant or obligation of the Owner under this Mortgage or to affect the governing law provision found in Section 24 of this Mortgage.

2. Grant of Mortgage; Representations and Warranties.

2.1 In consideration of the premises and of other good and valuable consideration, the receipt and adequacy whereof are hereby acknowledged, and in order to secure the payment of the Obligations and to secure the performance and observance of and compliance with the covenants, terms and conditions in the Credit Agreement, the Note, this Mortgage and the other relevant Transaction Documents contained, the Owner has granted, conveyed and mortgaged and does by these presents grant, convey and mortgage to and in favor of the Mortgagee, its successors and assigns, the whole of the Vessel TO HAVE AND TO HOLD the same unto the Mortgagee, its successors and assigns, forever, upon the terms set forth in this Mortgage for the enforcement of the payment of the Obligations and to secure the performance and observance of and compliance with the covenants, terms and conditions in this Mortgage, the Credit Agreement, the Note and the other relevant Transaction Documents contained;

PROVIDED, ONLY, and the conditions of these presents are such that, if the Owner and/or its successors or assigns shall pay or cause to be paid to the Mortgagee or the Creditors, as the case may be, their respective successors and assigns, the Obligations as and when the same shall become due and payable in accordance with the terms of this Mortgage, the Credit Agreement, the Note and the other relevant Transaction Documents and shall perform, observe and comply with all and singular of the covenants, terms and conditions in this Mortgage, the Credit Agreement, the Note and the other relevant Transaction Documents contained, expressed or implied, to be performed, observed or complied with by and on the part of the Owner or its successors or assigns, all without delay or fraud and according to the true intent and meaning hereof and thereof, then, these presents and the rights of the Mortgagee under this Mortgage shall cease and desist and, in such event, the Mortgagee agrees by accepting this Mortgage, at the expense of the Owner, to execute all such documents as the Owner may reasonably require to discharge this Mortgage under the laws of the United States of America; otherwise to be and remain in full force and effect.

2.2 The Owner hereby represents and warrants to the Mortgagee that:

(A) the Owner is a limited liability company duly organized, validly existing and in good standing under the laws of the state of Delaware with its registered office at [____];

(B) the Owner lawfully owns the whole of the Vessel free from any security interest, debt, lien, mortgage, charge, encumbrance or other adverse interest, other than the encumbrance of this Mortgage and except as permitted by Section 5(O) hereof; and

(C) the Vessel is tight, staunch and strong and well and sufficiently tackled, appareled, furnished and equipped and in all respects seaworthy and in the highest possible classification and rating for vessels of the same age and type with the respective Classification Society without any material outstanding recommendations or adverse notations affecting class.

3. Payment of Obligations. The Owner hereby further covenants and agrees to pay when due the Obligations to the Creditors or their successors or assigns in the manner provided for and in the terms of the Credit Agreement, this Mortgage and the other Transaction Documents.

4. Covenants Regarding Security Granted Hereunder. It is declared and agreed that:

(A) The security created by this Mortgage shall be held by the Mortgagee as a continuing security for the payment of the Obligations and that the security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the amount hereby secured.

(B) Any settlement or discharge under this Mortgage between the Mortgagee and the Owner shall be conditional upon no security or payment to the Mortgagee or the other Creditors, related to or which reduces the obligations secured hereby, by the Owner or any other Person being avoided or set-aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency or liquidation for the time being in force, and if such condition is not satisfied, the Mortgagee shall be entitled to recover from the Owner on demand the value of such security or the amount of any such payment as if such settlement or discharge had not occurred.

(C) The rights of the Mortgagee under this Mortgage and the security hereby constituted shall not be affected by any act, omission, matter or thing which, but for this provision, might operate to impair, affect or discharge such rights and security, including without limitation, and whether or not known to or discoverable by the Owner, the Mortgagee or any other Person:

(i) any time or waiver granted to, or compromise with, the Owner or any other Person; or

(ii) the taking, variation, compromise, renewal or release of or refusal or neglect to perfect or enforce any rights, remedies or securities against the Owner or any other Person; or

(iii) any legal limitation, disability, dissolution, incapacity or other circumstances relating to the Owner or any other Person; or

(iv) any amendment or supplement to the Credit Agreement, the Note or any other relevant Transaction Document; or

(v) the unenforceability, invalidity or frustration of any obligations of the Owner or any other Person under the Credit Agreement, the Note or any other relevant Transaction Document.

(D) The Owner acknowledges and agrees that it has not received any security from any Person for the granting of this Mortgage and it will not take any such security without the prior written consent of the Mortgagee, and the Owner will hold any security taken in breach of this provision in trust for the Mortgagee.

(E) Until the Obligations have been unconditionally and irrevocably paid and discharged in full to the satisfaction of the Mortgagee, the Owner shall not by virtue of any payment made under the Credit Agreement, the Note, this Mortgage or any other relevant Transaction Document on account of such moneys and liabilities or by virtue of any enforcement by the Mortgagee of its right under or the security constituted by this Mortgage:

(i) be entitled to exercise any right of contribution or indemnity from any co-surety liable in respect of such moneys and liabilities under any other guarantee, security or agreement; or

(ii) exercise any right of set-off or counterclaim against any such co-surety; or

(iii) receive, claim or have the benefit of any payment, distribution, security or indemnity from any such co-surety; or

(iv) unless so directed by the Mortgagee (which the Owner shall prove in accordance with such directions), claim as a creditor of any such co-surety in competition with the Mortgagee (or any trustee or agent on its behalf).

The Owner shall hold in trust for the Mortgagee and forthwith pay or transfer (as appropriate) to the Mortgagee any such payment (including an amount equal to any such set-off), distribution or benefit of such security, indemnity or claim in fact received by it.

(F) The Owner hereby irrevocably subordinates all of its rights of subrogation (whether contractual, statutory, under common law or otherwise) to the claims of the Mortgagee against any Person and all contractual, statutory or common law rights of contribution, reimbursement indemnification and similar rights and claims against any Person which arise in connection with, or as a result of, the Credit Agreement, this Mortgage or any other relevant Transaction Document until full and final payment of all of the Obligations.

5. Affirmative Covenants and Insurances. The Owner further covenants with the Mortgagee and undertakes at all times throughout the Security Period:

(A) to maintain:

- (i) its existence as a limited liability company of the state of Delaware;
- (ii) its good standing under the laws of the state of Delaware; and
- (iii) a registered office as required by the laws of the state of Delaware;

(B) (i) To insure and keep the Vessel insured or cause or procure the Vessel to be insured and to be kept insured at no expense to the Mortgagee (or, with regard to the insurance cover described in (d) below, to reimburse the Mortgagee therefor), in regard to:

- (a) all fire and usual marine risks (including increased value, which shall not exceed twenty percent (20%) of the total hull and machinery coverage) on an agreed value basis, which hull and machinery insured value shall be at least 80% of the Fair Market Value of the Vessel in accordance with Section 9.1(v)(iii) of the Facility Agreement;
- (b) war risks on an agreed value basis (including war protection and indemnity liability with a separate limit not less than hull value) covering, inter alia, the perils of confiscation, terrorism, piracy, expropriation, nationalization, seizure and blocking;
- (c) protection and indemnity risks (including pollution risks and including protection and indemnity war risks in excess of the amount for war risks (hull)) to the highest amount available in the market for the full value and tonnage of the ship, as approved in writing by the Mortgagee, and, in case of oil pollution liability risks, at the highest level of cover from time to time available under basic protection and indemnity clubs entry, currently One Billion United States Dollars (\$1,000,000,000); and
- (d) Mortgagee's interest including mortgagee's interest additional perils (pollution) risks and, on demand, reimburse the Security Trustee for all premiums, costs and expenses paid or incurred by the Mortgagee from time to time;

(ii) with respect to the Vessel, to effect the Insurances aforesaid or to cause or procure the same to be effected:

- (a) in the cases of the Insurances referred to in sub-sections (i) (a), (b) and (d) above and total loss, (A) in such amounts on an agreed value basis as shall be at least equivalent to the higher of (I) the Fair Market Value of the Vessel and (II) One Hundred Twenty percent (120%) of the aggregate outstanding principal amount of the Facility (when aggregated with the insured value of the other Vessels then financed under the Credit Agreement), (B) all such insurance shall be payable in lawful money of the United States of America, and (C) upon such terms (including provisions as to named insureds and loss payees and prior notice of cancellation) and with such deductibles as shall from time to time be approved by the Mortgagee in the reasonable exercise of its judgment;
- (b) in the case of the protection and indemnity Insurances referred to in sub-section (i)(c) above, in respect of the Vessel's full tonnage, and in an amount equal to the highest level of cover commercially available as at the date of this Mortgage and to include provisions as to loss payees and prior notice of cancellation in form and substance satisfactory to the Mortgagee; and
- (c) with insurance companies, underwriters, funds, mutual insurance associations, war risks and protection and indemnity risks associations or clubs of recognized standing, in each case, acceptable to the Mortgagee (hereinafter called "the Insurers");

(iii) to renew or replace all such Insurances or cause or procure the same to be renewed or replaced before the relevant policies or contracts expire and to procure that the Insurers or the firm of insurance brokers referred to herein below shall promptly confirm in writing to the Mortgagee as and when each such renewal or replacement is effected;

(iv) to procure, if instructed by any Lender, concurrently with the execution hereof and thereafter at intervals of not more than twelve (12) calendar months, a detailed report from a firm of independent marine insurance brokers, appointed by the Facility Agent, with respect to the Insurances together with their opinion to the Mortgagee that the Insurances comply with the provisions of this Section 5(B), such report and opinion to be addressed and delivered promptly to the Mortgagee and the costs of such report and opinion procured concurrently with the execution hereof to be for the account of the Owner;

(v) to cause the said independent marine insurance brokers or the Insurers to agree to use reasonable efforts to advise the Mortgagee promptly of any failure to renew any of the Insurances and of any default in payment of any premium and of any other act or omission on the part of the Owner of which they have knowledge and which might, in their opinion, invalidate or render unenforceable, or cause the lapse of or prevent the renewal or extension of, in whole or in part, any Insurances on the Vessel;

(vi) to cause the said independent marine insurance brokers to agree to mark their records and to use their best efforts to advise the Mortgagee, at least fourteen (14) days prior to the expiration date of any of the Insurances, that such Insurances have been renewed or replaced with new insurance which complies with the provisions of this Section 5(B);

(vii) duly and punctually to pay or to cause duly and punctually to be paid all premiums, calls, contributions or other sums payable in respect of all such Insurances, to produce or to cause to be produced all relevant receipts when so required by the Mortgagee and duly and punctually to perform and observe or to cause duly and punctually to be performed and observed any other obligations and conditions under all such Insurances;

(viii) to execute or use reasonable efforts to cause to be executed such guarantees as may from time to time be required by any relevant protection and indemnity association or club;

(ix) to procure that all policies, binders, cover notes or other instruments of the Insurances referred to in subsections (i)(a) and (b) above shall be taken out in the name of the Owner, with the Mortgagee as an additional assured (without liability for premiums), as its or their respective interests may appear, and shall incorporate a loss payable clause naming the Mortgagee as loss payee prepared in compliance with the terms of this Mortgage and such loss payable clause to be in any event in form and substance acceptable to the Mortgagee and all policies, binders, cover notes or other instruments referred to in subsection (i) shall (a) provide for prior notice of at least fourteen (14) days (except war risks which shall be seven (7) days unless terminated automatically in accordance with the provisions of the automatic termination and cancellation clauses contained in such policies) to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums as to the Mortgagee; provided, however, that unless otherwise required by the Mortgagee by notice to the underwriters, although all losses under such Insurances are payable to the Mortgagee, in case of any such losses involving any damage to the Vessel the underwriters may pay direct for the repair, salvage and other charges involved or, if the Owner shall have first fully repaired the damage or paid all of the salvage and other charges may pay the Owner as reimbursement therefor, provided, further, however, that if such damage involves a loss in excess of U.S.\$500,000, or its equivalent, the underwriters shall not make such payment without first obtaining the written consent thereto of the Mortgagee, and (b) in the event that the Vessel shall be insured under any form of fleet cover, undertakings that the brokers, underwriters, association or club (as the case may be) will not set off claims relating to the Vessel against premiums, calls or contributions in respect of any other vessel or other insurance and that the insurance cover of the Vessel will not be cancelled by reason of non-payment of premiums, calls or contributions relating to any other vessel or other insurance;

(x) to procure that all entries, policies, binders, cover notes or other instruments of the Insurances referred to in sub-section (i)(c) above incorporate a loss payable clause naming the Mortgagee as loss payee prepared in compliance with the terms of this Mortgage and such loss payable clause to be in any event in form and substance acceptable to the Mortgagee and shall provide for prior notice of at least fourteen (14) days to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums, backcalls and assessments as to the Mortgagee, it being agreed that although such insurance is payable to the Mortgagee so long as no Event of Default has occurred and is continuing under this Mortgage, any loss payments under any such insurance on the Vessel may be paid directly to the Owner to reimburse it for any loss, damage or expenses incurred by it and covered by such insurance or to the Person to whom any liability covered by such insurance has been incurred;

(xi) not to reduce the coverage of any Insurances without the Mortgagee's prior written approval;

(xii) to procure that all policies, bindings, cover notes or other instruments of the Insurances referred to in sub-section (i)(d) to the extent obtained by the Owner shall be taken out in the name of the Mortgagee and shall incorporate a loss payable clause naming the Mortgagee as loss payee and shall provide for prior notice of at least fourteen (14) days to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums as to the Mortgagee and the Lenders;

(xiii) to procure that Certificates of Insurance or summaries or copies of all such instruments of Insurances as are referred to in sub-sections (ix) and (x) above shall be from time to time deposited with the Mortgagee within thirty (30) days after placement of the relevant Insurances, provided, however, that originals or copies of all such instruments of Insurances as are referred to in sub-sections (ix) and (x) above shall be made available to the Mortgagee upon request by the Mortgagee;

(xiv) not to employ the Vessel or suffer the Vessel to be employed otherwise than in conformity with the terms of all policies, binders, cover notes or other instruments of the Insurances (including any warranties express or implied therein) without first obtaining the written consent of the Insurers to such employment (if required by such Insurers) and complying with such requirements as to extra premiums or otherwise as the Mortgagee and/or the Insurers may prescribe;

(xv) to do all things necessary and proper, and execute and deliver all documents and instruments to enable the Mortgagee to collect or recover any moneys to become due the Mortgagee in respect of the Insurances; and

(xvi) to provide, within a reasonable period of time after a written request therefor, such additional insurances as the Mortgagee may from time to time reasonably require on account of such insurances being required by any applicable law, regulation, public body, classification society or similar relevant authority or such insurances in the reasonable opinion of the Mortgagee being customary or recommended for vessels of a similar type or vessels employed in a similar trade, in which case the provisions of this clause B shall be applicable, if appropriate.

(C) To keep and to cause to be kept the Vessel in a good and efficient state of repair so as to enable her to maintain her present class with its Classification Society and so as to enable her to comply with the provisions of all laws, regulations and other requirements (statutory or otherwise) from time to time applicable to vessels registered under the laws of the United States of America, to procure that the Vessel's Classification Society make available to the Mortgagee, upon its request, such information and documents in respect of the Vessel as are maintained in the records of such Classification Society, and to procure that all repairs to or replacements of any damaged, worn or lost parts or equipment be effected in such manner (both as regards workmanship and quality of materials) as not to diminish the value of the Vessel;

(D) To submit or to cause the Vessel to be submitted on a timely basis to such periodic or other surveys as may be required for classification purposes and, if reasonably requested by the Mortgagee, to supply or to cause to be supplied to the Mortgagee copies of all survey and inspection reports and confirmations of class issued in respect thereof and to procure that the Classification Society provides the Mortgagee with the same rights and privileges to its records relating to the Vessel as given to the Owner;

(E) To permit the Mortgagee, by surveyors or other Persons appointed by it in its behalf, to board the Vessel at all reasonable times for the purpose of inspecting her condition or for the purpose of satisfying themselves in regard to proposed or executed repairs and to afford or to cause to be afforded all proper facilities for such inspections, provided that such inspections will not unreasonably interfere with the normal operations of the Vessel and cause no undue delay to the Vessel;

(F) (i) To pay and discharge or to cause to be paid and discharged all debts, damages and liabilities whatsoever which have given or may give rise to maritime or possessory liens on or claims enforceable against the Vessel except to the extent permitted by Section 5(O) hereof and (ii) in event of arrest of the Vessel pursuant to legal process or in event of her detention in exercise or purported exercise of any such lien as aforesaid to procure the release of the Vessel from such arrest or detention within fifteen (15) Business Days of receiving notice thereof by providing bail or otherwise as the circumstances may require;

(G) Not to employ the Vessel or suffer her employment in any trade or business which is forbidden by the laws of the United States of America or is otherwise illicit or in carrying illicit or prohibited goods or in any manner whatsoever which may render her liable to condemnation or to destruction, seizure or confiscation and in event of hostilities in any part of the world (whether war be declared or not), not to employ the Vessel or suffer her employment in carrying any contraband goods or to enter or trade to any zone which is declared a war zone by any government or by the Vessel's war risks Insurers unless the required extra war risk insurance cover has been obtained for the Vessel;

(H) Promptly to furnish or to use its best efforts to cause promptly to be furnished to the Mortgagee all such information as the Mortgagee may from time to time reasonably request regarding the Vessel, her employment, position and engagements, particulars of all towages and salvages and copies of all charters and other contracts for her employment or otherwise howsoever pertaining to the Vessel;

(I) Promptly after learning of the same to notify or cause to be notified the Mortgagee forthwith in writing of:

(i) any accident to the Vessel involving repairs the cost whereof will or is likely to exceed five percent (5%) of the insured value of the Vessel;

(ii) any occurrence in consequence whereof the Vessel has become or is likely to become a Total Loss;

(iii) any material requirement or recommendation made by any Insurer or Classification Society or by any competent authority which is not complied with in accordance with reasonable commercial practices;

(iv) any arrest of the Vessel or the exercise or purported exercise of any lien on the Vessel or her Earnings; and

(v) any occurrence of circumstances forming the basis of an Environmental Claim.

(J) To keep or to cause to be kept proper books of account of the Owner in respect of the Vessel and her Earnings and, if reasonably requested by the Mortgagee, to make or to cause to be made such books available for inspection on behalf of the Mortgagee and furnish or cause to be furnished satisfactory evidence that the wages and allotments and the insurance and pension contributions of the Master and crew are being regularly paid and that all deductions from crew's wages in respect of any tax liability are being properly accounted for and that the Master has no claim for disbursements other than those incurred by him in the ordinary course of trading on the voyage then in progress;

(K) To assign and provide that Requisition Compensation is applied in accordance with Section 8 hereof as if received in respect of the sale of the Vessel;

(L) Not, without the previous consent in writing of the Mortgagee, materially alter the structure of the Vessel or its equipment or remove any material parts of the Vessel to the extent such action could reasonably be expected to reduce the value of the Vessel;

(M) intentionally omitted;

(N) To keep the Vessel registered under the laws of the United States of America;

(O) To keep and to cause the Vessel to be kept free and clear of all liens, charges, mortgages and encumbrances except in favor of the Mortgagee, and except for crew's wages remaining unpaid in accordance with reasonable commercial practices or for collision or salvage, liens in favor of suppliers of necessities or other similar liens arising in the ordinary course of its business, accrued for not more than thirty (30) days (unless any such lien is being contested in good faith and by appropriate proceedings or other acts and the Owner shall have set aside on its books adequate reserves with respect to such lien and so long as such deferment in payment shall not subject the Vessel to forfeiture or loss) or liens for loss, damage or expense which are fully covered by insurance, subject to applicable deductibles satisfactory to the Mortgagee, or in respect of which a bond or other security has been posted by or on behalf of the Owner with the appropriate court or other tribunal to prevent the arrest or secure the release of the Vessel from arrest, and not, except in favor of the Mortgagee, to pledge, charge, assign or otherwise encumber (in favor of any Person other than the Mortgagee) her Insurances, Earnings or Requisition Compensation or to suffer the creation of any such pledge, charge, assignment or encumbrance as aforesaid to or in favor of any Person other than the Mortgagee;

(P) Not, without the previous consent in writing of the Mortgagee (and then only subject to such terms and conditions as the Mortgagee may impose), to sell, abandon or otherwise dispose of the Vessel or any interest therein;

(Q) To pay promptly to the Mortgagee all moneys (including fees of counsel) whatsoever which the Mortgagee shall or may expend, be put to or become liable for, in or about the protection, maintenance or enforcement of the security created by this Mortgage or in or about the exercise by the Mortgagee of any of the powers vested in it hereunder and to pay interest thereon at the Default Rate from the date whereon such expense or liability was incurred by the Mortgagee;

(R) To comply with all declaration and reporting requirements imposed by the protection and indemnity club or insurers including, without limitation, the quarterly declarations required by the U.S. Oil Pollution Section 20/2/91, and to pay all premiums required to maintain in force the necessary U.S. Oil Pollution Cover;

(S) To comply with and satisfy all the requisites and formalities established by the laws of the United States of America to perfect this Mortgage as a legal, valid and enforceable first and preferred lien upon the Vessel and to furnish to the Mortgagee from time to time such proofs as the Mortgagee may reasonably request for its satisfaction with respect to the compliance by the Owner with the provisions of this Section 5(S);

(T) Not without the previous consent of the Mortgagee in writing, which consent shall not be unreasonably withheld, to let the Vessel or permit the Vessel to be let on demise charter (other than any demise charter to a company related to the Owner or any of its members) for any period;

(U) To place or to cause to be placed and at all times and places to retain or to cause to be retained a properly certified copy of this Mortgage on board the Vessel with her papers and cause this Mortgage to be exhibited to any and all Persons having business with the Vessel which might give rise to any lien thereon other than liens for crew's wages and salvage, and to any representative of the Mortgagee on demand; and to place and keep or to cause to be placed and kept prominently displayed in the chart room and in the Master's cabin of the Vessel a framed printed notice in plain type in English of such size that the paragraph of reading matter shall cover a space not less than six inches wide by nine inches high, reading as follows:

“NOTICE OF MORTGAGE

This Vessel is owned by [OWNER] (the “Owner”) and is subject to a first preferred mortgage (the “First Mortgage”) in favor of DNB Bank ASA, New York Branch, as security trustee and mortgagee, under the authority of the United States Ship Mortgage Act, 1920, as amended, *inter alia*, by Public Law 100-710 (46 USC Section 31301 *et seq.*). Under the terms of the First Mortgage, neither the Owner nor any charterer nor the Master of this Vessel nor any other person has any power, right or authority whatever to create, incur or permit to be imposed upon this Vessel any lien or encumbrance except for crew's wages and salvage.”

(V) to retain a manager of the Vessel, if any, as required under the Credit Agreement.

6. Mortgagee's Right to Cure. Without prejudice to any other rights of the Mortgagee hereunder:

(i) in the event that the provisions of Section 5(B) hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to effect and thereafter to replace, maintain and renew all such Insurances upon the Vessel as it in its sole discretion may deem advisable;

(ii) in the event that the provisions of Section 5(C) and/or 5(D) hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to arrange for the carrying out of such repairs and/or surveys as it deems expedient or necessary; and

(iii) in the event that the provisions of Section 5(F) hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to pay and discharge all such debts, damages and liabilities as are therein mentioned and/or to take any such measures as it deems expedient or necessary for the purpose of securing the release of the Vessel;

Any and all expenses incurred by the Mortgagee (including fees of counsel) in respect of its performances under the foregoing subsections (i), (ii) and (iii) shall be paid by the Owner on demand, with interest thereon at the rate provided for in Section 5(Q) hereof from the date when such expenses were incurred by the Mortgagee.

7. Events of Default and Remedies.

(A) Each of the following events shall constitute an “Event of Default”:

(i) a default in the payment when due (together with any applicable grace period) of all or any part of the Obligations; or

(ii) an event of default stipulated in Section 8.1 of the Credit Agreement shall occur and be continuing; or

(iii) a default by the Owner occurs in the due and punctual observance of any of the covenants contained in subsections (A)(i), (B) (other than subclauses (iv), (vi) and (xiii) thereof), (F), (G), (I), (K), (L), (M), (N), (O), (P), (R), (S), (T), (U) or (V) of Section 5 of this Mortgage; or

(iv) a default by the Owner occurs in the due and punctual observance of any of the covenants contained in subsections (C), (D), (E), (H), (J), or (Q) or subclauses (ii) and (iii) of subsection (A) and subclauses (iv), (vi) or (xiii) of subsection (B) of Section 5 of this Mortgage and such default continues unremedied for a period of thirty (30) days; or

(v) it becomes impossible or unlawful for the Owner to fulfill any of the covenants and obligations contained in this Mortgage and the Mortgagee considers that such impossibility or illegality will have a material adverse effect on its rights under this Mortgage or the enforcement thereof.

(B) If any Event of Default shall occur and be continuing, the Mortgagee shall be entitled:

(i) to demand payment by written notice to the Owner of the Obligations, whereupon such payment shall be immediately due and payable, anything contained in the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents to the contrary notwithstanding and without prejudice to any other rights and remedies of the Mortgagee or the Creditors, as the case may be, under the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents, provided, however, that if, before any sale of the Vessel, all defaults shall have been remedied in a manner satisfactory to the Mortgagee, the Mortgagee may waive such defaults by written notice to that effect to the Owner; but no such waiver shall extend to or affect any subsequent or other default or impair any rights and remedies consequent thereon;

(ii) at any time and as often as may be necessary to take any such action as the Mortgagee may in its discretion deem advisable for the purpose of protecting the security created by this Mortgage and each and every expense or liability (including reasonable fees of counsel) so incurred by the Mortgagee in or about the protection of such security shall be repayable to it by the Owner promptly after demand, together with interest thereon at the rate provided for in Section 5(Q) hereof from the date whereon such expense or liability was incurred by the Mortgagee. The Owner shall promptly execute and deliver to the Mortgagee such documents or cause promptly to be executed and delivered to the Mortgagee such documents, if any, and shall promptly do and perform such acts, if any, as in the opinion of the Mortgagee or its counsel may be necessary or advisable to facilitate or expedite the protection, maintenance and enforcement of the security created by this Mortgage;

(iii) to exercise all the rights and remedies in foreclosure and otherwise given to the Mortgagee by any applicable law, including those under the provisions of the Ship Mortgage Act;

(iv) to take possession of the Vessel, wherever the same may be, without prior demand and without legal process (when permissible under applicable law) and cause the Owner or other Person in possession thereof forthwith upon demand of the Mortgagee to surrender to the Mortgagee possession thereof as demanded by the Mortgagee, and by notice to the Owner, request that the crew be ordered to remain onboard the Vessel, that the Master of the Vessel be ordered to sail the Vessel at the cost of the Owner to any port designated by the Mortgagee and/or that the Owner take such action regarding the Vessel as may be requested by the Mortgagee;

(v) to require that all policies, contracts and other records relating to the Insurances (including details of and correspondence concerning outstanding claims) be forthwith delivered to such adjusters, brokers or other insurers as the Mortgagee may nominate;

(vi) to collect, recover, compromise and give a good discharge for all claims then outstanding or thereafter arising under the Insurances or any of them and to take over or institute (if necessary using the name of the Owner) all such proceedings in connection therewith as the Mortgagee in its absolute discretion deems advisable and to permit the brokers through whom collection or recovery is effected to charge the usual brokerage therefor;

(vii) to discharge, compound, release or compromise claims against the Owner in respect of the Vessel which have given or may give rise to any charge or lien on the Vessel or which are or may be enforceable by proceedings against the Vessel;

(viii) to take appropriate judicial proceedings for the foreclosure of this Mortgage and/or for the enforcement of the Mortgagee's rights hereunder or otherwise; recover judgment for any amount due by the Owner in respect of the Credit Agreement, the Note, this Mortgage, or any of the other relevant Transaction Documents and collect the same out of any property of the Owner;

(ix) to sell the Vessel at public auction, free from any claim of or by the Owner of any nature whatsoever by first giving notice of the time and place of sale with a general description of the property in the following manner:

- (a) by publishing such notice for ten (10) consecutive days in a daily newspaper of general circulation published in New York City;
- (b) if the place of sale should not be New York City, then also by publication of a similar notice in a daily newspaper, if any, published at the place of sale; and
- (c) by sending a similar notice by facsimile confirmed by registered mail to the Owner at its address hereinafter set forth at least fourteen (14) days prior to the date of sale;

Such sale of the Vessel may be held at such place as the Mortgagee in such notices may have specified, or such sale may be adjourned by the Mortgagee from time to time by announcement at the time and place appointed for such sale or for such adjourned sale and without further notice or publication the Mortgagee may make such sale at the time and place to which the same shall be so adjourned; and such sale may be conducted without bringing the Vessel to the place designated for such sale and in such manner as the Mortgagee may deem to be for its best advantage, and the Mortgagee may become the purchaser at such sale.

(x) pending sale of the Vessel (either directly or indirectly) to manage, charter, lease, insure, maintain and repair the Vessel and to employ or lay up the Vessel upon such terms, in such manner and for such period as the Mortgagee in its absolute discretion deems expedient and for the purpose aforesaid the Mortgagee shall be entitled to do all acts and things incidental or conducive thereto and in particular to enter into such arrangements respecting the Vessel, her insurance, management, maintenance, repair, classification and employment in all respects as if the Mortgagee were the owner of the Vessel and without being responsible for any loss thereby incurred;

(xi) to recover from the Owner on demand any such losses as may be incurred by the Mortgagee in or about the exercise of the powers vested in the Mortgagee under Section 7(B)(x) above with interest thereon at the rate provided for in Section 5(Q) hereof from the date when such losses were incurred by the Mortgagee; and

(xii) to recover from the Owner on demand all expenses, payments and disbursements (including reasonable fees and expenses of counsel) incurred by the Mortgagee in or about or incidental to the exercise by it of any of the powers vested in it hereunder together with interest thereon at the rate provided for in Section 5(Q) hereof from the date when such expenses, payments or disbursements were incurred by it;

PROVIDED, ALWAYS, that any sale of the Vessel or any interest therein by the Mortgagee pursuant to and in compliance with Section 7(B)(ix) above shall operate to divest all right, title and interest of the Owner, its successors and assigns, in or to the Vessel so sold and upon such sale the purchaser shall not be bound to see or inquire whether the Mortgagee's power of sale has arisen in the manner herein provided and the sale shall be deemed to be within the power of the Mortgagee and the receipt of the Mortgagee for the purchase money shall effectively discharge the purchaser who shall not be concerned with the manner of application of the proceeds of sale or be in any way answerable therefor.

In case the Mortgagee shall have proceeded to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Mortgagee, then and in every such case the Owner and the Mortgagee shall be restored to their former positions and rights hereunder with respect to the property, subject or intended to be subject to this Mortgage, and all rights, remedies and powers of the Mortgagee shall continue as if no such proceedings had been taken.

(C) Notwithstanding the foregoing, it is understood that a Total Loss of the Vessel which is covered by the insurance maintained by Owner pursuant to Section 5(B) hereof shall not be deemed to be a default under this Mortgage, the Credit Agreement, the Note or any of the other relevant Transaction Documents, or any of them.

8. Application of Proceeds. The proceeds of any sale made either under the power of sale hereby granted to the Mortgagee or under a judgment or decree in any judicial proceedings for the foreclosure of this Mortgage or for the enforcement of any remedy granted to the Mortgagee hereunder, any net earnings arising from the management, charter or other use of the Vessel by the Mortgagee under any of the powers herein contained or by law provided and the proceeds of any and all Insurances and any claims for damages on account of the Vessel or the Owner of any nature whatsoever and any Requisition Compensation, shall be applied in accordance with Section 8.2 of the Credit Agreement,

In the event that the proceeds are insufficient to pay in full the Obligations, the Mortgagee shall be entitled to collect the balance from the Owner or any other Person liable therefor.

9. No Waiver. No delay or omission of the Mortgagee or the other Creditors to exercise any right or power vested in it under the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents, or any of them shall impair such right or power or be construed as a waiver thereof or as acquiescence in any default by the Owner hereunder, nor shall the acceptance by the Mortgagee of any payments in connection with this Mortgage from any source be deemed a waiver hereunder. However, if at any time after an Event of Default and prior to the actual sale of the Vessel by the Mortgagee or prior to any foreclosure proceedings the Owner cures all Events of Default and pays all expenses, advances and damages to the Mortgagee consequent on such Events of Default, with interest at the rate provided for in Section 5(Q) hereof from the date when such expenses, advances and damages were incurred, then the Mortgagee may accept such cure and payment and restore the Owner to its former position, but such action shall not affect any subsequent Event of Default or impair any rights consequent thereon.

10. Delegation of Power. The Mortgagee shall be entitled at any time and as often as may be expedient to delegate all or any of the powers and discretions vested in it by this Mortgage (including the power vested in it by virtue of Section 12 hereof) in such manner and upon such terms and to such Persons as the Mortgagee in its absolute discretion may deem advisable.

11. Indemnity. Without prejudice to any other rights and remedies of the Mortgagee under the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents, the Owner hereby agrees and undertakes to indemnify the Mortgagee against all obligations and liabilities whatsoever and whensoever arising which the Mortgagee may incur in good faith in respect of, in relation to or in connection with the Vessel or otherwise howsoever in relation to or in connection with the enforcement of the Mortgagee's rights hereunder or under the Credit Agreement, the Note or any of the other relevant Transaction Documents.

12. Power of Attorney.

(A) The Owner hereby irrevocably appoints the Mortgagee as its attorney-in-fact for the duration of the Security Period to do in its name or in the name of the Owner all acts which the Owner, or its successors or assigns, could do in relation to the Vessel, including without limitation, to demand, collect, receive, compromise, settle and sue for (insofar as the Mortgagee lawfully may) all freights, hire, earnings, issues, revenues, income and profits of the Vessel, and all amounts due from underwriters under the Insurances as payment of losses or as return premiums or otherwise, salvage awards and recoveries, recoveries in general average or otherwise, and all other sums due or to become due to the Owner or in respect of the Vessel, and to make, give and execute in the name of the Owner, acquittance, receipts, releases or other discharges for the same, whether under seal or otherwise, to take possession of, sell or otherwise dispose of or manage or employ, the Vessel, to execute and deliver charters and a bill of sale with respect to the Vessel, and to endorse and accept in the name of the Owner all checks, notes, drafts, warrants, agreements and all other instruments in writing with respect to the foregoing. PROVIDED, HOWEVER, that, unless the context otherwise permits under this Mortgage, such power shall not be exercisable by or on behalf of the Mortgagee unless and until any Event of Default stipulated in Section 7(A) hereof shall occur and be continuing and shall not be exercisable after all defaults have been cured.

(B) The exercise of the power granted in this Section 12 by or on behalf of the Mortgagee shall not require any Person dealing with the Mortgagee to conduct any inquiry as to whether any such Event of Default has occurred and is continuing, nor shall such Person be in any way affected by notice that any such Event of Default has not occurred nor is continuing, and the exercise by the Mortgagee of such power shall be conclusive evidence of its right to exercise the same.

13. Appointment of Receiver. If any legal proceedings shall be taken to enforce any right under this Mortgage, the Mortgagee shall be entitled as a matter of right to the appointment of a receiver of the Vessel and of the freights, hire, earnings, issues, revenues, income and profits due or to become due and arising from the operation thereof.

14. Commencement of Proceedings. The Mortgagee shall have the right to commence proceedings in the courts of any country having competent jurisdiction and in particular the Mortgagee shall have the right to arrest and take action against the Vessel at whatever place the Vessel shall be found lying and for the purpose of any action which the Mortgagee may bring before the local court for the jurisdiction of such court or other judicial authority and the Owner agrees that for the purpose of proceedings against the Vessel any writ, notice, judgment or other legal process or documents may be served upon the Master of the Vessel (or upon anyone acting as the Master) and that such service shall be deemed good service on the Owner for all purposes.

15. Partial Invalidity. In the event that any provision or provisions of this Mortgage shall be declared invalid, void or otherwise inoperative by any present or future court of competent jurisdiction in any country, the Owner will, without prejudice to any other right and remedy of the Mortgagee under the Credit Agreement, the Note, this Mortgage, the other relevant Transaction Documents or any of them, execute and deliver such other and further instruments and do such things as in the reasonable opinion of the Mortgagee or its counsel will be necessary or advisable to carry out the true intent and spirit of this Mortgage. In any event, any such declaration of partial invalidity shall not affect the validity of any other provision or provisions of this Mortgage, or the validity of this Mortgage as a whole.

16. Cumulative Remedies. Each and every power and remedy in this Mortgage specifically given to the Mortgagee shall be in addition to every other power and remedy herein or in the Credit Agreement, the Note or the other relevant Transaction Documents specifically given or now or hereafter existing at law, in equity, admiralty, or by statute, and each and every power and remedy whether specifically in this Mortgage or in the Credit Agreement, the Note or the other relevant Transaction Documents given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by the Mortgagee, and the exercise or the beginning of the exercise of any such power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other power or remedy under the Credit Agreement, the Note, this Mortgage or any other relevant Transaction Documents.

17. Recordation of Mortgage. For the purpose of recording this First Preferred Mortgage as required by the United States Ship Mortgage Act, 1920, as amended, *inter alia*, by Public Law 100-710 (46 USC Section 31301 *et seq.*), the total amount is One Hundred Forty Three Million United States Dollars (U.S.\$143,000,000) and interest, expenses and performance of mortgage covenants, of this amount, (a) One Hundred Thirty Million United States Dollars (\$130,000,000) is attributable to the Loan under the Credit Agreement, and (b) Thirteen Million United States Dollars (\$13,000,000) is attributable to the Hedging Liability under the Interest Rate Agreements. It is not intended that this Mortgage shall include property other than the Vessel and it shall not include property other than the Vessel as the term "vessel" is used in the Ship Mortgage Act. Notwithstanding the foregoing, for property other than the Vessel, if any should be determined to be covered by this Mortgage, the discharge amount is zero point zero one percent (0.01%) of the total amount.

18. No Waiver of Preferred Status. Anything herein to the contrary notwithstanding, it is intended that nothing herein shall waive the preferred status of this Mortgage under the laws of the United States of America or under the corresponding provisions of any other jurisdiction in which it is sought to be enforced and that, if any provision or portion thereof herein shall be construed to waive the preferred status of this Mortgage, then such provision to such extent shall be void and of no effect.

19. Counterparts. This Mortgage may be executed in any number of counterparts each of which shall be an original but such counterparts shall together constitute but one and the same instrument.

20. Notices. Notices and other communications under this Mortgage shall be in writing and may be given by facsimile as follows:

If to the Owner -

[OWNER]
c/o SEACOR Marine LLC
7910 Main St. 2nd Floor
Houma, Louisiana 70360
Attn: President
Facsimile No.: (985) 876-5444

With a copy to:
SEACOR Holdings Inc.
2200 Eller Drive
P.O. Box 13038
Ft. Lauderdale, Florida 33316
Attn.: Legal Department
Facsimile No.: (954) 527-1772

If to the Mortgagee -

DNB BANK ASA, New York Branch
200 Park Avenue, 31st Floor
New York, New York 10166
Telephone No.: (212) 681-3800
Attention: Credit Middle Office / Loan Services Department
Facsimile No.: (212) 681-4123
Email: nyloanscsd@dnb.no

or to such other address as either party shall from time to time specify in writing to the other. Any notice sent by facsimile shall be confirmed by letter dispatched as soon as practicable thereafter.

Every notice or other communication shall, except so far as otherwise expressly provided by this Mortgage, be deemed to have been received (provided that it is received prior to 2 p.m. New York time; otherwise it shall be deemed to have been received on the next following Banking Day), in the case of a facsimile when such facsimile is transmitted to the facsimile number specified herein and telephonic confirmation of receipt thereof is obtained, and in the case of a letter, at the time of receipt thereof.

21. Rights of Owner. Unless one or more Events of Default shall have occurred and be continuing, the Owner (a) shall be suffered and permitted to retain actual possession and use of the Vessel and (b) shall have the right, from time to time in its discretion, and without application to the Mortgagee, and without obtaining a release thereof by the Mortgagee, to dispose of, free from the lien hereof, any boilers, engines, machinery, masts, spars, sails, rigging, boats, anchors, cables, chains, tackle, apparel, furniture, fittings, equipment or any other appurtenances of the Vessel that are no longer useful, necessary, profitable or advantageous in the operation of the Vessel, first or simultaneously replacing the same by new boilers, engines, machinery, masts, spars, sails, rigging, boats, anchors, cables, chains, tackle, apparel, furniture, fittings, equipment or any other appurtenances of substantially equal value to the Owner, which shall forthwith become subject to the lien of this Mortgage.

22. Waiver; Amendment. None of the terms and conditions of this Mortgage may be changed, waived, modified or varied in any manner whatsoever unless in writing duly signed by the Owner and the Mortgagee.

23. Successors and Assigns. All the covenants, promises, stipulations and agreements of the Owner and all the rights and remedies of the Mortgagee contained in this Mortgage shall bind the Owner, its successors and assigns, and shall inure to the benefit of the Mortgagee, its successors and assigns, whether so expressed or not.

24. Applicable Law. This Mortgage shall be governed by, and construed in accordance with, the laws of the United States of America.

25. Submission to Jurisdiction. The Owner hereby irrevocably submits to the jurisdiction of the courts of the State of New York and of the United States District Court for the Southern District of New York in any action or proceeding brought against it by any of the Creditors under this Mortgage or under any document delivered hereunder and hereby irrevocably agrees that valid service of summons or other legal process on it may be effected by serving a copy of the summons and other legal process in any such action or proceeding on the Owner by mailing or delivering the same by hand to the Owner at the address indicated for notices in this Mortgage. The service, as herein provided, of such summons or other legal process in any such action or proceeding shall be deemed personal service and accepted by the Owner as such, and shall be legal and binding upon the Owner for all the purposes of any such action or proceeding. Final judgment (a certified or exemplified copy of which shall be conclusive evidence of the fact and of the amount of any indebtedness of the Owner to the Creditors) against the Owner in any such legal action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment. The Owner shall advise the Mortgagee promptly of any change of address for the purpose of service of process. Notwithstanding anything herein to the contrary, the Creditors may bring any legal action or proceeding in any other appropriate jurisdiction.

26. WAIVER OF IMMUNITY. TO THE EXTENT THAT THE OWNER HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY FROM SUIT, JURISDICTION OF ANY COURT OR ANY LEGAL PROCESS (WHETHER THROUGH ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID OF EXECUTION, EXECUTION OF A JUDGMENT, OR FROM ANY OTHER LEGAL PROCESS OR REMEDY) WITH RESPECT TO ITSELF OR ITS PROPERTY, THE OWNER HEREBY IRREVOCABLY WAIVES SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER THIS MORTGAGE.

27. WAIVER OF JURY TRIAL. EACH OF THE OWNER AND THE MORTGAGEE HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY HERETO OR ANY BENEFICIARY HEREOF ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS MORTGAGE.

28. Headings. In this Mortgage, section headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Mortgage.

[Signature Page Follows]

IN WITNESS WHEREOF, the Owner has executed this Mortgage by its duly authorized representative on the day and year first above written.

[OWNER]

By: _____
Name:
Title:

ACKNOWLEDGMENT OF MORTGAGE

STATE OF NEW YORK)
 : ss:
COUNTY OF NEW)
YORK

On this ____ day of _____, 2018, before me personally appeared _____, to me known, who, being by me duly sworn, did depose and say that he/she is _____ of [OWNER], the limited liability company described in and which executed the foregoing Mortgage; and that he/she signed his/her name thereto pursuant to authority granted to him/her by [OWNER] acting on behalf of said limited liability company.

Notary Public

C-4-23

Credit Agreement

C-4-24

Note

C-4-25

Deed of Covenants

m.v. "[CENTRICA PRIDE] [PUTFORD JAGUAR]"

Dated 2018

- (1) [Putford Pride Limited] [Putford Jaguar Limited]
- (2) DNB BANK ASA, New York Branch

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Deed of Covenants

Dated 20

Between:

- (1) **[Putford Pride Limited] [Putford Jaguar Limited]**, a company incorporated according to the law of England and Wales with registered number [11380434] [11381063] whose registered office 7/8 Great James Street, London, United Kingdom, WC1N 3DF (the "**Owner**"); and
- (2) **DNB BANK ASA, New York Branch** acting as security trustee through its office at 200 Park Avenue, 31st Floor, New York, New York 10166 (the "**Mortgagee**").

Whereas:

- (A) Each of the banks listed in schedule 1-B to the Loan Agreement (as defined below) (collectively the "**Lenders**") has agreed to lend to SEACOR Marine Foreign Holdings Inc. (the "**Borrower**") its participation in a loan not exceeding one hundred and thirty million united states dollars (\$130,000,000) (the "**Loan**") on the terms and subject to the conditions set out in a loan agreement dated 2018 made between the Borrower (as borrower), SEACOR Marine Holdings Inc. as parent guarantor, the Owner and other entities listed in schedule 1-A thereto as subsidiary guarantors, DNB BANK ASA, New York Branch as facility agent (the "**Facility Agent**"), the Mortgagee as security trustee, the financial institutions listed in schedule 1-B thereto as swap banks and lenders, DNB Markets, Inc., Clifford Capital Pte. Ltd. and NIBC Bank N.V. as mandated lead arrangers and DNB Markets, Inc. as coordinator and bookrunner (the "**Loan Agreement**").
- (B) Pursuant to the Loan Agreement, and as a condition precedent to the several obligations of the Lenders to make the Loan available to the Borrower, the Owner has agreed to guarantee and indemnify the obligations of the Borrower under the Transaction Documents pursuant to clause [18] of the Loan Agreement (the "**Guarantee**") and, amongst other things, has agreed to execute and deliver in favour of the Mortgagee as security agent for the Creditors a first priority statutory mortgage of all the shares in the Vessel, together with this Deed of Covenants, as security for the payment of the Obligations.
- (C) The Owner is the legal and beneficial owner of all the shares in the Vessel and has executed, delivered and registered in favour of the Mortgagee a statutory mortgage with first priority bearing the same date as this Deed over all the shares in the Vessel (the "**Mortgage**").

This Deed witnesses as follows:

1 Definitions and Interpretation

1.1 In this Deed:

"**Assigned Property**" means the Insurances, the Earnings and any Charter.

"**dollars**", "\$" and "USD" denote the lawful currency of the United States of America.

"Earnings" means (i) all moneys and claims for moneys due and to become due thereto, whether as charter hire, freights, loans, indemnities, payments or otherwise, under, and all claims for damages arising out of any breach of, any bareboat, time or voyage charter, contract of affreightment or other contract for the use or employment of the Vessel, (ii) all remuneration for salvage and towage services, demurrage and detention moneys and any other earnings whatsoever due or to become due to the Assignor arising from the use or employment of the Vessel, (iii) all moneys or other compensation payable by reason of requisition for title or for hire or other compulsory acquisition of the Vessel, and (iv) all proceeds of all of the foregoing.

"Event of Default" means any of the events of default set out in Clause 7 of this Deed;

"Facility Period" means the period commencing on the date of this Deed and terminating upon discharge of the security created by the Mortgage and this Deed by payment in full of the Obligations.

"Insurances" includes all policies and contracts of insurance and reinsurance, including all entries of the Vessel in a protection and indemnity or war risks association or club which are from time to time taken out or entered into in respect of the Vessel, the Vessel's hull and machinery, and all benefits thereof, including, without limitation, all claims of whatsoever nature, as well as return premiums, or otherwise howsoever in connection with the Vessel.

"Obligations" means all obligations owed by the Credit Parties under or in connection with the Loan Agreement, the Note, this Mortgage, any other relevant Transaction Document (including the Interest Rate Agreements).

"Total Loss" means:

- (i) an actual, constructive, compromised or arranged total loss of the Vessel; or
- (ii) the requisition for title or other compulsory acquisition of the Vessel (otherwise than by way of requisition for hire) which shall continue for thirty (30) days; or
- (iii) the capture, seizure, arrest, detention or confiscation of the Vessel by any government or by Persons acting or purporting to act on behalf of any government unless the Vessel is released and restored to the Owner from such capture, seizure, arrest, detention, or confiscation within thirty (30) days after occurrence thereof.

"Vessel" means the motor vessel "[CENTRICA PRIDE] [PUTFORD JAGUAR]" registered in the ownership of the Owner under the flag of the United Kingdom with Official Number [] and includes her engines, machinery, boats, boilers, masts, rigging, anchors, chains, cables, apparel, tackle, outfit, spare gear, fuel, consumable or other stores, freights, belongings and appurtenances, whether on board or ashore, whether now owned or hereafter acquired, and all additions, improvements and replacements hereafter made in or to said Vessel, or any part thereof, or in or to the stores, belongings and appurtenances aforesaid except such equipment or stores which, when placed aboard said Vessel, do not become the property of the Owner.

1.2 Unless otherwise specified in this Deed, or unless the context otherwise requires, all words and expressions defined or explained in the Loan Agreement shall have the same meanings when used in this Deed.

1.3 In this Deed:

1.3.1 words denoting the plural number include the singular and vice versa;

1.3.2 words denoting persons include corporations, partnerships, associations of persons (whether incorporated or not) or governmental or quasi-governmental bodies or authorities and vice versa;

1.3.3 references to Clauses are references to clauses of this Deed;

1.3.4 references to this Deed include the recitals to this Deed;

1.3.5 the headings and contents page(s) are for the purpose of reference only, have no legal or other significance, and shall be ignored in the interpretation of this Deed;

1.3.6 references to any document (including, without limitation, to any of the Transaction Documents) are, unless the context otherwise requires, references to that document as amended, supplemented, novated or replaced from time to time;

1.3.7 references to statutes or provisions of statutes are references to those statutes, or those provisions, as from time to time amended, replaced or re-enacted; and

1.3.8 references to any Creditor include its successors, transferees and assignees.

1.4 In the Mortgage:

1.4.1 references to "interest" means interest covenanted to be paid in accordance with Clauses 3, 6.1.17, 8.2 and 10.4;

1.4.2 references to "principal" means all other sums of money for the time being comprised in the Obligations; and

1.4.3 the expression "the sums for the time being due on this security" means the whole of the Obligations.

2 **Representations and Warranties**

The Owner represents and warrants to the Mortgagee that:

2.1 the Owner is a limited liability company duly incorporated, validly existing and in good standing under the laws of England and Wales with its registered office at 7/8 Great James Street, London, United Kingdom, WC1N 3DF;

- 2.2 the Owner lawfully owns the whole of the Vessel free from any security interest, debt, lien, mortgage, charge, encumbrance or other adverse interest, other than the encumbrance of the Mortgage and except as permitted by Clause 6.1.15 hereof; and
- 2.3 the Vessel is tight, staunch and strong and well and sufficiently tackled, apparelled, furnished and equipped and in all respects seaworthy and in the highest possible classification and rating for vessels of the same age and type with the respective Classification Society without any material outstanding recommendations or adverse notations affecting class.

3 Covenant to Pay and Perform

The Owner hereby further covenants and agrees to pay when due the Obligations to the Creditors or their successors or assigns in the manner provided for and in the terms of the Loan Agreement, the Mortgage, this Deed and the other Transaction Documents.

4 Mortgage and Amount Secured

- 4.1 In order to secure the payment of the Obligations and the performance by the Owner of all its other obligations under or arising out of the Transaction Documents the Owner, by the Mortgage and this Deed, mortgages and charges the Vessel to the Mortgagee as security agent for the Creditors with full title guarantee.
- 4.2 The security constituted by the Mortgage and this Deed shall be continuing and shall not be satisfied by any intermediate payment or satisfaction until the Obligations shall have been paid in full and none of the Creditors shall be under any further actual or contingent liability to any third party in relation to the Vessel, the Assigned Property or any other matter referred to in the Transaction Documents. The security constituted by the Mortgage and this Deed shall be in addition to any other security now or in the future held by any of the Creditors for or in respect of the Obligations, and shall not merge with or prejudice or be prejudiced by any such security or any other contractual or legal rights of any of the Creditors nor be affected by any irregularity, defect or informality or by any release, exchange or variation of any such security. Section 93 of the Law of Property Act 1925, or any provision which the Mortgagee considers analogous to that provision under the law of any other relevant jurisdiction, shall not apply to the security constituted by the Mortgage and/or this Deed.

5 Covenants Regarding Security Granted Hereunder.

- 5.1 It is declared and agreed that:
- 5.1.1 Any settlement or discharge under the Mortgage and this Deed between the Mortgagee and the Owner shall be conditional upon no security or payment to the Mortgagee or the other Creditors, related to or which reduces the obligations secured hereby, by the Owner or any other Person being avoided or set-aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency or liquidation for the time being in force, and if such condition is not satisfied, the Mortgagee shall be entitled to recover from the Owner on demand the value of such security or the amount of any such payment as if such settlement or discharge had not occurred.

- 5.1.2 The rights of the Mortgagee under the Mortgage and this Deed and the security hereby constituted shall not be affected by any act, omission, matter or thing which, but for this provision, might operate to impair, affect or discharge such rights and security, including without limitation, and whether or not known to or discoverable by the Owner, the Mortgagee or any other Person:
- (a) any time or waiver granted to, or compromise with, the Owner or any other Person;
 - (b) the taking, variation, compromise, renewal or release of or refusal or neglect to perfect or enforce any rights, remedies or securities against the Owner or any other Person;
 - (c) any legal limitation, disability, dissolution, incapacity or other circumstances relating to the Owner or any other Person;
 - (d) any amendment or supplement to the Loan Agreement, the Note or any other relevant Transaction Document; or
 - (e) the unenforceability, invalidity or frustration of any obligations of the Owner or any other Person under the Loan Agreement, the Note or any other relevant Transaction Document.
- 5.1.3 The Owner acknowledges and agrees that it has not received any security from any Person for the granting of the Mortgage and this Deed and it will not take any such security without the prior written consent of the Mortgagee, and the Owner will hold any security taken in breach of this provision in trust for the Mortgagee.
- 5.1.4 Until the Obligations have been unconditionally and irrevocably paid and discharged in full to the satisfaction of the Mortgagee, the Owner shall not by virtue of any payment made under the Loan Agreement, the Note, the Mortgage, this Deed or any other relevant Transaction Document on account of such moneys and liabilities or by virtue of any enforcement by the Mortgagee of its right under or the security constituted by the Mortgage or this Deed:
- (a) be entitled to exercise any right of contribution or indemnity from any co-surety liable in respect of such moneys and liabilities under any other guarantee, security or agreement; or
 - (b) exercise any right of set-off or counterclaim against any such co-surety; or
 - (c) receive, claim or have the benefit of any payment, distribution, security or indemnity from any such co-surety; or
 - (d) unless so directed by the Mortgagee (which the Owner shall prove in accordance with such directions), claim as a creditor of any such co-surety in competition with the Mortgagee (or any trustee or agent on its behalf).

- 5.1.5 The Owner shall hold in trust for the Mortgagee and forthwith pay or transfer (as appropriate) to the Mortgagee any such payment (including an amount equal to any such set-off), distribution or benefit of such security, indemnity or claim in fact received by it.
- 5.1.6 The Owner hereby irrevocably subordinates all of its rights of subrogation (whether contractual, statutory, under common law or otherwise) to the claims of the Mortgagee against any Person and all contractual, statutory or common law rights of contribution, reimbursement indemnification and similar rights and claims against any Person which arise in connection with, or as a result of, the Loan Agreement, the Mortgage, this Deed or any other relevant Transaction Document until full and final payment of all of the Obligations.

6 Affirmative Covenants and Insurances.

6.1 The Owner further covenants with the Mortgagee and undertakes at all times throughout the Security Period:

6.1.1 To maintain:

- (a) its existence as a limited liability company incorporated in England and Wales;
- (b) its good standing under the laws of England and Wales; and
- (c) a registered office as required by the laws of England and Wales

6.1.2

- (a) To insure and keep the Vessel insured or cause or procure the Vessel to be insured and to be kept insured at no expense to the Mortgagee (or, with regard to the insurance cover described in Clause 6.1.2(a)(iv) below, to reimburse the Mortgagee therefor), in regard to:
 - (i) all fire and usual marine risks (including increased value, which shall not exceed twenty percent (20%) of the total hull and machinery coverage) on an agreed value basis, which hull and machinery insured value shall be at least 80% of the Fair Market Value of the Vessel in accordance with Section 9.1(v)(iii) of the Loan Agreement;
 - (ii) war risks on an agreed value basis (including war protection and indemnity liability with a separate limit not less than hull value) covering, inter alia, the perils of confiscation, terrorism, piracy, expropriation, nationalization, seizure and blocking;

- (iii) protection and indemnity risks (including pollution risks and including protection and indemnity war risks in excess of the amount for war risks (hull)) to the highest amount available in the market for the full value and tonnage of the ship, as approved in writing by the Security Trustee, and, in case of oil pollution liability risks, at the highest level of cover from time to time available under basic protection and indemnity clubs entry, currently One Billion United States Dollars (\$1,000,000,000); and
 - (iv) Mortgagee's interest including mortgagee's interest additional perils (pollution) risks and, on demand, reimburse the Security Trustee for all premiums, costs and expenses paid or incurred by the Security Trustee from time to time;
- (b) with respect to the Vessel, to effect the Insurances aforesaid or to cause or procure the same to be effected:
- (i) in the cases of the Insurances referred to in Clauses 6.1.2(a)(i), 6.1.2(a)(ii) and 6.1.2(a)(iv) above and total loss, (A) in such amounts on an agreed value basis as shall be at least equivalent to the higher of (I) the Fair Market Value of the Vessel and (II) One Hundred Twenty percent (120%) of the aggregate outstanding principal amount of the Loan (when aggregated with the insured value of the other Vessels then financed under the Loan Agreement), (B) all such insurance shall be payable in lawful money of the United States of America, and (C) upon such terms (including provisions as to named insureds and loss payees and prior notice of cancellation) and with such deductibles as shall from time to time be approved by the Mortgagee in the reasonable exercise of its judgment;
 - (ii) in the case of the protection and indemnity Insurances referred to in Clause 6.1.2(a)(iii) above, in respect of the Vessel's full tonnage, and in an amount equal to the highest level of cover commercially available as at the date of this Deed and to include provisions as to loss payees and prior notice of cancellation in form and substance satisfactory to the Mortgagee; and
 - (iii) with insurance companies, underwriters, funds, mutual insurance associations, war risks and protection and indemnity risks associations or clubs of recognized standing, in each case, acceptable to the Mortgagee (hereinafter called the "**Insurers**");

- (c) to renew or replace all such Insurances or cause or procure the same to be renewed or replaced before the relevant policies or contracts expire and to procure that the Insurers or the firm of insurance brokers referred to herein below shall promptly confirm in writing to the Mortgagee as and when each such renewal or replacement is effected;
- (d) to procure, if instructed by any Lender, concurrently with the execution hereof and thereafter at intervals of not more than twelve (12) calendar months, a detailed report from a firm of independent marine insurance brokers, appointed by the Facility Agent, with respect to the Insurances together with their opinion to the Mortgagee that the Insurances comply with the provisions of this Clause 6.1.2, such report and opinion to be addressed and delivered promptly to the Mortgagee and the costs of such report and opinion procured concurrently with the execution hereof to be for the account of the Owner;
- (e) to cause the said independent marine insurance brokers or the Insurers to agree to use reasonable efforts to advise the Mortgagee promptly of any failure to renew any of the Insurances and of any default in payment of any premium and of any other act or omission on the part of the Owner of which they have knowledge and which might, in their opinion, invalidate or render unenforceable, or cause the lapse of or prevent the renewal or extension of, in whole or in part, any Insurances on the Vessel;
- (f) to cause the said independent marine insurance brokers to agree to mark their records and to use their best efforts to advise the Mortgagee, at least fourteen (14) days prior to the expiration date of any of the Insurances, that such Insurances have been renewed or replaced with new insurance which complies with the provisions of this Clause 6.1.2;
- (g) duly and punctually to pay or to cause duly and punctually to be paid all premiums, calls, contributions or other sums payable in respect of all such Insurances, to produce or to cause to be produced all relevant receipts when so required by the Mortgagee and duly and punctually to perform and observe or to cause duly and punctually to be performed and observed any other obligations and conditions under all such Insurances;
- (h) to execute or use reasonable efforts to cause to be executed such guarantees as may from time to time be required by any relevant protection and indemnity association or club;

- (i) to procure that all policies, binders, cover notes or other instruments of the Insurances referred to in Clauses 6.1.2(a)(i) and 6.1.2(a)(ii) above shall be taken out in the name of the Owner, with the Mortgagee as an additional assured (without liability for premiums), as its or their respective interests may appear, and shall incorporate a loss payable clause naming the Mortgagee as loss payee prepared in compliance with the terms of this Deed and such loss payable clause to be in any event in form and substance acceptable to the Mortgagee and all policies, binders, cover notes or other instruments referred to in Clause 6.1.2(a) shall (a) provide for prior notice of at least fourteen (14) days (except war risks which shall be seven (7) days unless terminated automatically in accordance with the provisions of the automatic termination and cancellation clauses contained in such policies) to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums as to the Mortgagee; provided, however, that unless otherwise required by the Mortgagee by notice to the underwriters, although all losses under such Insurances are payable to the Mortgagee, in case of any such losses involving any damage to the Vessel the underwriters may pay direct for the repair, salvage and other charges involved or, if the Owner shall have first fully repaired the damage or paid all of the salvage and other charges may pay the Owner as reimbursement therefor, provided, further, however, that if such damage involves a loss in excess of [U.S.\$500,000]¹, or its equivalent, the underwriters shall not make such payment without first obtaining the written consent thereto of the Mortgagee, and (b) in the event that the Vessel shall be insured under any form of fleet cover, undertakings that the brokers, underwriters, association or club (as the case may be) will not set off claims relating to the Vessel against premiums, calls or contributions in respect of any other vessel or other insurance and that the insurance cover of the Vessel will not be cancelled by reason of non-payment of premiums, calls or contributions relating to any other vessel or other insurance;
- (j) to procure that all entries, policies, binders, cover notes or other instruments of the Insurances referred to in sub-section 6.1.2(a)(iii) above incorporate a loss payable clause naming the Mortgagee as loss payee prepared in compliance with the terms of this Deed and such loss payable clause to be in any event in form and substance acceptable to the Mortgagee and shall provide for prior notice of at least fourteen (14) days to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums, backcalls and assessments as to the Mortgagee, it being agreed that although such insurance is payable to the Mortgagee so long as no Event of Default has occurred and is continuing under this Deed, any loss payments under any such insurance on the Vessel may be paid directly to the Owner to reimburse it for any loss, damage or expenses incurred by it and covered by such insurance or to the Person to whom any liability covered by such insurance has been incurred;
- (k) not to reduce the coverage of any Insurances without the Mortgagee's prior written approval;

¹ SEACOR to confirm if acceptable. This should align with amount in the notice to insurances assignment

- (l) to procure that all policies, bindings, cover notes or other instruments of the Insurances referred to in sub-section 6.1.2(a)(iv) to the extent obtained by the Owner shall be taken out in the name of the Mortgagee and shall incorporate a loss payable clause naming the Mortgagee as loss payee and shall provide for prior notice of at least fourteen (14) days to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums as to the Mortgagee and the Lenders;
 - (m) to procure that Certificates of Insurance or summaries or copies of all such instruments of Insurances as are referred to in sub-sections 6.1.2(i) and 6.1.2(j) above shall be from time to time deposited with the Mortgagee within thirty (30) days after placement of the relevant Insurances, provided, however, that originals or copies of all such instruments of Insurances as are referred to in sub-sections 6.1.2(i) and 6.1.2(j) above shall be made available to the Mortgagee upon request by the Mortgagee;
 - (n) not to employ the Vessel or suffer the Vessel to be employed otherwise than in conformity with the terms of all policies, binders, cover notes or other instruments of the Insurances (including any warranties express or implied therein) without first obtaining the written consent of the Insurers to such employment (if required by such Insurers) and complying with such requirements as to extra premiums or otherwise as the Mortgagee and/or the Insurers may prescribe;
 - (o) to do all things necessary and proper, and execute and deliver all documents and instruments to enable the Mortgagee to collect or recover any moneys to become due the Mortgagee in respect of the Insurances; and
 - (p) to provide, within a reasonable period of time after a written request therefor, such additional insurances as the Mortgagee may from time to time reasonably require on account of such insurances being required by any applicable law, regulation, public body, classification society or similar relevant authority or such insurances in the reasonable opinion of the Mortgagee being customary or recommended for vessels of a similar type or vessels employed in a similar trade, in which case the provisions of this clause B shall be applicable, if appropriate.
- 6.1.3 To keep and to cause to be kept the Vessel in a good and efficient state of repair so as to enable her to maintain her present class with its Classification Society and so as to enable her to comply with the provisions of all laws, regulations and other requirements (statutory or otherwise) from time to time applicable to vessels registered under the laws of England and Wales, to procure that the Vessel's Classification Society make available to the Mortgagee, upon its request, such information and documents in respect of the Vessel as are maintained in the records of such Classification Society, and to procure that all repairs to or replacements of any damaged, worn or lost parts or equipment be effected in such manner (both as regards workmanship and quality of materials) as not to diminish the value of the Vessel;

- 6.1.4 To submit or to cause the Vessel to be submitted on a timely basis to such periodic or other surveys as may be required for classification purposes and, if reasonably requested by the Mortgagee, to supply or to cause to be supplied to the Mortgagee copies of all survey and inspection reports and confirmations of class issued in respect thereof and to procure that the Classification Society provides the Mortgagee with the same rights and privileges to its records relating to the Vessel as given to the Owner;
- 6.1.5 To permit the Mortgagee, by surveyors or other Persons appointed by it in its behalf, to board the Vessel at all reasonable times for the purpose of inspecting her condition or for the purpose of satisfying themselves in regard to proposed or executed repairs and to afford or to cause to be afforded all proper facilities for such inspections, provided that such inspections will not unreasonably interfere with the normal operations of the Vessel and cause no undue delay to the Vessel;
- 6.1.6 (i) To pay and discharge or to cause to be paid and discharged all debts, damages and liabilities whatsoever which have given or may give rise to maritime or possessory liens on or claims enforceable against the Vessel except to the extent permitted by Clause 6.1.15 hereof and (ii) in event of arrest of the Vessel pursuant to legal process or in event of her detention in exercise or purported exercise of any such lien as aforesaid to procure the release of the Vessel from such arrest or detention within thirty (30) Business Days of receiving notice thereof by providing bail or otherwise as the circumstances may require;
- 6.1.7 Not to employ the Vessel or suffer her employment in any trade or business which is forbidden by the laws of England and Wales or the United States of America or is otherwise illicit or in carrying illicit or prohibited goods or in any manner whatsoever which may render her liable to condemnation or to destruction, seizure or confiscation and in event of hostilities in any part of the world (whether war be declared or not), not to employ the Vessel or suffer her employment in carrying any contraband goods or to enter or trade to any zone which is declared a war zone by any government or by the Vessel's war risks Insurers unless the required extra war risk insurance cover has been obtained for the Vessel;
- 6.1.8 Promptly to furnish or to use its best efforts to cause promptly to be furnished to the Mortgagee all such information as the Mortgagee may from time to time reasonably request regarding the Vessel, her employment, position and engagements, particulars of all towages and salvages and copies of all charters and other contracts for her employment or otherwise howsoever pertaining to the Vessel;

- 6.1.9 Promptly after learning of the same to notify or cause to be notified the Mortgagee forthwith in writing of:
- (a) any accident to the Vessel involving repairs the cost whereof will or is likely to exceed five percent (5%) of the insured value of the Vessel;
 - (b) any occurrence in consequence whereof the Vessel has become or is likely to become a Total Loss;
 - (c) any material requirement or recommendation made by any Insurer or Classification Society or by any competent authority which is not complied with in accordance with reasonable commercial practices;
 - (d) any arrest of the Vessel or the exercise or purported exercise of any lien on the Vessel or her Earnings; and
 - (e) any occurrence of circumstances forming the basis of an Environmental Claim.
- 6.1.10 To keep or to cause to be kept proper books of account of the Owner in respect of the Vessel and her Earnings and, if reasonably requested by the Mortgagee, to make or to cause to be made such books available for inspection on behalf of the Mortgagee and furnish or cause to be furnished satisfactory evidence that the wages and allotments and the insurance and pension contributions of the Master and crew are being regularly paid and that all deductions from crew's wages in respect of any tax liability are being properly accounted for and that the Master has no claim for disbursements other than those incurred by him in the ordinary course of trading on the voyage then in progress;
- 6.1.11 To assign and provide that Requisition Compensation is applied in accordance with Clause 12 hereof as if received in respect of the sale of the Vessel;
- 6.1.12 Not, without the previous consent in writing of the Mortgagee, materially alter the structure of the Vessel or its equipment or remove any material parts of the Vessel to the extent such action could reasonably be expected to reduce the value of the Vessel;
- 6.1.13 Not, without the previous consent in writing of the Mortgagee, to put the Vessel or suffer her to be put into the possession of any Person for the purpose of work being done upon her other than routine drydockings and ordinary maintenance in an amount exceeding or likely to exceed five percent (5%) of the insured value of the Vessel unless such work is fully covered by insurance, subject to applicable deductibles satisfactory to the Mortgagee, or unless such Person shall first have given to the Mortgagee and on terms satisfactory to it a written undertaking not to exercise any lien on the Vessel or her Earnings for the cost of such work or otherwise;
- 6.1.14 To keep the Vessel registered under the laws of England and Wales;

- 6.1.15 To keep and to cause the Vessel to be kept free and clear of all liens, charges, mortgages and encumbrances except in favour of the Mortgagee, and except for crew's wages remaining unpaid in accordance with reasonable commercial practices or for collision or salvage, liens in favour of suppliers of necessities or other similar liens arising in the ordinary course of its business, accrued for not more than thirty (30) days (unless any such lien is being contested in good faith and by appropriate proceedings or other acts and the Owner shall have set aside on its books adequate reserves with respect to such lien and so long as such deferment in payment shall not subject the Vessel to forfeiture or loss) or liens for loss, damage or expense which are fully covered by insurance, subject to applicable deductibles satisfactory to the Mortgagee, or in respect of which a bond or other security has been posted by or on behalf of the Owner with the appropriate court or other tribunal to prevent the arrest or secure the release of the Vessel from arrest, and not, except in favour of the Mortgagee, to pledge, charge, assign or otherwise encumber (in favour of any Person other than the Mortgagee) her Insurances, Earnings or Requisition Compensation or to suffer the creation of any such pledge, charge, assignment or encumbrance as aforesaid to or in favour of any Person other than the Mortgagee;
- 6.1.16 Not, without the previous consent in writing of the Mortgagee (and then only subject to such terms and conditions as the Mortgagee may impose; provided, however nothing contained herein shall be construed to entitle the Mortgagee to renegotiate the terms and conditions of the Loan Agreement, including, but not limited to, the Margin, the Applicable Rate and the terms and conditions contained in Section 5.4 of the Loan Agreement), to sell, abandon or otherwise dispose of the Vessel or any interest therein;
- 6.1.17 To pay promptly to the Mortgagee all moneys (including fees of counsel) whatsoever which the Mortgagee shall or may expend, be put to or become liable for, in or about the protection, maintenance or enforcement of the security created by the Mortgage or this Deed or in or about the exercise by the Mortgagee of any of the powers vested in it hereunder and to pay interest thereon at the Default Rate from the date whereon such expense or liability was incurred by the Mortgagee;
- 6.1.18 To comply with all declaration and reporting requirements imposed by the protection and indemnity club or insurers including, without limitation, the quarterly declarations required by the U.S. Oil Pollution Section 20/2/91, and to pay all premiums required to maintain in force the necessary U.S. Oil Pollution Cover;
- 6.1.19 To comply with and satisfy all the requisites and formalities established by the laws of England and Wales to perfect the Mortgage and this Deed as a legal, valid and enforceable first and preferred lien upon the Vessel and to furnish to the Mortgagee from time to time such proofs as the Mortgagee may reasonably request for its satisfaction (with respect to the compliance by the Owner with the provisions of this Clause 6.1.19);
- 6.1.20 Not without the previous consent of the Mortgagee in writing, which consent shall not be unreasonably withheld, to let the Vessel or permit the Vessel to be let on demise charter (other than any demise charter to a company related to the Owner or any of its members) for any period;

6.1.21 To retain a manager of the Vessel, if any, as required under the Loan Agreement.

7 Events of Default

7.1 Each of the following events shall constitute an "Event of Default":

- 7.1.1 a default in the payment when due (together with any applicable grace period) of all or any part of the Obligations; or
- 7.1.2 an event of default stipulated in section 8.1 of the Loan Agreement shall occur and be continuing; or
- 7.1.3 a default by the Owner occurs in the due and punctual observance of any of the covenants contained in Clauses 6.1.1(a) and 6.1.2 (other than 6.1.2(d), 6.1.2(f) and 6.1.2(m) thereof), 6.1.6, 6.1.7, 6.1.9, 6.1.11, 6.1.12, 6.1.13, 6.1.14, 6.1.15, 6.1.16, 6.1.18, 6.1.19, 6.1.20 or 6.1.21 of this Deed; or
- 7.1.4 a default by the Owner occurs in the due and punctual observance of any of the covenants contained in Clauses 6.1.3, 6.1.4, 6.1.5, 6.1.8, 6.1.10, or 6.1.17 or Clauses 6.1.1(b) and 6.1.1(c) and Clauses 6.1.2(d), 6.1.2(f) or 6.1.2(m) of this Deed and such default continues unremedied for a period of thirty (30) days; or
- 7.1.5 it becomes impossible or unlawful for the Owner to fulfil any of the covenants and obligations contained in this Deed and the Mortgagee reasonably considers that such impossibility or illegality will have a material adverse effect on its rights under this Deed or the enforcement thereof.

8 Mortgagee's Right to Cure

8.1 Without prejudice to any other rights of the Mortgagee hereunder:

- 8.1.1 in the event that the provisions of Clause 6.1.2 hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to effect and thereafter to replace, maintain and renew all such Insurances upon the Vessel as it in its sole discretion may deem advisable;
- 8.1.2 in the event that the provisions of Clause 6.1.3 and/or 6.1.4 hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to arrange for the carrying out of such repairs and/or surveys as it deems expedient or necessary; and
- 8.1.3 in the event that the provisions of Clause 6.1.6 hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to pay and discharge all such debts, damages and liabilities as are therein mentioned and/or to take any such measures as it deems expedient or necessary for the purpose of securing the release of the Vessel;

8.2 Any and all expenses incurred by the Mortgagee (including fees of counsel) in respect of its performances under the foregoing sub-sections 8.1.1, 8.1.2 and 8.1.3 shall be paid by the Owner on demand, with interest thereon at the rate provided for in Clause 6.1.17 hereof from the date when such expenses were incurred by the Mortgagee.

9 Mortgagee's Powers

- 9.1 If an Event of Default shall occur and be continuing, and the Facility Agent shall demand payment of all or any part of the Obligations, the security constituted by the Mortgage and this Deed shall become immediately enforceable and the Mortgagee shall be entitled to exercise all or any of the rights, powers, discretions and remedies vested in the Mortgagee by this Clause without any requirement for any court order or declaration that an Event of Default has occurred. The Mortgagee's right to exercise those rights, powers, discretions and remedies shall be in addition to and without prejudice to all other rights, powers, discretions and remedies to which it may be entitled, whether by statute or otherwise. The Mortgagee shall be entitled to exercise its rights, powers, discretions and remedies despite any rule of law or equity to the contrary, and whether or not any previous default shall have been waived, and in particular without the limitations contained in Section 103 of the Law of Property Act 1925 or any statutory provision which the Mortgagee considers analogous to that section under the law of any other relevant jurisdiction.
- 9.2 In the circumstances described in Clause 9.1, the Mortgagee shall be entitled (but not obliged) to:
- 9.2.1 take possession of the Vessel wherever she may be; and/or
 - 9.2.2 discharge the master and crew of the Vessel and employ a new master and crew; and/or
 - 9.2.3 navigate the Vessel to such places as the Mortgagee may decide or detain or lay up the Vessel; and/or
 - 9.2.4 in the name of the Mortgagee or the name of the Owner, demand, sue for, receive and give a good receipt for all sums due to the Owner in connection with the Vessel and, in the name of the Mortgagee or the name of the Owner or the name of the Vessel, commence such legal proceedings as it may consider appropriate, or conduct the defence of any legal proceedings commenced against the Vessel or the Owner in its capacity as owner of the Vessel; and/or
 - 9.2.5 to sell the Vessel at public auction, free from any claim of or by the Owner of any nature whatsoever by first giving notice of the time and place of sale with a general description of the property in the following manner:
 - (a) by publishing such notice for ten (10) consecutive days in a daily newspaper of general circulation published in New York City;
 - (b) if the place of sale should not be New York City, then also by publication of a similar notice in a daily newspaper, if any, published at the place of sale; and
 - (c) by sending a similar notice by facsimile confirmed by registered mail to the Owner at its address hereinafter set forth at least fourteen (14) days prior to the date of sale,

such sale of the Vessel may be held at such place as the Mortgagee in such notices may have specified, or such sale may be adjourned by the Mortgagee from time to time by announcement at the time and place appointed for such sale or for such adjourned sale and without further notice or publication the Mortgagee may make such sale at the time and place to which the same shall be so adjourned; and such sale may be conducted without bringing the Vessel to the place designated for such sale and in such manner as the Mortgagee may deem to be for its best advantage, and the Mortgagee may become the purchaser at such sale; and/or

- 9.2.6 manage, insure, maintain, repair and employ the Vessel in such manner and for such period as the Mortgagee may in its discretion determine in all respects as if the Mortgagee were the owner of the Vessel and without being responsible for any loss thereby incurred; and/or
- 9.2.7 employ agents, servants and others on such terms as the Mortgagee may in its discretion determine; and/or
- 9.2.8 charter or load the Vessel on such terms and for the carriage of such cargoes as the Mortgagee may in its discretion determine.

9.3 For the avoidance of doubt, if the Mortgagee takes any action or enters into or completes any transaction pursuant to Clause 9.2 after an Event of Default has been remedied, that action or transaction shall not be affected by the remedying of the Event of Default.

10 Ancillary Provisions

- 10.1 After an Event of Default has occurred and is continuing and in connection with the exercise of its rights, powers, discretions and remedies under Clause 9 or otherwise as mortgagee of the Vessel, the Mortgagee shall have power to buy in, rescind or vary any contract for sale of the Vessel and generally to do all things in connection with the sale of the Vessel as it shall think fit.
- 10.2 On any sale of the Vessel by the Mortgagee, the purchaser shall not be bound to enquire whether the Mortgagee's power of sale has become exercisable or whether its exercise has become expedient, and the purchaser shall not be affected by any notice that the sale was or may have been irregular in any way. The receipt of the Mortgagee for any amounts paid to it shall be a complete discharge to the purchaser who shall not be concerned with the application of the payment or be answerable for any misapplication. As regards any purchaser, any such sale shall be deemed to be within the power of sale conferred on the Mortgagee by this Deed and at law and any remedy of the Owner in respect of any irregularity or impropriety shall be in damages only.
- 10.3 If the Mortgagee takes possession of the Vessel and until sale the Mortgagee shall be entitled to deal with the Vessel in all respects as if it were the owner of the Vessel.
- 10.4 The Mortgagee shall be entitled to recover from the Owner on demand all losses, expenses, payments and disbursements incurred by the Mortgagee in or about or incidental to the exercise by it of any of its rights, powers, discretions and remedies under Clause 9 or otherwise as mortgagee of the Vessel together with interest at the Default Rate.

- 10.5 No failure to exercise, nor any delay in exercising, on the part of the Mortgagee, any right or remedy under Clause 9 or otherwise as mortgagee of the Vessel shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy.
- 10.6 The Mortgagee may at any time and from time to time delegate to any person all or any of its rights, powers, discretions and remedies pursuant to the Transaction Documents on such terms as the Mortgagee may consider appropriate (including the power to sub-delegate).
- 10.7 Every right, power, discretion and remedy conferred on the Mortgagee under or pursuant to the Transaction Documents shall be cumulative and in addition to every other right, power, discretion or remedy to which the Mortgagee may at any time be entitled by law or in equity. The Mortgagee may exercise each of its rights, powers, discretions and remedies as often and in such order as it deems appropriate.
- 10.8 Neither the Mortgagee nor any agent or employee or delegate of the Mortgagee shall be liable for any losses which may be incurred in or about the exercise of any of the rights, powers, discretions or remedies of the Mortgagee under or pursuant to the Mortgage or this Deed, nor liable as mortgagee in possession for any loss on realisation or for any neglect or default of any nature for which a mortgagee in possession might otherwise be liable.

11 Receiver

- 11.1 On and at any time after the occurrence of an Event of Default which is continuing the Mortgagee may (but shall not be obliged to) appoint any person to be receiver and/or manager of the Vessel and/or any of the Assigned Property.
- 11.2 The appointment of a receiver and/or manager by the Mortgagee may be made in writing under the hand of any authorised signatory of the Mortgagee.
- 11.3 The Mortgagee shall have the power to authorise any joint receiver and/or manager to exercise any or all of his powers independently of any other joint receiver and/or manager.
- 11.4 The Mortgagee may at any time and from time to time remove any receiver and/or manager from office and appoint a replacement.
- 11.5 The Mortgagee shall have the power from time to time to fix the remuneration of any receiver and/or manager on the basis of charging from time to time adopted by him or his firm and any receiver and/or manager shall not be limited to any maximum amount or rate specified by law.
- 11.6 Any receiver and/or manager appointed pursuant to this Clause shall be the agent of the Owner and the Owner shall be solely responsible for his acts and defaults and for the payment of his remuneration.
- 11.7 Any receiver and/or manager appointed pursuant to this Clause shall have all the powers provided for in Schedule 1 of the Insolvency Act 1986 without restriction, and in particular without the restrictions contained in Section 103 of the Law of Property Act 1925 or any other statutory or other restriction which the Mortgagee may consider analogous under the laws of any other jurisdiction.

11.8 Without limitation, any receiver and/or manager shall have power on behalf of the Owner (and at the Owner's expense) to do or omit to do anything which the Owner could do or omit to do in relation to the Vessel or any of the Assigned Property and may exercise all or any of the rights, powers, discretions and remedies conferred on the Mortgagee by the Transaction Documents or at law.

11.9 No receiver and/or manager shall be liable to account or be liable for any loss on realisation of, or any default of any nature in connection with, the Vessel or any of the Assigned Property or the exercise of any of the rights, powers, discretions and remedies vested in the receiver and/or manager by virtue of the Transaction Documents or at law.

12 Application of Moneys

All amounts received by the Mortgagee arising from the exercise by the Mortgagee of its rights, powers, discretions and remedies under or pursuant to the Mortgage and this Deed (including, without limitation, all amounts received by the Mortgagee in connection with the taking possession and/or sale of the Vessel, any chartering or other use of the Vessel by the Mortgagee, and any claims for damages or claims on any insurance received by the Mortgagee while in possession of or while chartering or using the Vessel) shall, unless otherwise agreed by the Mortgagee or otherwise expressly provided in the Loan Agreement, be applied by the Mortgagee in or towards satisfaction of, or retention on account for, the Obligations in such manner as the Mortgagee may in its discretion determine.

13 Power of Attorney

13.1 The Owner by way of security irrevocably appoints the Mortgagee and any receiver and/or manager appointed by the Mortgagee severally to be its attorney (with unlimited power of substitution and delegation) with power (in the name of the Owner or otherwise) to do all acts which the Owner could do in connection with the Vessel or the Assigned Property including, without limitation, to execute and deliver a bill of sale transferring title in the Vessel to a third party and to give a good receipt for any purchase price.

13.2 The Mortgagee agrees that it will not exercise any of its powers as attorney of the Owner unless an Event of Default is continuing, but the exercise of any such powers by the Mortgagee shall not put any person dealing with the Mortgagee on enquiry as to whether an Event of Default is continuing and any such person shall not be affected by notice that no Event of Default is in fact continuing.

13.3 The exercise by the Mortgagee or by any receiver and/or manager of any of their powers as attorney of the Owner shall be conclusive evidence of their right to do so.

14 Partial Invalidity

If, at any time, any provision of the Mortgage or this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

15 Further Assurance

The Owner agrees that from time to time on the written request of the Mortgagee it will immediately execute and deliver to the Mortgagee all further documents which the Mortgagee may require for the purpose of perfecting or protecting the security intended to be created by the Mortgage and this Deed.

16 Waiver of Rights as Surety

16.1 The rights of the Mortgagee under the Mortgage and/or this Deed, the security constituted by the Mortgage and/or this Deed and the warranties, covenants and obligations of the Owner contained in the Mortgage and/or this Deed shall not in any way be discharged, impaired or otherwise affected by:

- 16.1.1 any forbearance (whether as to payment or otherwise) or any time or other indulgence granted to any of the other Security Parties under or in connection with any of the Transaction Documents;
- 16.1.2 any amendment, variation, novation or replacement of any of the other Transaction Documents;
- 16.1.3 any failure of any of the Transaction Documents to be legal, valid, binding and enforceable in relation to any of the other Security Parties for any reason;
- 16.1.4 the winding-up or dissolution of any of the other Security Parties;
- 16.1.5 the release (whether in whole or in part) of, or the entering into of any compromise or composition with, any of the other Security Parties; or
- 16.1.6 any other act, omission, thing or circumstance which would or might, but for this provision, operate to discharge, impair or otherwise affect the same.

16.2 Until the Obligations has been unconditionally and irrevocably paid and discharged in full, the Owner shall not by virtue of any payment made under this Deed or under the Mortgage on account of the Obligations or by virtue of any enforcement by the Mortgagee of its rights under, or the security constituted by, the Mortgage and/or this Deed or by virtue of any relationship between or transaction involving, the Owner and any of the other Security Parties:

- 16.2.1 exercise any rights of subrogation in relation to any rights, security or moneys held or received or receivable by the Mortgagee or any other person; or
- 16.2.2 exercise any right of contribution from any of the other Security Parties under any of the Transaction Documents; or
- 16.2.3 exercise any right of set-off or counterclaim against any of the other Security Parties; or

- 16.2.4 receive, claim or have the benefit of any payment, distribution, security or indemnity from any of the other Security Parties; or
- 16.2.5 unless so directed by the Mortgagee (when the Owner will prove in accordance with such directions), claim as a creditor of any of the other Security Parties in competition with the Mortgagee

and the Owner shall hold in trust for the Creditors and forthwith pay or transfer (as appropriate) to the Mortgagee any such payment (including an amount equal to any such set-off), distribution or benefit of such security, indemnity or claim in fact received by it.

17 Miscellaneous

- 17.1 In the event of there being any conflict between this Deed and the Loan Agreement, the Loan Agreement shall prevail.
- 17.2 All the covenants and agreements of the Owner in this Deed shall bind the Owner and its successors and permitted assignees and shall inure to the benefit of the Creditors and their respective successors, transferees and assignees.
- 17.3 No variation or amendment of this Deed shall be valid unless in writing and signed on behalf of the Owner and the Mortgagee.
- 17.4 Other than the Creditors, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

18 Discharge of Security

- 18.1 Following the expiry of the Facility Period the Mortgagee will, at the cost of and on the request of the Owner, execute and deliver to the Owner a discharge of the Mortgage.
- 18.2 Any discharge, release or reassignment by the Mortgagee of any of the security constituted by, or any of the obligations of the Owner contained in, any of the Transaction Documents shall be (and be deemed always to have been) void if any act (including, without limitation, any payment) as a result of which such discharge, release or reassignment was given or made is subsequently wholly or partially rescinded or avoided by operation of any law.

19 Notices

- 19.1 All notices, requests, demands and other communications to any party hereunder shall be in writing (including prepaid overnight courier, facsimile transmission or similar writing) and shall be given to the Mortgagor and/or the Mortgagee at its respective address or facsimile number set forth below (or at such other address or facsimile numbers as such party may hereafter specify for the purpose by notice to the other party hereto):

If to the Mortgagor:

7/8 Great James Street
London
United Kingdom
WC1N 3DF
E-mail: jllorca@seacormarine.com

With a copy to:
[]

Attn: []
Facsimile No.: []
E-mail:

[SH NOTE: MORTGAGOR TO ADVISE]

If to the Mortgagee:

DNB BANK ASA
200 Park Avenue, 31st Floor
New York, New York 10166
Telephone No.: (212) 681-3800
Attention: Credit Middle Office / Loan Services Department
Facsimile No.: (212) 681-4123
Email: nyloanscsd@dnb.no

19.2 Each notice, request or other communication referred to in Clause 19.1 shall be effective if given:

- 19.2.1 by facsimile, when such facsimile is transmitted to the facsimile number specified in this Clause 19 and telephonic confirmation of receipt thereof is obtained; or
- 19.2.2 by mail, prepaid overnight courier or any other means, when received at the address specified in this Clause 19 or when delivery at such address is refused.

20 Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

21 Law and Jurisdiction

- 21.1 This Deed and any non-contractual obligations arising from or in connection with it shall in all respects be governed by and interpreted in accordance with English law.
- 21.2 For the exclusive benefit of the Mortgagee, the Owner irrevocably agrees that the courts of England are to have exclusive jurisdiction to settle any dispute (a) arising from or in connection with this Deed or (b) relating to any non-contractual obligations arising from or in connection with this Deed and that any proceedings may be brought in those courts.
- 21.3 Nothing contained in this Clause shall limit the right of the Mortgagee to commence any proceedings against the Owner in any other court of competent jurisdiction nor shall the commencement of any proceedings against the Owner in one or more jurisdictions preclude the commencement of any proceedings in any other jurisdiction, whether concurrently or not.

21.4 The Mortgagee shall in addition have the right to arrest and take action against the Vessel and/or any other vessel for the time being belonging to the Owner wherever it or they may be, for which purpose the Owner irrevocably agrees that any claim form, notice, judgment or other legal process may be served on the Owner at its registered address or on the Vessel or on the master (or anyone acting as the master) of the Vessel or of the vessel against which the action is taken, which shall be deemed good service on the Owner, the Vessel or such other vessel for all purposes.

21.5 The Owner irrevocably waives any objection which it may now or in the future have to the laying of the venue of any proceedings in any court referred to in this Clause and any claim that those proceedings have been brought in an inconvenient or inappropriate forum, and irrevocably agrees that a judgment in any proceedings commenced in any such court shall be conclusive and binding on it and may be enforced in the courts of any other jurisdiction.

In witness of which this Deed has been duly executed and delivered the day and year first before written.

Signed and delivered)
as a **Deed**)
by **[Putford Pride Ltd.] [Putford Jaguar Ltd.]**)
acting by)
)
[being two directors])
[being a director])
[being an attorney in fact])
)
in the presence of:)

Witness signature:.....

Name:
Address:

Signed and delivered)
as a **Deed**)
by **DNB BANK ASA, New York Branch**)
acting by)
)
[being two directors])
[being a director])
[being an attorney in fact])
)
in the presence of:)

Witness signature:.....

Name:
Address:

Dated this __ day of _____ 2018

BETWEEN

PUTFORD SAVIOUR LTD.

as Owner

to

DNB BANK ASA, NEW YORK BRANCH,

as Mortgagee

DEED OF COVENANT WITH RESPECT TO

CAYMAN ISLANDS FLAG VESSEL

M/V PUTFORD SAVIOUR

Conyers Dill & Pearman
Attorneys at Law
Cayman Islands

NOTE: This document will be subject to stamp duty in the Cayman Islands if executed in or brought into the Cayman Islands.

C-6-1

THIS DEED OF COVENANT is made and given this [__] day of [__] 2018 by Putford Saviour Ltd., a company organized and existing under the laws of England and Wales (the "**Owner**"), in favor of DNB BANK ASA, New York Branch ("**DNB**"), a corporation organized under the laws of the Kingdom of Norway, as security trustee for the Creditors (as defined in the Credit Agreement (as hereinafter defined)) (the "**Mortgagee**").

WHEREAS:

A. The Owner is the sole owner of the whole of the vessel M/V PUTFORD SAVIOUR, Official No. 742477, of 1996 gross tons and 598 net tons, and registered and documented in the name of the Owner under the laws and flag of the Cayman Islands.

B. By a senior secured credit agreement dated as of [__], 2018 (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement") made by and among, *inter alios*, (1) SEACOR Marine Foreign Holdings Inc., as borrower (the "Borrower"), (2) SEACOR Marine Holdings Inc., as parent guarantor (the "Parent Guarantor"), (3) the entities listed on Schedule 1-A to the Credit Agreement, including the Owner, as subsidiary guarantors, (4) DNB, as facility agent (in such capacity, the "Facility Agent") and security trustee and (5) the financial institutions identified on Schedule 1-B to the Credit Agreement (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the "Lenders") and swap banks (the "Swap Banks"), a copy of the form of the Credit Agreement, without schedules or exhibits, is annexed hereto as Exhibit A, the Lenders have agreed to provide to the Borrower a senior secured term loan facility in the aggregate amount of up to [One Hundred Thirty] Million United States Dollars (U.S. \$[130],000,000), the obligations of the Borrower to repay the Loan (as defined in the Credit Agreement) being evidenced by, that certain [promissory note dated the date hereof, executed by the Borrower to the order of DNB as facility agent for the benefit of the Lenders (the "Note"), a copy of the form of which being attached hereto as Exhibit B. The Loan and interest, fees and commissions thereon are to be repaid and paid, as the case may be, as provided in the Credit Agreement.

C. [The Borrower] has entered into one or more Interest Rate Agreements with respect to the Loan with one or more Swap Banks providing for, among other things, the payment of certain amounts by the Borrower to the Swap Banks. The obligations of [the Borrower] to the Swap Banks, including obligations to pay any sums of money, interest thereon, fees and all expenses, costs and charges otherwise from time to time payable by [the Borrower] under the Interest Rate Agreements, are to be repaid and paid, as the case may be, as provided in the Interest Rate Agreements and such provisions in the Interest Rate Agreements are incorporated herein by reference and made a part of this Mortgage. [The Borrower] and the Swap Banks estimate that the maximum amount that may be payable by the Borrower to the Other Creditors at any time under the Interest Rate Agreements will not exceed a maximum aggregate amount of \$[AMOUNT] (the "Hedging Liability"). A copy of the form of Interest Rate Agreement and related schedule is attached hereto as Exhibit C and made a part hereof.

D. All obligations (including but not limited to the Loan and the Hedging Liability) under or in connection with the Credit Agreement and the other Transaction Documents are guaranteed by the Owner pursuant to Section 18 of the Credit Agreement.

E. Pursuant to Section 15 of the Credit Agreement, each of the Creditors has appointed the Mortgagee as trustee on its behalf with regard to, inter alia, the security conferred on such Creditors pursuant to the Credit Agreement, the Note and the other Transaction Documents.

F. The Owner, in order to secure the payment of the Obligations, as that term is defined in sub-section 1(A)(v) hereof, and to secure the performance and observance of and compliance with all the covenants, terms and conditions in the Note, the Credit Agreement, this Deed and the Mortgage contained, expressed or implied, to be performed, observed and complied with by and on the part of the Owner, has contemporaneously with the execution of this Deed, executed and registered in favor of the Mortgagee a first priority statutory Cayman Islands mortgage (to secure Account Current) (the “**Statutory Mortgage**”, and, hereinafter, as the context may require, together with this Deed, the or this “**Mortgage**”) constituting a first priority mortgage of 64/64 shares in the Vessel, and the Owner has agreed to execute this Deed collateral thereto and to the security thereby created.

NOW, THEREFORE, THIS DEED WITNESSES AS FOLLOWS:

1. Definitions: In this Mortgage, unless the context otherwise requires:

- (A) (i) “Earnings” means (i) all moneys and claims for moneys due and to become due thereto, whether as charter hire, freights, loans, indemnities, payments or otherwise, under, and all claims for damages arising out of any breach of, any bareboat, time or voyage charter, contract of affreightment or other contract for the use or employment of the Vessel, (ii) all remuneration for salvage and towage services, demurrage and detention moneys and any other earnings whatsoever due or to become due to the Owner arising from the use or employment of the Vessel, (iii) all moneys or other compensation payable by reason of requisition for title or for hire or other compulsory acquisition of the Vessel, and (iv) all proceeds of all of the foregoing;
- (i) “Event of Default” means any of the events of default set out in Section 7 of this Mortgage;

- (ii) "Insurances" includes all policies and contracts of insurance and reinsurance, including all entries of the Vessel in a protection and indemnity or war risks association or club which are from time to time taken out or entered into in respect of the Vessel, the Vessel's hull and machinery, and all benefits thereof, including, without limitation, all claims of whatsoever nature, as well as return premiums, or otherwise howsoever in connection with the Vessel;
- (iii) "Obligations" means all obligations owed by the Credit Parties under or in connection with the Credit Agreement, the Note, this Mortgage, any other relevant Transaction Document (including the Interest Rate Agreements);
- (iv) "Requisition Compensation" means all moneys or other compensation payable and belonging to the Owner during the Security Period by reason of requisition for title or other compulsory acquisition of the Vessel otherwise than by requisition for hire;
- (v) "Security Period" means the period commencing on the date hereof and terminating upon discharge of the security created by this Mortgage by payment in full of the Obligations;
- (vi) "Total Loss" means any of the:
 - (a) actual, constructive or compromised or arranged total loss of the Vessel;
 - (b) requisition for title or other compulsory acquisition of the Vessel (otherwise than by requisition for hire) which shall continue for thirty (30) days; and
 - (c) capture, seizure, arrest, detention or confiscation of the Vessel by any government or by Persons acting or purporting to act on behalf of any government unless the Vessel be released and restored to the Owner from such capture, seizure, arrest, detention or confiscation within thirty (30) days after the occurrence thereof; and
- (vii) "Vessel" means the whole of the vessel described in Recital A hereof and includes her engines, machinery, boats, boilers, masts, rigging, anchors, chains, cables, apparel, tackle, outfit, spare gear, fuel, consumable or other stores, freights, belongings and appurtenances, whether on board or ashore, whether now owned or hereafter acquired, and all additions, improvements and replacements hereafter made in or to said Vessel, or any part thereof, or in or to the stores, belongings and appurtenances aforesaid except such equipment or stores which, when placed aboard said Vessel, do not become the property of the Owner.

(B) In Section 5(B) hereof:

- (i) "excess risks" means the proportion of claims for general average and salvage charges and under the ordinary running-down clause not recoverable in consequence of the value at which a vessel is assessed for the purpose of such claims exceeding her insured value;
- (ii) "protection and indemnity risks" means the usual risks covered by a United States or an English or another protection and indemnity association or club acceptable to the Mortgagee including the proportion not recoverable in case of collision under the ordinary running-down section; and
- (iii) "war risks" means the risk of mines and all risks excluded from the standard form of United States marine policy by the War, Strikes and Related Exclusion clause.

2. Other Defined Terms. Except as otherwise defined herein, terms defined in the Credit Agreement shall have the same meaning when used herein. For the purposes of this Mortgage, when any term is modified by the word "relevant" such term shall be construed to mean with respect to, among others, as the case may be, the Owner.

3. Credit Agreement Prevails. This Mortgage shall be read together with the Credit Agreement but in case of any inconsistency or conflict between the two, the provisions of the Credit Agreement shall prevail to the extent not contrary to any relevant legal requirement relating to the creation, validity and enforceability of the security interests purported to be created pursuant to this Mortgage and provided further that this Section 1.3 shall not be construed to limit in any way any covenant or obligation of the Owner under this Mortgage or to affect the governing law provision found in Section 24 of this Mortgage.

4. Grant of Mortgage; Representations and Warranties.

4.1 In consideration of the premises and of other good and valuable consideration, the receipt and adequacy whereof are hereby acknowledged, and in order to secure the payment of the Obligations and to secure the performance and observance of and compliance with the covenants, terms and conditions in the Credit Agreement, the Note, this Mortgage and the other relevant Transaction Documents contained, the Owner has granted, conveyed and mortgaged to and in favor of the Mortgagee, its successors and assigns, pursuant to the Statutory Mortgage, the whole of the Vessel upon the terms set forth in the Statutory Mortgage as supplemented by this Deed for the enforcement of the payment of the Obligations and to secure the performance and observance of and compliance with the covenants, terms and conditions in this Mortgage, the Credit Agreement, the Note and the other relevant Transaction Documents contained,

PROVIDED, ONLY, and the conditions of these presents are such that, if the Owner and/or its successors or assigns shall pay or cause to be paid to the Mortgagee or the Creditors, as the case may be, their respective successors and assigns, the Obligations as and when the same shall become due and payable in accordance with the terms of this Deed, the Statutory Mortgage, the Credit Agreement, the Note and the other relevant Transaction Documents and shall perform, observe and comply with all and singular of the covenants, terms and conditions in this Deed, the Statutory Mortgage, the Credit Agreement, the Note and the other relevant Transaction Documents contained, expressed or implied, to be performed, observed or complied with by and on the part of the Owner or its successors or assigns, all without delay or fraud and according to the true intent and meaning hereof and thereof, then, in such event, the Mortgagee agrees at the expense of the Owner to execute all such documents as the Owner may reasonably require to discharge the Statutory Mortgage under the laws of the Cayman Islands; and this Deed and the Statutory Mortgage shall otherwise be and remain in full force and effect.

4.2 The Owner hereby represents and warrants to the Mortgagee that:

- (A) the Owner is a company duly organized, validly existing and in good standing under the laws of England and Wales with its registered office at [●];
- (B) the Owner lawfully owns the whole of the Vessel free from any security interest, debt, lien, mortgage, charge, encumbrance or other adverse interest, other than the encumbrance of this Mortgage and except as permitted by Section 5(O) hereof; and
- (C) the Vessel is tight, staunch and strong and well and sufficiently tackled, appareled, furnished and equipped and in all respects seaworthy and in the highest possible classification and rating for vessels of the same age and type with the respective Classification Society without any material outstanding recommendations or adverse notations affecting class.

5. Payment of Obligations. The Owner hereby further covenants and agrees to pay when due the Obligations to the Creditors or their successors or assigns in the manner provided for and in the terms of the Credit Agreement, this Mortgage and the other Transaction Documents.

6. Covenants Regarding Security Granted Hereunder. It is declared and agreed that:

(A) The security created by the Statutory Mortgage shall be held by the Mortgagee as a continuing security for the payment of the Obligations and that the security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the amount hereby secured.

(B) Any settlement or discharge under this Mortgage between the Mortgagee and the Owner shall be conditional upon no security or payment to the Mortgagee or the other Creditors, related to or which reduces the obligations secured hereby, by the Owner or any other Person being avoided or set-aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency or liquidation for the time being in force, and if such condition is not satisfied, the Mortgagee shall be entitled to recover from the Owner on demand the value of such security or the amount of any such payment as if such settlement or discharge had not occurred.

(C) The rights of the Mortgagee under this Mortgage and the security hereby constituted shall not be affected by any act, omission, matter or thing which, but for this provision, might operate to impair, affect or discharge such rights and security, including without limitation, and whether or not known to or discoverable by the Owner, the Mortgagee or any other Person:

- (i) any time or waiver granted to, or compromise with, the Owner or any other Person; or
- (ii) the taking, variation, compromise, renewal or release of or refusal or neglect to perfect or enforce any rights, remedies or securities against the Owner or any other Person; or
- (iii) any legal limitation, disability, dissolution, incapacity or other circumstances relating to the Owner or any other Person; or
- (iv) any amendment or supplement to the Credit Agreement, the Note or any other relevant Transaction Document; or

- (v) the unenforceability, invalidity or frustration of any obligations of the Owner or any other Person under the Credit Agreement, the Note or any other relevant Transaction Document.

(D) The Owner acknowledges and agrees that it has not received any security from any Person for the granting of this Mortgage and it will not take any such security without the prior written consent of the Mortgagee, and the Owner will hold any security taken in breach of this provision in trust for the Mortgagee.

(E) Until the Obligations have been unconditionally and irrevocably paid and discharged in full to the satisfaction of the Mortgagee, the Owner shall not by virtue of any payment made under the Credit Agreement, the Note, this Mortgage or any other relevant Transaction Document on account of such moneys and liabilities or by virtue of any enforcement by the Mortgagee of its right under or the security constituted by this Mortgage:

- (i) be entitled to exercise any right of contribution or indemnity from any co-surety liable in respect of such moneys and liabilities under any other guarantee, security or agreement; or
- (ii) exercise any right of set-off or counterclaim against any such co-surety; or
- (iii) receive, claim or have the benefit of any payment, distribution, security or indemnity from any such co-surety; or
- (iv) unless so directed by the Mortgagee (which the Owner shall prove in accordance with such directions), claim as a creditor of any such co-surety in competition with the Mortgagee (or any trustee or agent on its behalf).

The Owner shall hold in trust for the Mortgagee and forthwith pay or transfer (as appropriate) to the Mortgagee any such payment (including an amount equal to any such set-off), distribution or benefit of such security, indemnity or claim in fact received by it.

(F) The Owner hereby irrevocably subordinates all of its rights of subrogation (whether contractual, statutory, under common law or otherwise) to the claims of the Mortgagee against any Person and all contractual, statutory or common law rights of contribution, reimbursement indemnification and similar rights and claims against any Person which arise in connection with, or as a result of, the Credit Agreement, this Mortgage or any other relevant Transaction Document until full and final payment of all of the Obligations.

7. Affirmative Covenants and Insurances. The Owner further covenants with the Mortgagee and undertakes at all times throughout the Security Period:

- (A) to maintain:
 - (i) its existence as a company incorporated in England and Wales;
 - (ii) its good standing under the laws of England and Wales; and
 - (iii) a registered office as required by the laws of England and Wales;
- (B) (i) To insure and keep the Vessel insured or cause or procure the Vessel to be insured and to be kept insured at no expense to the Mortgagee (or, with regard to the insurance cover described in (d) below to reimburse the Mortgagee therefor),
 - (a) all fire and usual marine risks (including increased value, which shall not exceed twenty percent (20%) of the total hull and machinery coverage) on an agreed value basis, which hull and machinery insured value shall be at least eighty percent (80%) of the Fair Market Value of the Vessel in accordance with section 9.1(v)(iii) of the Credit Agreement;
 - (b) war risks on an agreed value basis (including war protection and indemnity liability with a separate limit not less than hull value) covering, inter alia, the perils of confiscation, terrorism, piracy, expropriation, nationalization, seizure and blocking;
 - (c) protection and indemnity risks (including pollution risks and including protection and indemnity war risks in excess of the amount for war risks (hull)) to the highest amount available in the market for the full value and tonnage of the ship, as approved in writing by the Security Trustee, and, in case of oil pollution liability risks, at the highest level of cover from time to time available under basic protection and indemnity clubs entry, currently One Billion United States Dollars (\$1,000,000,000); and
 - (d) Mortgagee's Interest including mortgagee's interest additional perils (pollution) risks and, on demand, reimburse the Security Trustee for all premiums, costs and expenses paid or incurred by the Security Trustee from time to time;

- (ii) with respect to the Vessel, to effect the Insurances aforesaid or to cause or procure the same to be effected:
 - (a) in the cases of the Insurances referred to in sub-sections (i) (a), (b) and (d) above and total loss, (A) in such amounts on an agreed value basis as shall be at least equivalent to the higher of (I) the Fair Market Value (as such term is defined in the Credit Agreement) of the Vessel and (II) One Hundred Twenty percent (120%) of the outstanding balance of the Loan (when aggregated with the insured value of the other Vessels then financed under the Credit Agreement), (B) all such insurance shall be payable in lawful money of the United States of America, and (C) upon such terms (including provisions as to named insureds and loss payees and prior notice of cancellation) and with such deductibles as shall from time to time be approved by the Mortgagee in the reasonable exercise of its judgment;
 - (b) in the case of the protection and indemnity Insurances referred to in sub-section (i)(c) above, in respect of the Vessel's full tonnage, and in an amount equal to the highest level of cover commercially available as at the date of this Mortgage and to include provisions as to loss payees and prior notice of cancellation in form and substance satisfactory to the Mortgagee; and
 - (c) with insurance companies, underwriters, funds, mutual insurance associations, war risks and protection and indemnity risks associations or clubs of recognized standing in each case acceptable to the Mortgagee (hereinafter called "the Insurers");
- (iii) to renew or replace all such Insurances or cause or procure the same to be renewed or replaced before the relevant policies or contracts expire and to procure that the Insurers or the firm of insurance brokers referred to herein below shall promptly confirm in writing to the Mortgagee as and when each such renewal or replacement is effected;
- (iv) to procure, if instructed by any Lender, concurrently with the execution hereof and thereafter at intervals of not more than twelve (12) calendar months, a detailed report from a firm of independent marine insurance brokers, appointed by the Facility Agent, with respect to the Insurances together with their opinion to the Mortgagee that the Insurances comply with the provisions of this Section 5(B), such report and opinion to be addressed and delivered promptly to the Mortgagee and the costs of such report and opinion procured concurrently with the execution hereof to be for the account of the Owner;

- (v) to cause the said independent marine insurance brokers or the Insurers to agree to use reasonable efforts to advise the Mortgagee promptly of any failure to renew any of the Insurances and of any default in payment of any premium and of any other act or omission on the part of the Owner of which they have knowledge and which might, in their opinion, invalidate or render unenforceable, or cause the lapse of or prevent the renewal or extension of, in whole or in part, any Insurances on the Vessel;
- (vi) to cause the said independent marine insurance brokers to agree to mark their records and to use their best efforts to advise the Mortgagee, at least fourteen (14) days prior to the expiration date of any of the Insurances, that such Insurances have been renewed or replaced with new insurance which complies with the provisions of this Section 5(B);
- (vii) duly and punctually to pay or to cause duly and punctually to be paid all premiums, calls, contributions or other sums payable in respect of all such Insurances, to produce or to cause to be produced all relevant receipts when so required by the Mortgagee and duly and punctually to perform and observe or to cause duly and punctually to be performed and observed any other obligations and conditions under all such Insurances;
- (viii) to execute or use reasonable efforts to cause to be executed such guarantees as may from time to time be required by any relevant protection and indemnity association or club;
- (ix) to procure that all policies, binders, cover notes or other instruments of the Insurances referred to in subsections (i)(a) and (b) above shall be taken out in the name of the Owner, with the Mortgagee as an additional assured (without liability for premiums), as its or their respective interests may appear, and shall incorporate a loss payable clause naming the Mortgagee as loss payee prepared in compliance with the terms of this Mortgage and such loss payable clause to be in any event in form and substance acceptable to the Mortgagee and all policies, binders, cover notes or other instruments referred to in subsection (i) shall (a) provide for prior notice of at least fourteen (14) days (except war risks which shall be seven (7) days unless terminated automatically in accordance with the provisions of the automatic termination and cancellation clauses contained in such policies) to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums as to the Mortgagee; provided, however, that unless otherwise required by the Mortgagee by notice to the underwriters, although all losses under such Insurances are payable to the Mortgagee, in case of any such losses involving any damage to the Vessel the underwriters may pay direct for the repair, salvage and other charges involved or, if the Owner shall have first fully repaired the damage or paid all of the salvage and other charges may pay the Owner as reimbursement therefor, provided, further, however, that if such damage involves a loss in excess of U.S.\$500,000, or its equivalent, the underwriters shall not make such payment without first obtaining the written consent thereto of the Mortgagee, and (b) in the event that the Vessel shall be insured under any form of fleet cover, undertakings that the brokers, underwriters, association or club (as the case may be) will not set off claims relating to the Vessel against premiums, calls or contributions in respect of any other vessel or other insurance and that the insurance cover of the Vessel will not be cancelled by reason of non-payment of premiums, calls or contributions relating to any other vessel or other insurance;

- (x) to procure that all entries, policies, binders, cover notes or other instruments of the Insurances referred to in sub-section (i)(c) above incorporate a loss payable clause naming the Mortgagee as loss payee prepared in compliance with the terms of this Mortgage and such loss payable clause to be in any event in form and substance acceptable to the Mortgagee and shall provide for prior notice of at least fourteen (14) days to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums, backcalls and assessments as to the Mortgagee, it being agreed that although such insurance is payable to the Mortgagee so long as no Event of Default has occurred and is continuing under this Mortgage, any loss payments under any such insurance on the Vessel may be paid directly to the Owner to reimburse it for any loss, damage or expenses incurred by it and covered by such insurance or to the Person to whom any liability covered by such insurance has been incurred;
- (xi) not to reduce the coverage of any Insurances without the Mortgagee's prior written approval;
- (xii) to procure that all policies, bindings, cover notes or other instruments of the Insurances referred to in sub-section (i)(d) to the extent obtained by the Owner shall be taken out in the name of the Mortgagee and shall incorporate a loss payable clause naming the Mortgagee as loss payee and shall provide for prior notice of at least fourteen (14) days to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums as to the Mortgagee and the Lenders;

- (xiii) to procure that Certificates of Insurance or summaries or copies of all such instruments of Insurances as are referred to in sub-sections (ix) and (x) above shall be from time to time deposited with the Mortgagee within thirty (30) days after placement of the relevant Insurances, provided, however, that originals or copies of all such instruments of Insurances as are referred to in sub-sections (ix) and (x) above shall be made available to the Mortgagee upon request by the Mortgagee;
- (xiv) not to employ the Vessel or suffer the Vessel to be employed otherwise than in conformity with the terms of all policies, binders, cover notes or other instruments of the Insurances (including any warranties express or implied therein) without first obtaining the written consent of the Insurers to such employment (if required by such Insurers) and complying with such requirements as to extra premiums or otherwise as the Mortgagee and/or the Insurers may prescribe;
- (xv) to do all things necessary and proper, and execute and deliver all documents and instruments to enable the Mortgagee to collect or recover any moneys to become due the Mortgagee in respect of the Insurances; and
- (xvi) to provide, within a reasonable period of time after a written request therefor, such additional insurances as the Mortgagee may from time to time reasonably require on account of such insurances being required by any applicable law, regulation, public body, classification society or similar relevant authority or such insurances in the reasonable opinion of the Mortgagee being customary or recommended for vessels of a similar type or vessels employed in a similar trade, in which case the provisions of this clause B shall be applicable, if appropriate.

(C) To keep and to cause to be kept the Vessel in a good and efficient state of repair so as to enable her to maintain her present class with its Classification Society and so as to enable her to comply with the provisions of all laws, regulations and other requirements (statutory or otherwise) from time to time applicable to vessels registered under the laws of the Cayman Islands, to procure that the Vessel's Classification Society make available to the Mortgagee, upon its request, such information and documents in respect of the Vessel as are maintained in the records of such Classification Society, and to procure that all repairs to or replacements of any damaged, worn or lost parts or equipment be effected in such manner (both as regards workmanship and quality of materials) as not to diminish the value of the Vessel;

(D) To submit or to cause the Vessel to be submitted on a timely basis to such periodic or other surveys as may be required for classification purposes and, if requested by the Mortgagee, to supply or to cause to be supplied to the Mortgagee copies of all survey and inspection reports and confirmations of class issued in respect thereof and to procure that the Classification Society provides the Mortgagee with the same rights and privileges to its records relating to the Vessel as given to the Owner;

(E) To permit the Mortgagee, by surveyors or other Persons appointed by it in its behalf, to board the Vessel at all reasonable times for the purpose of inspecting her condition or for the purpose of satisfying themselves in regard to proposed or executed repairs and to afford or to cause to be afforded all proper facilities for such inspections, provided that such inspections will cause no undue delay to the Vessel;

(F) (i) To pay and discharge or to cause to be paid and discharged all debts, damages and liabilities whatsoever which have given or may give rise to maritime or possessory liens on or claims enforceable against the Vessel except to the extent permitted by Section 5(O) hereof and (ii) in event of arrest of the Vessel pursuant to legal process or in event of her detention in exercise or purported exercise of any such lien as aforesaid to procure the release of the Vessel from such arrest or detention within fifteen (15) Business Days of receiving notice thereof by providing bail or otherwise as the circumstances may require;

(G) Not to employ the Vessel or suffer her employment in any trade or business which is forbidden by the laws of the Cayman Islands, the Republic of the Marshall Islands or the United States of America or is otherwise illicit or in carrying illicit or prohibited goods or in any manner whatsoever which may render her liable to condemnation or to destruction, seizure or confiscation and in event of hostilities in any part of the world (whether war be declared or not), not to employ the Vessel or suffer her employment in carrying any contraband goods or to enter or trade to any zone which is declared a war zone by any government or by the Vessel's War Risks Insurers unless the required extra war risk insurance cover has been obtained for the Vessel;

(H) Promptly to furnish or to use its best efforts to cause promptly to be furnished to the Mortgagee all such information as the Mortgagee may from time to time reasonably request regarding the Vessel, her employment, position and engagements, particulars of all towages and salvages and copies of all charters and other contracts for her employment or otherwise howsoever pertaining to the Vessel;

- (I) Promptly after learning of the same to notify or cause to be notified the Mortgagee forthwith in writing of:
- (i) any accident to the Vessel involving repairs the cost whereof will or is likely to exceed five percent (5%) of the insured value of the Vessel;
 - (ii) any occurrence in consequence whereof the Vessel has become or is likely to become a Total Loss;
 - (iii) any material requirement or recommendation made by any Insurer or Classification Society or by any competent authority which is not complied with in accordance with reasonable commercial practices;
 - (iv) any arrest of the Vessel or the exercise or purported exercise of any lien on the Vessel or her Earnings; and
 - (v) any occurrence of circumstances forming the basis of an Environmental Claim.
- (J) To keep or to cause to be kept proper books of account of the Owner in respect of the Vessel and her Earnings and, if reasonably requested by the Mortgagee, to make or to cause to be made such books available for inspection on behalf of the Mortgagee and furnish or cause to be furnished satisfactory evidence that the wages and allotments and the insurance and pension contributions of the Master and crew are being regularly paid and that all deductions from crew's wages in respect of any tax liability are being properly accounted for and that the Master has no claim for disbursements other than those incurred by him in the ordinary course of trading on the voyage then in progress;
- (K) To assign and provide that Requisition Compensation is applied in accordance with Section 8 hereof as if received in respect of the sale of the Vessel;
- (L) Not, without the previous consent in writing of the Mortgagee, materially alter the structure of the Vessel or its equipment or remove any material parts of the Vessel to the extent such action could reasonably be expected to reduce the value of the Vessel;
- (M) Not, without the previous consent in writing of the Mortgagee, to put the Vessel or suffer her to be put into the possession of any Person for the purpose of work being done upon her other than routine drydockings and ordinary maintenance in an amount exceeding or likely to exceed five percent (5%) of the insured value of the Vessel unless such work is fully covered by insurance, subject to applicable deductibles satisfactory to the Mortgagee, or unless such Person shall first have given to the Mortgagee and on terms satisfactory to it a written undertaking not to exercise any lien on the Vessel or her Earnings for the cost of such work or otherwise;

(N) To keep the Vessel registered under the laws of the Cayman Islands;

(O) To keep and to cause the Vessel to be kept free and clear of all liens, charges, mortgages and encumbrances except in favor of the Mortgagee, and except for crew's wages remaining unpaid in accordance with reasonable commercial practices or for collision or salvage, liens in favor of suppliers of necessities or other similar liens arising in the ordinary course of its business, accrued for not more than thirty (30) days (unless any such lien is being contested in good faith and by appropriate proceedings or other acts and the Owner shall have set aside on its books adequate reserves with respect to such lien and so long as such deferment in payment shall not subject the Vessel to forfeiture or loss) or liens for loss, damage or expense which are fully covered by insurance, subject to applicable deductibles satisfactory to the Mortgagee, or in respect of which a bond or other security has been posted by or on behalf of the Owner with the appropriate court or other tribunal to prevent the arrest or secure the release of the Vessel from arrest, and not, except in favor of the Mortgagee, to pledge, charge, assign or otherwise encumber (in favor of any Person other than the Mortgagee) her Insurances, Earnings or Requisition Compensation or to suffer the creation of any such pledge, charge, assignment or encumbrance as aforesaid to or in favor of any Person other than the Mortgagee;

(P) Not, without the previous consent in writing of the Mortgagee (and then only subject to such terms and conditions as the Mortgagee may impose; provided, however nothing contained herein shall be construed to entitle the Mortgagee to renegotiate the terms and conditions of the Credit Agreement, including, but not limited to, the Margin, the Applicable Rate and the terms and conditions contained in Section 5.4 of the Credit Agreement), to sell, abandon or otherwise dispose of the Vessel or any interest therein;

(Q) To pay promptly to the Mortgagee all moneys (including fees of counsel) whatsoever which the Mortgagee shall or may expend, be put to or become liable for, in or about the protection, maintenance or enforcement of the security created by this Mortgage or in or about the exercise by the Mortgagee of any of the powers vested in it hereunder and to pay interest thereon at the Default Rate from the date whereon such expense or liability was incurred by the Mortgagee;

(R) To comply with all declaration and reporting requirements imposed by the protection and indemnity club or insurers including, without limitation, the quarterly declarations required by the U.S. Oil Pollution Section 20/2/91, and to pay all premiums required to maintain in force the necessary U.S. Oil Pollution Cover;

(S) To comply with and satisfy all the requisites and formalities established by the laws of the Cayman Islands to perfect the Statutory Mortgage as a legal, valid and enforceable first and preferred lien upon the Vessel and to furnish to the Mortgagee from time to time such proofs as the Mortgagee may reasonably request for its satisfaction with respect to the compliance by the Owner with the provisions of this Section 5(S);

(T) Not without the previous consent of the Mortgagee in writing, which consent shall not be unreasonably withheld, to let the Vessel or permit the Vessel to be let on demise charter (other than any demise charter to a company related to the Owner or any of its members) for any period;

(U) To place or to cause to be placed and at all times and places to retain or to cause to be retained a properly certified copy of this Mortgage on board the Vessel with her papers and cause this Mortgage to be exhibited to any and all Persons having business with the Vessel which might give rise to any lien thereon other than liens for crew's wages and salvage, and to any representative of the Mortgagee on demand; and to place and keep or to cause to be placed and kept prominently displayed in the chart room and in the Master's cabin of the Vessel a framed printed notice in plain type in English of such size that the paragraph of reading matter shall cover a space not less than six inches wide by nine inches high, reading as follows:

“NOTICE OF MORTGAGE

This Vessel is owned by [OWNER] (the “Owner”) and is subject to a first priority mortgage (the “First Mortgage”) in favor of DNB Bank ASA, New York Branch, as security trustee and mortgagee, pursuant to the Merchant Shipping Law of the Cayman Islands, as amended. Under the terms of the First Mortgage, neither the Owner nor any charterer nor the Master of this Vessel nor any other person has any power, right or authority whatever to create, incur or permit to be imposed upon this Vessel any lien or encumbrance except for crew's wages and salvage.”

(V) to retain a manager of the Vessel, if any, as required under the Credit Agreement.

8. Mortgagee's Right to Cure. Without prejudice to any other rights of the Mortgagee hereunder:

- (i) in the event that the provisions of Section 5(B) hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to effect and thereafter to replace, maintain and renew all such Insurances upon the Vessel as it in its sole discretion may deem advisable;

- (ii) in the event that the provisions of Section 5(C) and/or 5(D) hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to arrange for the carrying out of such repairs and/or surveys as it deems expedient or necessary; and
- (iii) in the event that the provisions of Section 5(F) hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to pay and discharge all such debts, damages and liabilities as are therein mentioned and/or to take any such measures as it deems expedient or necessary for the purpose of securing the release of the Vessel;
- (iv) Any and all expenses incurred by the Mortgagee (including fees of counsel) in respect of its performances under the foregoing subsections (i), (ii) and (iii) shall be paid by the Owner on demand, with interest thereon at the rate provided for in Section 5(Q) hereof from the date when such expenses were incurred by the Mortgagee.

9. Events of Default and Remedies.

(A) Each of the following events shall constitute an "Event of Default":

- (i) a default in the payment when due of all or any part of the Obligations; or
- (ii) an event of default stipulated in Section 8.1 of the Credit Agreement shall occur and be continuing; or
- (iii) a default by the Owner occurs in the due and punctual observance of any of the covenants contained in subsections (A)(i), (B) (other than subclauses (iv), (vi) and (xiii) thereof), (F), (G), (I), (K), (L), (M), (N), (O), (P), (R), (S), (T), (U) or (V) of Section 5 of this Mortgage; or
- (iv) a default by the Owner occurs in the due and punctual observance of any of the covenants contained in subsections (C), (D), (E), (H), (J), or (Q) or subclauses (ii) and (iii) of subsection (A) and subclauses (iv), (vi) or (xiii) of subsection (B) of Section 5 of this Mortgage and such default continues unremedied for a period of thirty (30) days; or
- (v) it becomes impossible or unlawful for the Owner to fulfill any of the covenants and obligations contained in this Mortgage and the Mortgagee considers that such impossibility or illegality will have a material adverse effect on its rights under this Mortgage or the enforcement thereof.

(B) If any Event of Default shall occur, the Mortgagee shall be entitled:

- (i) to demand payment by written notice to the Owner of the Obligations, whereupon such payment shall be immediately due and payable, anything contained in the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents to the contrary notwithstanding and without prejudice to any other rights and remedies of the Mortgagee or the Creditors, as the case may be, under the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents, provided, however, that if, before any sale of the Vessel, all defaults shall have been remedied in a manner satisfactory to the Mortgagee, the Mortgagee may waive such defaults by written notice to that effect to the Owner; but no such waiver shall extend to or affect any subsequent or other default or impair any rights and remedies consequent thereon;
- (ii) at any time and as often as may be necessary to take any such action as the Mortgagee may in its discretion deem advisable for the purpose of protecting the security created by this Mortgage and each and every expense or liability (including reasonable fees of counsel) so incurred by the Mortgagee in or about the protection of such security shall be repayable to it by the Owner promptly after demand, together with interest thereon at the rate provided for in Section 5(Q) hereof from the date whereon such expense or liability was incurred by the Mortgagee. The Owner shall promptly execute and deliver to the Mortgagee such documents or cause promptly to be executed and delivered to the Mortgagee such documents, if any, and shall promptly do and perform such acts, if any, as in the opinion of the Mortgagee or its counsel may be necessary or advisable to facilitate or expedite the protection, maintenance and enforcement of the security created by this Mortgage;
- (iii) to exercise all the rights and remedies in foreclosure and otherwise given to the Mortgagee by any applicable law, including those under the provisions of the Maritime Law;
- (iv) to take possession of the Vessel, wherever the same may be, without prior demand and without legal process (when permissible under applicable law) and cause the Owner or other Person in possession thereof forthwith upon demand of the Mortgagee to surrender to the Mortgagee possession thereof as demanded by the Mortgagee, and by notice to the Owner, request that the crew be ordered to remain onboard the Vessel, that the Master of the Vessel be ordered to sail the Vessel at the cost of the Owner to any port designated by the Mortgagee and/or that the Owner take such action regarding the Vessel as may be requested by the Mortgagee;

- (v) to require that all policies, contracts and other records relating to the Insurances (including details of and correspondence concerning outstanding claims) be forthwith delivered to such adjusters, brokers or other insurers as the Mortgagee may nominate;
- (vi) to collect, recover, compromise and give a good discharge for all claims then outstanding or thereafter arising under the Insurances or any of them and to take over or institute (if necessary using the name of the Owner) all such proceedings in connection therewith as the Mortgagee in its absolute discretion deems advisable and to permit the brokers through whom collection or recovery is effected to charge the usual brokerage therefor;
- (vii) to discharge, compound, release or compromise claims against the Owner in respect of the Vessel which have given or may give rise to any charge or lien on the Vessel or which are or may be enforceable by proceedings against the Vessel;
- (viii) to take appropriate judicial proceedings for the foreclosure of this Mortgage and/or for the enforcement of the Mortgagee's rights hereunder or otherwise; recover judgment for any amount due by the Owner in respect of the Credit Agreement, the Note, this Mortgage, or any of the other relevant Transaction Documents and collect the same out of any property of the Owner;
- (ix) to sell the Vessel at public auction, free from any claim of or by the Owner of any nature whatsoever by first giving notice of the time and place of sale with a general description of the property in the following manner:
 - (a) by publishing such notice for ten (10) consecutive days in a daily newspaper of general circulation published in New York City;
 - (b) if the place of sale should not be New York City, then also by publication of a similar notice in a daily newspaper, if any, published at the place of sale; and

- (c) by sending a similar notice by facsimile confirmed by registered mail to the Owner at its address hereinafter set forth at least fourteen (14) days prior to the date of sale;

Such sale of the Vessel may be held at such place as the Mortgagee in such notices may have specified, or such sale may be adjourned by the Mortgagee from time to time by announcement at the time and place appointed for such sale or for such adjourned sale and without further notice or publication the Mortgagee may make such sale at the time and place to which the same shall be so adjourned; and such sale may be conducted without bringing the Vessel to the place designated for such sale and in such manner as the Mortgagee may deem to be for its best advantage, and the Mortgagee may become the purchaser at such sale.

- (x) pending sale of the Vessel (either directly or indirectly) to manage, charter, lease, insure, maintain and repair the Vessel and to employ or lay up the Vessel upon such terms, in such manner and for such period as the Mortgagee in its absolute discretion deems expedient and for the purpose aforesaid the Mortgagee shall be entitled to do all acts and things incidental or conducive thereto and in particular to enter into such arrangements respecting the Vessel, her insurance, management, maintenance, repair, classification and employment in all respects as if the Mortgagee were the owner of the Vessel and without being responsible for any loss thereby incurred;
- (xi) to recover from the Owner on demand any such losses as may be incurred by the Mortgagee in or about the exercise of the powers vested in the Mortgagee under Section 7(B)(x) above with interest thereon at the rate provided for in Section 5(Q) hereof from the date when such losses were incurred by the Mortgagee; and
- (xii) to recover from the Owner on demand all expenses, payments and disbursements (including fees and expenses of counsel) incurred by the Mortgagee in or about or incidental to the exercise by it of any of the powers vested in it hereunder together with interest thereon at the rate provided for in Section 5(Q) hereof from the date when such expenses, payments or disbursements were incurred by it;

PROVIDED, ALWAYS, that any sale of the Vessel or any interest therein by the Mortgagee pursuant to Section 7(B)(ix) above shall operate to divest all right, title and interest of the Owner, its successors and assigns, in or to the Vessel so sold and upon such sale the purchaser shall not be bound to see or inquire whether the Mortgagee's power of sale has arisen in the manner herein provided and the sale shall be deemed to be within the power of the Mortgagee and the receipt of the Mortgagee for the purchase money shall effectively discharge the purchaser who shall not be concerned with the manner of application of the proceeds of sale or be in any way answerable therefor.

In case the Mortgagee shall have proceeded to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Mortgagee, then and in every such case the Owner and the Mortgagee shall be restored to their former positions and rights hereunder with respect to the property, subject or intended to be subject to this Mortgage, and all rights, remedies and powers of the Mortgagee shall continue as if no such proceedings had been taken.

(C) Notwithstanding the foregoing, it is understood that a Total Loss of the Vessel which is covered by the insurance maintained by Owner pursuant to Section 5(B) hereof shall not be deemed to be a default under this Mortgage, the Credit Agreement, the Note or any of the other relevant Transaction Documents, or any of them.

10. Application of Proceeds. The proceeds of any sale made either under the power of sale hereby granted to the Mortgagee or under a judgment or decree in any judicial proceedings for the foreclosure of this Mortgage or for the enforcement of any remedy granted to the Mortgagee hereunder, any net earnings arising from the management, charter or other use of the Vessel by the Mortgagee under any of the powers herein contained or by law provided and the proceeds of any and all Insurances and any claims for damages on account of the Vessel or the Owner of any nature whatsoever and any Requisition Compensation, shall be applied in accordance with Section 8.2 of the Credit Agreement.

In the event that the proceeds are insufficient to pay in full the Obligations, the Mortgagee shall be entitled to collect the balance from the Owner or any other Person liable therefor.

11. No Waiver. No delay or omission of the Mortgagee or the other Creditors to exercise any right or power vested in it under the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents, or any of them shall impair such right or power or be construed as a waiver thereof or as acquiescence in any default by the Owner hereunder, nor shall the acceptance by the Mortgagee of any payments in connection with this Mortgage from any source be deemed a waiver hereunder. However, if at any time after an Event of Default and prior to the actual sale of the Vessel by the Mortgagee or prior to any foreclosure proceedings the Owner cures all Events of Default and pays all expenses, advances and damages to the Mortgagee consequent on such Events of Default, with interest at the rate provided for in Section 5(Q) hereof from the date when such expenses, advances and damages were incurred, then the Mortgagee may accept such cure and payment and restore the Owner to its former position, but such action shall not affect any subsequent Event of Default or impair any rights consequent thereon.

12. Delegation of Power. The Mortgagee shall be entitled at any time and as often as may be expedient to delegate all or any of the powers and discretions vested in it by this Mortgage (including the power vested in it by virtue of Section 12 hereof) in such manner and upon such terms and to such Persons as the Mortgagee in its absolute discretion may deem advisable.
13. Indemnity. Without prejudice to any other rights and remedies of the Mortgagee under the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents, the Owner hereby agrees and undertakes to indemnify the Mortgagee against all obligations and liabilities whatsoever and whensoever arising which the Mortgagee may incur in good faith in respect of, in relation to or in connection with the Vessel or otherwise howsoever in relation to or in connection with the enforcement of the Mortgagee's rights hereunder or under the Credit Agreement, the Note or any of the other relevant Transaction Documents.
14. Power of Attorney.
- (A) The Owner hereby irrevocably appoints the Mortgagee as its attorney-in-fact for the duration of the Security Period to do in its name or in the name of the Owner all acts which the Owner, or its successors or assigns, could do in relation to the Vessel, including without limitation, to demand, collect, receive, compromise, settle and sue for (insofar as the Mortgagee lawfully may) all freights, hire, earnings, issues, revenues, income and profits of the Vessel, and all amounts due from underwriters under the Insurances as payment of losses or as return premiums or otherwise, salvage awards and recoveries, recoveries in general average or otherwise, and all other sums due or to become due to the Owner or in respect of the Vessel, and to make, give and execute in the name of the Owner, acquittance, receipts, releases or other discharges for the same, whether under seal or otherwise, to take possession of, sell or otherwise dispose of or manage or employ, the Vessel, to execute and deliver charters and a bill of sale with respect to the Vessel, and to endorse and accept in the name of the Owner all checks, notes, drafts, warrants, agreements and all other instruments in writing with respect to the foregoing. PROVIDED, HOWEVER, that, unless the context otherwise permits under this Mortgage, such power shall not be exercisable by or on behalf of the Mortgagee unless and until any Event of Default stipulated in Section 7(A) hereof shall occur and be continuing and shall not be exercisable after all defaults have been cured.

(B) The exercise of the power granted in this Section 12 by or on behalf of the Mortgagee shall not require any Person dealing with the Mortgagee to conduct any inquiry as to whether any such Event of Default has occurred and is continuing, nor shall such Person be in any way affected by notice that any such Event of Default has not occurred nor is continuing, and the exercise by the Mortgagee of such power shall be conclusive evidence of its right to exercise the same.

15. Appointment of Receiver. If any legal proceedings shall be taken to enforce any right under this Mortgage, the Mortgagee shall be entitled as a matter of right to the appointment of a receiver of the Vessel and of the freights, hire, earnings, issues, revenues, income and profits due or to become due and arising from the operation thereof.
16. Commencement of Proceedings. The Mortgagee shall have the right to commence proceedings in the courts of any country having competent jurisdiction and in particular the Mortgagee shall have the right to arrest and take action against the Vessel at whatever place the Vessel shall be found lying and for the purpose of any action which the Mortgagee may bring before the local court for the jurisdiction of such court or other judicial authority and the Owner agrees that for the purpose of proceedings against the Vessel any writ, notice, judgment or other legal process or documents may be served upon the Master of the Vessel (or upon anyone acting as the Master) and that such service shall be deemed good service on the Owner for all purposes.
17. Partial Invalidity. In the event that any provision or provisions of this Mortgage shall be declared invalid, void or otherwise inoperative by any present or future court of competent jurisdiction in any country, the Owner will, without prejudice to any other right and remedy of the Mortgagee under the Credit Agreement, the Note, this Mortgage, the other relevant Transaction Documents or any of them, execute and deliver such other and further instruments and do such things as in the opinion of the Mortgagee or its counsel will be necessary or advisable to carry out the true intent and spirit of this Mortgage. In any event, any such declaration of partial invalidity shall not affect the validity of any other provision or provisions of this Mortgage, or the validity of this Mortgage as a whole.

18. Cumulative Remedies. Each and every power and remedy in this Mortgage specifically given to the Mortgagee shall be in addition to every other power and remedy herein or in the Credit Agreement, the Note or the other relevant Transaction Documents specifically given or now or hereafter existing at law, in equity, admiralty, or by statute, and each and every power and remedy whether specifically in this Mortgage or in the Credit Agreement, the Note or the other relevant Transaction Documents given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by the Mortgagee, and the exercise or the beginning of the exercise of any such power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other power or remedy under the Credit Agreement, the Note, this Mortgage or any other relevant Transaction Documents.
19. No Waiver of Preferred Status. Anything herein to the contrary notwithstanding, it is intended that nothing herein shall waive the preferred status of this Mortgage under the laws of the Cayman Islands or under the corresponding provisions of any other jurisdiction in which it is sought to be enforced and that, if any provision or portion thereof herein shall be construed to waive the preferred status of this Mortgage, then such provision to such extent shall be void and of no effect.
20. Counterparts. This Mortgage may be executed in any number of counterparts each of which shall be an original but such counterparts shall together constitute but one and the same instrument.
21. Notices. Notices and other communications under this Mortgage shall be in writing and may be given by facsimile as follows:

If to the Owner -

PUTFORD SAVIOUR LIMITED
c/o SEACOR Marine LLC
7910 Main St. 2nd Floor
Houma, Louisiana 70360
Attn: President
Facsimile No.: (985) 876-5444

With a copy to:
SEACOR Holdings Inc.
2200 Eller Drive
P.O. Box 13038
Ft. Lauderdale, Florida 33316
Attn.: Legal Department
Facsimile No.: (954) 527-1772

If to the Mortgagee -

DNB BANK ASA, New York Branch
200 Park Avenue, 31st Floor
New York, New York 10166
Telephone No.: (212) 681-3800
Attention: Credit Middle Office / Loan Services Department
Facsimile No.: (212) 681-4123
Email: nyloanscsd@dnb.no

or to such other address as either party shall from time to time specify in writing to the other. Any notice sent by facsimile shall be confirmed by letter dispatched as soon as practicable thereafter.

Every notice or other communication shall, except so far as otherwise expressly provided by this Mortgage, be deemed to have been received (provided that it is received prior to 2 p.m. New York time; otherwise it shall be deemed to have been received on the next following Banking Day), in the case of a facsimile, when such facsimile is transmitted to the facsimile number specified herein and telephonic confirmation of receipt thereof is obtained, and in the case of a letter, at the time of receipt thereof.

22. Rights of Owner. Unless one or more Events of Default shall have occurred and be continuing, the Owner (a) shall be suffered and permitted to retain actual possession and use of the Vessel and (b) shall have the right, from time to time in its discretion, and without application to the Mortgagee, and without obtaining a release thereof by the Mortgagee, to dispose of, free from the lien hereof, any boilers, engines, machinery, masts, spars, sails, rigging, boats, anchors, cables, chains, tackle, apparel, furniture, fittings, equipment or any other appurtenances of the Vessel that are no longer useful, necessary, profitable or advantageous in the operation of the Vessel, first or simultaneously replacing the same by new boilers, engines, machinery, masts, spars, sails, rigging, boats, anchors, cables, chains, tackle, apparel, furniture, fittings, equipment or any other appurtenances of substantially equal value to the Owner, which shall forthwith become subject to the lien of this Mortgage.
23. Waiver; Amendment. None of the terms and conditions of this Mortgage may be changed, waived, modified or varied in any manner whatsoever unless in writing duly signed by the Owner and the Mortgagee.
24. Successors and Assigns. All the covenants, promises, stipulations and agreements of the Owner and all the rights and remedies of the Mortgagee contained in this Mortgage shall bind the Owner, its successors and assigns, and shall inure to the benefit of the Mortgagee, its successors and assigns, whether so expressed or not.

25. Applicable Law. This Mortgage shall be governed by, and construed in accordance with, the laws of the Cayman Islands.

26. Headings. In this Mortgage, section headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Mortgage.

[Signature Page Follows]

C-6-27

IN WITNESS whereof the Owner and the Mortgagee have each caused this Deed to be duly executed and delivered the day and year first before written.

EXECUTED as a **DEED** and delivered by)
PUTFORD SAVIOUR LIMITED)
acting by _____)

Authorised Signatory

In the presence of:

Name: _____
[Name of witness]

Address: _____

Occupation: _____

EXECUTED as a **DEED** and delivered by)
DNB BANK ASA, NEW YORK BRANCH)
acting by _____)

Authorised Signatory

In the presence of:

Name: _____
[Name of witness]

Address: _____

Occupation: _____

Credit Agreement

C-6-29

Note

C-6-30

Interest Rate Agreement

C-6-31

FIRST PREFERRED MORTGAGE

- on the -

United States Flag Vessel

[VESSEL],

SEACOR MARINE LLC,

as Owner

to

DNB BANK ASA, NEW YORK BRANCH,
as Mortgagee

[_____], 2018

SYNOPSIS OF MORTGAGE

Name and Official Number of Vessel:	[VESSEL NAME], Official Number []
Type of Instrument:	First Preferred Mortgage
Date of Instrument:	_____ __, 2018
Name of Owner (Percentage of Vessel owned):	SEACOR MARINE LLC (100%)
Address of Owner:	7910 Main St., 2nd Floor Houma, Louisiana 70360
Name of Mortgagee:	DNB BANK ASA, New York Branch, as Security Trustee
Address of Mortgagee:	200 Park Avenue, 31st Floor New York, New York 10166
Total amount of Mortgage:	One Hundred Thirty Million United States Dollars (U.S.\$130,000,000) and interest, expenses and performance of mortgage covenants

THIS FIRST PREFERRED MORTGAGE is made and given this [] day of [] 2018 by SEACOR MARINE LLC, a limited liability company organized and existing under the laws of the state of Delaware (the "Owner"), in favor of DNB BANK ASA, New York Branch ("DNB"), a corporation organized under the laws of the Kingdom of Norway, as security trustee for the Creditors (as defined in the Credit Agreement (as hereinafter defined)) (the "Mortgagee").

W H E R E A S:

A. The Owner is the sole owner of the whole of the vessel [VESSEL], Official No. [OFFICIAL NUMBER], of [GROSS TONS] gross tons and [NET TONS] net tons, and registered and documented in the name of the Owner under the laws and flag of the United States of America at the National Vessel Documentation Center.

B. By a senior secured Credit Agreement dated as of [], 2018 (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement") made by and among, *inter alios*, (1) SEACOR Marine Foreign Holdings Inc., as borrower (the "Borrower"), (2) SEACOR Marine Holdings Inc., as parent guarantor (the "Parent Guarantor"), (3) the entities listed on Schedule 1-A thereto, including the Owner, as subsidiary guarantors, (4) DNB, as facility agent (in such capacity, the "Facility Agent") and security trustee and (5) the financial institutions identified on Schedule 1-B thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the "Lenders"), a copy of the form of the Credit Agreement, without schedules or exhibits, is attached hereto as Exhibit A, the Lenders have agreed to provide to the Borrower a senior secured credit facility in the aggregate amount of up to One Hundred Thirty Million United States Dollars (U.S. \$130,000,000) (the "Facility"), the obligations of the Borrower to repay the Loan (as defined in the Credit Agreement) being evidenced by, that certain promissory note dated the date hereof, executed by the Borrower to the order of the Facility Agent for the benefit of the Lenders (the "Note"), a copy of the form of which is attached hereto as Exhibit B. The Facility, and interest, fees and commissions thereon are to be repaid and paid, as the case may be, as provided in the Credit Agreement.

C. Pursuant to Section 15 of the Credit Agreement, each of the Creditors has appointed the Mortgagee as security trustee on its behalf with regard to, inter alia, the security conferred on such Creditors pursuant to the Credit Agreement, the Note and the other Transaction Documents.

D. The Owner, in order to secure the payment of the Obligations, as that term is defined in sub-section 1(A)(iv) hereof, and to secure the performance and observance of and compliance with all the covenants, terms and conditions in the Note, the Credit Agreement and in this Mortgage contained, expressed or implied, to be performed, observed and complied with by and on the part of the Owner, has duly authorized the execution and delivery of this First Preferred Mortgage under and pursuant to the Ship Mortgage Act.

N O W, T H E R E F O R E, T H I S M O R T G A G E

W I T N E S S E T H:

1.1 Definitions: In this Mortgage, unless the context otherwise requires:

- (A) (i) "Earnings" means (i) all moneys and claims for moneys due and to become due thereto, whether as charter hire, freights, loans, indemnities, payments or otherwise, under, and all claims for damages arising out of any breach of, any bareboat, time or voyage charter, contract of affreightment or other contract for the use or employment of the Vessel, (ii) all remuneration for salvage and towage services, demurrage and detention moneys and any other earnings whatsoever due or to become due to the Owner arising from the use or employment of the Vessel, (iii) all moneys or other compensation payable by reason of requisition for title or for hire or other compulsory acquisition of the Vessel, and (iv) all proceeds of all of the foregoing;

- (ii) "Event of Default" means any of the events of default set out in Section 7 of this Mortgage;
- (iii) "Insurances" includes all policies and contracts of insurance and reinsurance, including all entries of the Vessel in a protection and indemnity or war risks association or club which are from time to time taken out or entered into in respect of the Vessel, the Vessel's hull and machinery, and all benefits thereof, including, without limitation, all claims of whatsoever nature, as well as return premiums, or otherwise howsoever in connection with the Vessel;
- (iv) "Obligations" means all obligations owed by the Credit Parties under or in connection with the Credit Agreement, the Note, this Mortgage, any other relevant Transaction Document;
- (v) "Requisition Compensation" means all moneys or other compensation payable and belonging to the Owner during the Security Period by reason of requisition for title or other compulsory acquisition of the Vessel otherwise than by requisition for hire;
- (vi) "Security Period" means the period commencing on the date hereof and terminating upon discharge of the security created by this Mortgage by payment in full of the Obligations;
- (vii) "Ship Mortgage Act" means the United States Ship Mortgage Act, 1920, as amended, inter alia, by Public Law 100-710 (46 USC Section 31301 et seq.);
- (viii) "Total Loss" means any of the:
 - (a) actual, constructive or compromised or arranged total loss of the Vessel;
 - (b) requisition for title or other compulsory acquisition of the Vessel (otherwise than by requisition for hire) which shall continue for thirty (30) days; and
 - (c) capture, seizure, arrest, detention or confiscation of the Vessel by any government or by Persons acting or purporting to act on behalf of any government unless the Vessel be released and restored to the Owner from such capture, seizure, arrest, detention or confiscation within thirty (30) days after the occurrence thereof; and

(ix) "Vessel" means the whole of the vessel described in Recital A hereof and includes her engines, machinery, boats, boilers, masts, rigging, anchors, chains, cables, apparel, tackle, outfit, spare gear, fuel, consumable or other stores, freights, belongings and appurtenances, whether on board or ashore, whether now owned or hereafter acquired, and all additions, improvements and replacements hereafter made in or to said Vessel, or any part thereof, or in or to the stores, belongings and appurtenances aforesaid except such equipment or stores which, when placed aboard said Vessel, do not become the property of the Owner.

(B) In Section 5(B) hereof:

(i) "excess risks" means the proportion of claims for general average and salvage charges and under the ordinary running-down clause not recoverable in consequence of the value at which a vessel is assessed for the purpose of such claims exceeding her insured value;

(ii) "protection and indemnity risks" means the usual risks covered by a United States or an English or another protection and indemnity association or club acceptable to the Mortgagee including the proportion not recoverable in case of collision under the ordinary running-down section; and

(iii) "war risks" means the risk of mines and all risks excluded from the standard form of United States marine policy by the War, Strikes and Related Exclusion clause.

1.2 Other Defined Terms. Except as otherwise defined herein, terms defined in the Credit Agreement shall have the same meaning when used herein. For the purposes of this Mortgage, when any term is modified by the word "relevant" such term shall be construed to mean with respect to, among others, as the case may be, the Owner.

1.3 Credit Agreement Prevails. This Mortgage shall be read together with the Credit Agreement but in case of any inconsistency or conflict between the two, the provisions of the Credit Agreement shall prevail to the extent not contrary to any relevant legal requirement relating to the creation, validity and enforceability of the security interests purported to be created pursuant to this Mortgage and provided further that this Section 1.3 shall not be construed to limit in any way any covenant or obligation of the Owner under this Mortgage or to affect the governing law provision found in Section 24 of this Mortgage.

2. Grant of Mortgage; Representations and Warranties.

2.1 In consideration of the premises and of other good and valuable consideration, the receipt and adequacy whereof are hereby acknowledged, and in order to secure the payment of the Obligations and to secure the performance and observance of and compliance with the covenants, terms and conditions in the Credit Agreement, the Note, this Mortgage and the other relevant Transaction Documents contained, the Owner has granted, conveyed and mortgaged and does by these presents grant, convey and mortgage to and in favor of the Mortgagee, its successors and assigns, the whole of the Vessel TO HAVE AND TO HOLD the same unto the Mortgagee, its successors and assigns, forever, upon the terms set forth in this Mortgage for the enforcement of the payment of the Obligations and to secure the performance and observance of and compliance with the covenants, terms and conditions in this Mortgage, the Credit Agreement, the Note and the other relevant Transaction Documents contained;

PROVIDED, ONLY, and the conditions of these presents are such that, if the Owner and/or its successors or assigns shall pay or cause to be paid to the Mortgagee or the Creditors, as the case may be, their respective successors and assigns, the Obligations as and when the same shall become due and payable in accordance with the terms of this Mortgage, the Credit Agreement, the Note and the other relevant Transaction Documents and shall perform, observe and comply with all and singular of the covenants, terms and conditions in this Mortgage, the Credit Agreement, the Note and the other relevant Transaction Documents contained, expressed or implied, to be performed, observed or complied with by and on the part of the Owner or its successors or assigns, all without delay or fraud and according to the true intent and meaning hereof and thereof, then, these presents and the rights of the Mortgagee under this Mortgage shall cease and desist and, in such event, the Mortgagee agrees by accepting this Mortgage, at the expense of the Owner, to execute all such documents as the Owner may reasonably require to discharge this Mortgage under the laws of the United States of America; otherwise to be and remain in full force and effect.

2.2 The Owner hereby represents and warrants to the Mortgagee that:

(a) Due Organization and Power. The Owner is duly formed, validly existing and in good standing under the laws of the state of Delaware, has all requisite power to carry on its business as now being conducted and to enter into and perform its obligations under this Mortgage and the other Transaction Documents to which it is a party, and has complied in all material respects with all statutory, regulatory and other requirements relative to such business and such agreements;

(b) Authorization and Consents. All necessary limited liability company action has been taken by the Owner to authorize, and all necessary consents and authorities have been obtained and remain in full force and effect to permit, the Owner to enter into and perform its obligations under this Mortgage and the other Transaction Documents to which it is a party;

(c) Binding Obligations. Each of this Mortgage and the other Transaction Documents to which it is a party has been duly executed and delivered by the Owner and is the legal, valid and binding obligation of the Owner, enforceable against it in accordance with its respective terms, except to the extent that such enforcement may be limited by equitable principles, principles of public policy or applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting generally the enforcement of creditors' rights;

(d) No Violation. The execution, delivery, and performance by the Owner of the provisions of each of this Mortgage and the other Transaction Documents to which it is party do not contravene any applicable law or regulation that is material to the conduct of the Owner's business or any contractual restriction binding on the Owner, its certificate of formation or operating agreement;

(e) Filings; Stamp Taxes. Other than the recording of this Mortgage, and the filing of Uniform Commercial Code financing statements in respect of the Assignments to which the Owner is a party, and the payment and filing or recording fees consequent thereto, it is not necessary for the legality, validity, enforceability or admissibility into evidence of this Mortgage or any other Transaction Documents to which the Owner is party, that any of them or any document relating thereto be registered, filed, recorded or enrolled with any court or authority in any relevant jurisdiction or that any stamp, registration or similar Taxes be paid on or in relation to the Transaction Documents;

(f) Litigation. There is no action, suit or proceeding pending or, to the knowledge of the Owner, threatened in writing against it before any court, board of arbitration or administrative agency which is reasonably likely to result in a Material Adverse Effect;

(g) No Default. The Owner is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any material agreement by which it is bound, and no condition exists which, with the giving of notice or the lapse of time or both, could constitute such a default, except where the consequences, direct or indirect, of such default or defaults, if any, could not reasonably be expected to have a Material Adverse Effect;

(h) Vessel. The Vessel is:

- (i) in the sole and absolute ownership of the Owner and duly registered in its name under the laws and flag of the United States of America, unencumbered, save and except for this Mortgage recorded against it, the relevant Assignments, Permitted Liens and as permitted hereby and thereby;
- (ii) classed in the highest classification and rating for vessels of the same age and type with its Classification Society without any material outstanding recommendations or adverse notations affecting class; and
- (iii) the Vessel is tight, staunch and strong and well and sufficiently tackled, appareled, furnished and equipped and in all respects seaworthy and in the highest possible classification and rating for vessels of the same age and type with the respective Classification Society without any material outstanding recommendations or adverse notations affecting class;

(i) Insurance. The Owner maintains the insurance set forth in Section 9.1(v) of the Credit Agreement;

(j) Chief Executive Offices. the chief executive office and chief place of business of the Owner and the office in which the records relating to its earnings and other receivables are kept is located at 7910 Main Street, 2nd Floor, Houma, LA 70360;

(k) Pari Passu Ranking. Its payment obligations under this Mortgage and the other Transaction Documents to which it is a party rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally;

(l) Environmental Matters and Claims. There is no Environmental Claim pending or threatened in writing against the Owner;

(m) Liens. The Owner does not have any Liens that are not Permitted Liens;

(n) No Proceedings to Dissolve. There are no proceedings or actions pending or contemplated by it, or to its best knowledge contemplated by any third party, to dissolve or terminate the Owner;

(o) Solvency. Upon the incurrence of the Indebtedness pursuant to this Mortgage and the other Transaction Documents to which the Owner is a party, (i) the sum of its assets, at a fair valuation, does and will exceed its liabilities, including, to the extent they are reportable as such in accordance with GAAP, contingent liabilities, (ii) the present fair market salable value of its assets is not and shall not be less than the amount that will be required to pay its probable liability on its then existing debts, including, to the extent they are reportable as such in accordance with GAAP, contingent liabilities, as they mature, (iii) it does not and will not have unreasonably small working capital with which to continue its business and (iv) it has not incurred, does not intend to incur and does not believe it will incur, debts beyond its ability to pay such debts as they mature;

(p) Compliance with Laws. The Owner is in compliance with all applicable laws of all Governmental Authorities, except where the failure to comply would not alone or in the aggregate result in a Material Adverse Effect;

(q) Citizenship. The Owner is a citizen of the United States within the meaning of 46 U.S.C. 50501(a), as amended, of the United States Code; and

(r) Sanctions and Anti-Money Laundering Laws. The Owner is in compliance with applicable Sanctions Laws and Anti-Money Laundering Laws. The Owner (i) is not a Blocked Person, and (ii) has not received notice of or is aware of any claim, action, suit, proceeding or investigation against it by any Governmental Authority in connection with the enforcement of the Sanctions Laws. The Owner is not engaging in a transaction or dealing with any individual, entity or Sanctioned Country in a manner that would constitute a violation of applicable Sanctions Laws. The Owner is not using any proceeds from the Loan, directly or, to its knowledge, indirectly, to lend, contribute, provide or otherwise make available funds (1) to a Blocked Person (except to the extent licensed or otherwise approved by OFAC or other applicable Governmental Authority), (2) to a Person for the purpose of engaging in any activities that would result in a violation of Sanctions Laws or Anti-Money Laundering Laws by any Credit Party or to the knowledge of the Credit Parties, any Related Party thereof, or (3) for any purposes that would result in a violation of Sanctions Laws or Anti-Money Laundering Laws by any Credit Party or to the knowledge of the Credit Parties any Related Party;

(s) Material Adverse Change. Since December 31, 2017, no event, circumstance or change has occurred that constitutes a Material Adverse Effect.

3. Payment of Obligations. The Owner hereby further covenants and agrees to pay when due the Obligations to the Creditors or their successors or assigns in the manner provided for and in the terms of the Credit Agreement, this Mortgage and the other Transaction Documents.

4. Covenants Regarding Security Granted Hereunder. It is declared and agreed that:

(A) The security created by this Mortgage shall be held by the Mortgagee as a continuing security for the payment of the Obligations and that the security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the amount hereby secured.

(B) Any settlement or discharge under this Mortgage between the Mortgagee and the Owner shall be conditional upon no security or payment to the Mortgagee or the other Creditors, related to or which reduces the obligations secured hereby, by the Owner or any other Person being avoided or set-aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency or liquidation for the time being in force, and if such condition is not satisfied, the Mortgagee shall be entitled to recover from the Owner on demand the value of such security or the amount of any such payment as if such settlement or discharge had not occurred.

(C) The rights of the Mortgagee under this Mortgage and the security hereby constituted shall not be affected by any act, omission, matter or thing which, but for this provision, might operate to impair, affect or discharge such rights and security, including without limitation, and whether or not known to or discoverable by the Owner, the Mortgagee or any other Person:

(i) any time or waiver granted to, or compromise with, the Owner or any other Person; or

(ii) the taking, variation, compromise, renewal or release of or refusal or neglect to perfect or enforce any rights, remedies or securities against the Owner or any other Person; or

(iii) any legal limitation, disability, dissolution, incapacity or other circumstances relating to the Owner or any other Person; or

(iv) any amendment or supplement to the Credit Agreement, the Note or any other relevant Transaction Document; or

(v) the unenforceability, invalidity or frustration of any obligations of the Owner or any other Person under the Credit Agreement, the Note or any other relevant Transaction Document.

(D) The Owner acknowledges and agrees that it has not received any security from any Person for the granting of this Mortgage and it will not take any such security without the prior written consent of the Mortgagee, and the Owner will hold any security taken in breach of this provision in trust for the Mortgagee.

(E) Until the Obligations have been unconditionally and irrevocably paid and discharged in full to the satisfaction of the Mortgagee, the Owner shall not by virtue of any payment made under the Credit Agreement, the Note, this Mortgage or any other relevant Transaction Document on account of such moneys and liabilities or by virtue of any enforcement by the Mortgagee of its right under or the security constituted by this Mortgage:

(i) be entitled to exercise any right of contribution or indemnity from any co-surety liable in respect of such moneys and liabilities under any other guarantee, security or agreement; or

(ii) exercise any right of set-off or counterclaim against any such co-surety; or

(iii) receive, claim or have the benefit of any payment, distribution, security or indemnity from any such co-surety; or

(iv) unless so directed by the Mortgagee (which the Owner shall prove in accordance with such directions), claim as a creditor of any such co-surety in competition with the Mortgagee (or any trustee or agent on its behalf).

The Owner shall hold in trust for the Mortgagee and forthwith pay or transfer (as appropriate) to the Mortgagee any such payment (including an amount equal to any such set-off), distribution or benefit of such security, indemnity or claim in fact received by it.

(F) The Owner hereby irrevocably subordinates all of its rights of subrogation (whether contractual, statutory, under common law or otherwise) to the claims of the Mortgagee against any Person and all contractual, statutory or common law rights of contribution, reimbursement indemnification and similar rights and claims against any Person which arise in connection with, or as a result of, the Credit Agreement, this Mortgage or any other relevant Transaction Document until full and final payment of all of the Obligations.

5. Affirmative Covenants and Insurances. The Owner further covenants with the Mortgagee and undertakes at all times throughout the Security Period:

(A) to maintain:

- (i) its existence as a limited liability company of the state of Delaware;
- (ii) its good standing under the laws of the state of Delaware; and
- (iii) a registered office as required by the laws of the state of Delaware;

(B) to duly perform and observe the terms of the Transaction Documents to which it is a party;

(C) (i) to insure and keep the Vessel insured or cause or procure the Vessel to be insured and to be kept insured at no expense to the Mortgagee (or, with regard to the insurance cover described in (d) below, to reimburse the Mortgagee therefor), in regard to:

- (a) all fire and usual marine risks (including increased value, which shall not exceed twenty percent (20%) of the total hull and machinery coverage) on an agreed value basis, which hull and machinery insured value shall be at least 80% of the Fair Market Value of the Vessel in accordance with Section 9.1(v)(iii) of the Facility Agreement;
- (b) war risks on an agreed value basis (including war protection and indemnity liability with a separate limit not less than hull value) covering, inter alia, the perils of confiscation, terrorism, piracy, expropriation, nationalization, seizure and blocking;
- (c) protection and indemnity risks (including pollution risks and including protection and indemnity war risks in excess of the amount for war risks (hull)) to the highest amount available in the market for the full value and tonnage of the ship, as approved in writing by the Mortgagee, and, in case of oil pollution liability risks, at the highest level of cover from time to time available under basic protection and indemnity clubs entry, currently One Billion United States Dollars (\$1,000,000,000); and
- (d) Mortgagee's interest including mortgagee's interest additional perils (pollution) risks and, on demand, reimburse the Security Trustee for all premiums, costs and expenses paid or incurred by the Mortgagee from time to time;

(ii) with respect to the Vessel, to effect the Insurances aforesaid or to cause or procure the same to be effected:

- (a) in the cases of the Insurances referred to in sub-sections (i) (a), (b) and (d) above and total loss, (A) in such amounts on an agreed value basis as shall be at least equivalent to the higher of (I) the Fair Market Value of the Vessel and (II) One Hundred Twenty percent (120%) of the aggregate outstanding principal amount of the Facility (when aggregated with the insured value of the other Vessels then financed under the Credit Agreement), (B) all such insurance shall be payable in lawful money of the United States of America, and (C) upon such terms (including provisions as to named insureds and loss payees and prior notice of cancellation) and with such deductibles as shall from time to time be approved by the Mortgagee in the reasonable exercise of its judgment;

- (b) in the case of the protection and indemnity Insurances referred to in sub-section (i)(c) above, in respect of the Vessel's full tonnage, and in an amount equal to the highest level of cover commercially available as at the date of this Mortgage and to include provisions as to loss payees and prior notice of cancellation in form and substance satisfactory to the Mortgagee; and
- (c) with insurance companies, underwriters, funds, mutual insurance associations, war risks and protection and indemnity risks associations or clubs of recognized standing, in each case, acceptable to the Mortgagee (hereinafter called "the Insurers");

(iii) to renew or replace all such Insurances or cause or procure the same to be renewed or replaced before the relevant policies or contracts expire and to procure that the Insurers or the firm of insurance brokers referred to herein below shall promptly confirm in writing to the Mortgagee as and when each such renewal or replacement is effected;

(iv) to procure, if instructed by any Lender, concurrently with the execution hereof and thereafter at intervals of not more than twelve (12) calendar months, a detailed report from a firm of independent marine insurance brokers, appointed by the Facility Agent, with respect to the Insurances together with their opinion to the Mortgagee that the Insurances comply with the provisions of this Section 5(B), such report and opinion to be addressed and delivered promptly to the Mortgagee and the costs of such report and opinion procured concurrently with the execution hereof to be for the account of the Owner;

(v) to cause the said independent marine insurance brokers or the Insurers to agree to use reasonable efforts to advise the Mortgagee promptly of any failure to renew any of the Insurances and of any default in payment of any premium and of any other act or omission on the part of the Owner of which they have knowledge and which might, in their opinion, invalidate or render unenforceable, or cause the lapse of or prevent the renewal or extension of, in whole or in part, any Insurances on the Vessel;

(vi) to cause the said independent marine insurance brokers to agree to mark their records and to use their best efforts to advise the Mortgagee, at least fourteen (14) days prior to the expiration date of any of the Insurances, that such Insurances have been renewed or replaced with new insurance which complies with the provisions of this Section 5(B);

(vii) duly and punctually to pay or to cause duly and punctually to be paid all premiums, calls, contributions or other sums payable in respect of all such Insurances, to produce or to cause to be produced all relevant receipts when so required by the Mortgagee and duly and punctually to perform and observe or to cause duly and punctually to be performed and observed any other obligations and conditions under all such Insurances;

(viii) to execute or use reasonable efforts to cause to be executed such guarantees as may from time to time be required by any relevant protection and indemnity association or club;

(ix) to procure that all policies, binders, cover notes or other instruments of the Insurances referred to in subsections (i)(a) and (b) above shall be taken out in the name of the Owner, with the Mortgagee as an additional assured (without liability for premiums), as its or their respective interests may appear, and shall incorporate a loss payable clause naming the Mortgagee as loss payee prepared in compliance with the terms of this Mortgage and such loss payable clause to be in any event in form and substance acceptable to the Mortgagee and all policies, binders, cover notes or other instruments referred to in subsection (i) shall (a) provide for prior notice of at least fourteen (14) days (except war risks which shall be seven (7) days unless terminated automatically in accordance with the provisions of the automatic termination and cancellation clauses contained in such policies) to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums as to the Mortgagee; provided, however, that unless otherwise required by the Mortgagee by notice to the underwriters, although all losses under such Insurances are payable to the Mortgagee, in case of any such losses involving any damage to the Vessel the underwriters may pay direct for the repair, salvage and other charges involved or, if the Owner shall have first fully repaired the damage or paid all of the salvage and other charges may pay the Owner as reimbursement therefor, provided, further, however, that if such damage involves a loss in excess of U.S.\$500,000, or its equivalent, the underwriters shall not make such payment without first obtaining the written consent thereto of the Mortgagee, and (b) in the event that the Vessel shall be insured under any form of fleet cover, undertakings that the brokers, underwriters, association or club (as the case may be) will not set off claims relating to the Vessel against premiums, calls or contributions in respect of any other vessel or other insurance and that the insurance cover of the Vessel will not be cancelled by reason of non-payment of premiums, calls or contributions relating to any other vessel or other insurance;

(x) to procure that all entries, policies, binders, cover notes or other instruments of the Insurances referred to in sub-section (i)(c) above incorporate a loss payable clause naming the Mortgagee as loss payee prepared in compliance with the terms of this Mortgage and such loss payable clause to be in any event in form and substance acceptable to the Mortgagee and shall provide for prior notice of at least fourteen (14) days to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums, backcalls and assessments as to the Mortgagee, it being agreed that although such insurance is payable to the Mortgagee so long as no Event of Default has occurred and is continuing under this Mortgage, any loss payments under any such insurance on the Vessel may be paid directly to the Owner to reimburse it for any loss, damage or expenses incurred by it and covered by such insurance or to the Person to whom any liability covered by such insurance has been incurred;

(xi) not to reduce the coverage of any Insurances without the Mortgagee's prior written approval;

(xii) to procure that all policies, bindings, cover notes or other instruments of the Insurances referred to in sub-section (i)(d) to the extent obtained by the Owner shall be taken out in the name of the Mortgagee and shall incorporate a loss payable clause naming the Mortgagee as loss payee and shall provide for prior notice of at least fourteen (14) days to be given to the Mortgagee before cancellation of insurance for any reason whatsoever and for a waiver of liability for payment of premiums as to the Mortgagee and the Lenders;

(xiii) to procure that Certificates of Insurance or summaries or copies of all such instruments of Insurances as are referred to in sub-sections (ix) and (x) above shall be from time to time deposited with the Mortgagee within thirty (30) days after placement of the relevant Insurances, provided, however, that originals or copies of all such instruments of Insurances as are referred to in sub-sections (ix) and (x) above shall be made available to the Mortgagee upon request by the Mortgagee;

(xiv) not to employ the Vessel or suffer the Vessel to be employed otherwise than in conformity with the terms of all policies, binders, cover notes or other instruments of the Insurances (including any warranties express or implied therein) without first obtaining the written consent of the Insurers to such employment (if required by such Insurers) and complying with such requirements as to extra premiums or otherwise as the Mortgagee and/or the Insurers may prescribe;

(xv) to do all things necessary and proper, and execute and deliver all documents and instruments to enable the Mortgagee to collect or recover any moneys to become due the Mortgagee in respect of the Insurances;

(xvi) to otherwise maintain the Vessel's insurances in accordance with Section 9.1(v) of the Facility Agreement; and

(xvii) to provide, within a reasonable period of time after a written request therefor, such additional insurances as the Mortgagee may from time to time reasonably require on account of such insurances being required by any applicable law, regulation, public body, classification society or similar relevant authority or such insurances in the reasonable opinion of the Mortgagee being customary or recommended for vessels of a similar type or vessels employed in a similar trade, in which case the provisions of this clause B shall be applicable, if appropriate.

(D) (i) to maintain the Vessel's classification in accordance with Section 9.1(o) of the Facility Agreement and (ii) to keep and to cause to be kept the Vessel in a good and efficient state of repair so as to enable her to maintain her present class with its Classification Society and so as to enable her to comply with the provisions of all laws, regulations and other requirements (statutory or otherwise) from time to time applicable to vessels registered under the laws of the United States of America, to procure that the Vessel's Classification Society make available to the Mortgagee, upon its request, such information and documents in respect of the Vessel as are maintained in the records of such Classification Society, and to procure that all repairs to or replacements of any damaged, worn or lost parts or equipment be effected in such manner (both as regards workmanship and quality of materials) as not to diminish the value of the Vessel;

(E) (i) to keep the Vessel registered in the name of the Owner;

(ii) to keep the Vessel in good and safe condition and state of repair (ordinary wear and tear and/or loss or damage by casualty or condemnation excepted);

(iii) to keep the Vessel insured in accordance with the provisions of Section 9.1(v) of the Facility Agreement and ensure that the requirements thereof in respect of any insurances have been complied with;

(iv) to notify the Mortgagee of all material modifications to the Vessel and of the removal of any parts or equipment from the Vessel; and

(v) to provide the Mortgagee with all reasonably requested Vessel related information;

(F) to submit or to cause the Vessel to be submitted on a timely basis to such periodic or other surveys as may be required for classification purposes and, if reasonably requested by the Mortgagee, to supply or to cause to be supplied to the Mortgagee copies of all survey and inspection reports and confirmations of class issued in respect thereof and to procure that the Classification Society provides the Mortgagee with the same rights and privileges to its records relating to the Vessel as given to the Owner;

(G) to permit the Mortgagee, by surveyors or other Persons appointed by it in its behalf, to board the Vessel at all reasonable times for the purpose of inspecting her condition or for the purpose of satisfying themselves in regard to proposed or executed repairs and to afford or to cause to be afforded all proper facilities for such inspections, provided that such inspections will not unreasonably interfere with the normal operations of the Vessel and cause no undue delay to the Vessel;

(H) (i) to pay and discharge or to cause to be paid and discharged all debts, damages and liabilities whatsoever which have given or may give rise to maritime or possessory liens on or claims enforceable against the Vessel except to the extent permitted by Section 5(O) hereof and (ii) in event of arrest of the Vessel pursuant to legal process or in event of her detention in exercise or purported exercise of any such lien as aforesaid to procure the release of the Vessel from such arrest or detention within fifteen (15) Business Days of receiving notice thereof by providing bail or otherwise as the circumstances may require;

(I) not to employ the Vessel or suffer her employment in any trade or business which is forbidden by the laws of the United States of America or is otherwise illicit or in carrying illicit or prohibited goods or in any manner whatsoever which may render her liable to condemnation or to destruction, seizure or confiscation and in event of hostilities in any part of the world (whether war be declared or not), not to employ the Vessel or suffer her employment in carrying any contraband goods or to enter or trade to any zone which is declared a war zone by any government or by the Vessel's war risks Insurers unless the required extra war risk insurance cover has been obtained for the Vessel;

(J) promptly to furnish or to use its best efforts to cause promptly to be furnished to the Mortgagee all such information as the Mortgagee may from time to time reasonably request regarding the Vessel, her employment, position and engagements, particulars of all towages and salvages and copies of all charters and other contracts for her employment or otherwise howsoever pertaining to the Vessel;

(K) promptly after learning of the same to notify or cause to be notified the Mortgagee forthwith in writing of:

(i) any accident to the Vessel involving repairs the cost whereof will or is likely to exceed five percent (5%) of the insured value of the Vessel;

(ii) any occurrence in consequence whereof the Vessel has become or is likely to become a Total Loss;

(iii) any material requirement or recommendation made by any Insurer or Classification Society or by any competent authority which is not complied with in accordance with reasonable commercial practices;

(iv) any arrest of the Vessel or the exercise or purported exercise of any lien on the Vessel or her Earnings; and

(v) any occurrence of circumstances forming the basis of an Environmental Claim.

(L) to keep or to cause to be kept proper books of account of the Owner in respect of the Vessel and her Earnings and, if reasonably requested by the Mortgagee, to make or to cause to be made such books available for inspection on behalf of the Mortgagee and furnish or cause to be furnished satisfactory evidence that the wages and allotments and the insurance and pension contributions of the Master and crew are being regularly paid and that all deductions from crew's wages in respect of any tax liability are being properly accounted for and that the Master has no claim for disbursements other than those incurred by him in the ordinary course of trading on the voyage then in progress;

(M) to assign and provide that Requisition Compensation is applied in accordance with Section 8 hereof as if received in respect of the sale of the Vessel;

(N) not, without the previous consent in writing of the Mortgagee, materially alter the structure of the Vessel or its equipment or remove any material parts of the Vessel to the extent such action could reasonably be expected to reduce the value of the Vessel;

(O) intentionally omitted;

(P) to keep the Vessel registered under the laws of the United States of America;

(Q) to keep and to cause the Vessel to be kept free and clear of all liens, charges, mortgages and encumbrances except in favor of the Mortgagee, and except for crew's wages remaining unpaid in accordance with reasonable commercial practices or for collision or salvage, liens in favor of suppliers of necessities or other similar liens arising in the ordinary course of its business, accrued for not more than thirty (30) days (unless any such lien is being contested in good faith and by appropriate proceedings or other acts and the Owner shall have set aside on its books adequate reserves with respect to such lien and so long as such deferment in payment shall not subject the Vessel to forfeiture or loss) or liens for loss, damage or expense which are fully covered by insurance, subject to applicable deductibles satisfactory to the Mortgagee, or in respect of which a bond or other security has been posted by or on behalf of the Owner with the appropriate court or other tribunal to prevent the arrest or secure the release of the Vessel from arrest, and not, except in favor of the Mortgagee, to pledge, charge, assign or otherwise encumber (in favor of any Person other than the Mortgagee) her Insurances, Earnings or Requisition Compensation or to suffer the creation of any such pledge, charge, assignment or encumbrance as aforesaid to or in favor of any Person other than the Mortgagee;

(R) not, without the previous consent in writing of the Mortgagee (and then only subject to such terms and conditions as the Mortgagee may impose), to sell, abandon or otherwise dispose of the Vessel or any interest therein;

(S) to pay promptly to the Mortgagee all moneys (including fees of counsel) whatsoever which the Mortgagee shall or may expend, be put to or become liable for, in or about the protection, maintenance or enforcement of the security created by this Mortgage or in or about the exercise by the Mortgagee of any of the powers vested in it hereunder and to pay interest thereon at the Default Rate from the date whereon such expense or liability was incurred by the Mortgagee;

(T) to comply with all declaration and reporting requirements imposed by the protection and indemnity club or insurers including, without limitation, the quarterly declarations required by the U.S. Oil Pollution Section 20/2/91, and to pay all premiums required to maintain in force the necessary U.S. Oil Pollution Cover;

(U) to comply with and satisfy all the requisites and formalities established by the laws of the United States of America to perfect this Mortgage as a legal, valid and enforceable first and preferred lien upon the Vessel and to furnish to the Mortgagee from time to time such proofs as the Mortgagee may reasonably request for its satisfaction with respect to the compliance by the Owner with the provisions of this Section 5(S);

(V) not without the previous consent of the Mortgagee in writing, which consent shall not be unreasonably withheld, to let the Vessel or permit the Vessel to be let on demise charter (other than any demise charter to a company related to the Owner or any of its members) for any period;

(W) to place or to cause to be placed and at all times and places to retain or to cause to be retained a properly certified copy of this Mortgage on board the Vessel with her papers and cause this Mortgage to be exhibited to any and all Persons having business with the Vessel which might give rise to any lien thereon other than liens for crew's wages and salvage, and to any representative of the Mortgagee on demand; and to place and keep or to cause to be placed and kept prominently displayed in the chart room and in the Master's cabin of the Vessel a framed printed notice in plain type in English of such size that the paragraph of reading matter shall cover a space not less than six inches wide by nine inches high, reading as follows:

“NOTICE OF MORTGAGE

This Vessel is owned by SEACOR Marine LLC (the “Owner”) and is subject to a first preferred mortgage (the “First Mortgage”) in favor of DNB Bank ASA, New York Branch, as security trustee and mortgagee, under the authority of the United States Ship Mortgage Act, 1920, as amended, *inter alia*, by Public Law 100-710 (46 USC Section 31301 *et seq.*). Under the terms of the First Mortgage, neither the Owner nor any charterer nor the Master of this Vessel nor any other person has any power, right or authority whatever to create, incur or permit to be imposed upon this Vessel any lien or encumbrance except for crew's wages and salvage.”

(X) (i) If the Facility Agent shall so request, to provide the Facility Agent (for distribution to the Lenders) with copies of all internally generated inspection or survey reports on the Vessel; provided, that in the event that the Vessel is reactivated out of cold stack, the Owner shall provide, upon the reasonable request of the Facility Agent, the Facility Agent with copies of all inspections and survey reports to the extent required to be provided to the Classification Society or other such reports requested by the Facility Agent at the cost of the Borrower, and (ii) upon reasonable notice to the Owner, the Owner shall permit the Facility Agent (acting through surveyors or other persons appointed by it for that purpose) at the cost of the Borrower from time to time to inspect the Vessel and shall afford all proper facilities for such inspections provided that such inspections shall not unreasonably interfere with the operation of the Vessel, any relevant charterer's quiet enjoyment of the Vessel or the Vessel's scheduled maintenance and docking schedule.

(Y) except where failure to comply would not alone or in the aggregate result in a Material Adverse Effect, do or cause to be done, all things necessary to comply with all contracts or agreements to which it is a party, and all laws, and the rules and regulations thereunder, applicable to it, including, without limitation, those laws, rules and regulations relating to employee benefit plans and environmental matters;

(Z) promptly upon the occurrence of any of the following conditions, provide to the Facility Agent notice thereof, specifying in reasonable detail the nature of such condition: (a) its receipt of any written communication that alleges that it is not in compliance with any applicable Environmental Law or Environmental Approval, if such failure to comply would reasonably be expected to have a Material Adverse Effect, (b) any Environmental Claim pending or threatened in writing against any it, which would reasonably be expected to have a Material Adverse Effect, or (c) any release, emission, discharge or disposal of any Material of Environmental Concern that would reasonably be expected to form the basis of any Environmental Claim against it, if such Environmental Claim could reasonably be expected to have a Material Adverse Effect. Upon the written request by the Facility Agent, it will submit to the Facility Agent at reasonable intervals, a report providing an update of the status of any issue or claim identified in any notice or certificate required pursuant to this subsection;

(AA) with respect to the Vessel (i) procure that the Vessel Manager is and shall at all times remain the Operator thereof, (ii) procure that the Operator will comply with and ensure that each of the Vessels operated by it will comply with the requirements of the ISM Code, ISPS Code, Annex VI and MTSA in accordance with the implementation schedules thereof, including (but not limited to) the maintenance and renewal of valid certificates, and when required, security plans, pursuant thereto throughout the term of the Loan; (iii) procure that the Operator will immediately inform the Facility Agent if there is any threatened or actual withdrawal of its DOC, SMC, ISSC or IAPPC in respect of any Vessel operated by it; (iv) procure that the Operator will promptly inform the Facility Agent upon the issuance to the relevant Subsidiary Guarantor or Operator of a DOC and to any of the Vessels of an SMC, ISSC or IAPPC; and (v) maintain an Inventory of Hazardous Materials onboard at all times following the next drydock;

(BB) cause the Vessel to be managed both commercially and technically by the Vessel Manager;

(CC) if the Facility Agent shall so request, provide, if applicable, the Facility Agent with copies of the current Certificate of Financial Responsibility pursuant to the Oil Pollution Act 1990 for the Vessel;

(DD) remain in compliance with applicable Sanctions Laws and Anti-Money Laundering Laws;

(EE) in the event that the Owner undertakes to dismantle the Vessel (or to sell the Vessel with the intention of it being dismantled) with the prior written consent of the Facility Agent, it shall comply with the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 and to the extent applicable, United States laws, as well as any other applicable vessel dismantling conventions on safe, sustainable, and socially and environmentally responsible dismantling of the Vessel that is taken out of service; and

(FF) promptly upon any Responsible Officer of any Credit Party obtaining actual knowledge thereof, inform the Facility Agent of the occurrence of (a) any Default or Event of Default, (b) any litigation, arbitration or governmental proceeding pending or threatened in writing against any Transaction Party not previously disclosed to the Lenders or any development in respect of a previously disclosed litigation, arbitration or governmental proceeding, which if adversely determined could reasonably be expected to have a Material Adverse Effect, including but not limited to, in respect of any Environmental Claim or any judgment entered against a Transaction Party, (c) the withdrawal, with respect to any Vessel owned by it, of such Vessel's rating by its Classification Society or the issuance by the Classification Society of any material recommendation or notation affecting class and (d) any other event or condition which is reasonably likely to have a Material Adverse Effect.

6. Mortgagee's Right to Cure. Without prejudice to any other rights of the Mortgagee hereunder:

(i) in the event that the provisions of Section 5(B) hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to effect and thereafter to replace, maintain and renew all such Insurances upon the Vessel as it in its sole discretion may deem advisable;

(ii) in the event that the provisions of Section 5(C) and/or 5(D) hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to arrange for the carrying out of such repairs and/or surveys as it deems expedient or necessary; and

(iii) in the event that the provisions of Section 5(F) hereof or any of them shall not be complied with, the Mortgagee shall be at liberty, but not obligated, to pay and discharge all such debts, damages and liabilities as are therein mentioned and/or to take any such measures as it deems expedient or necessary for the purpose of securing the release of the Vessel;

Any and all expenses incurred by the Mortgagee (including fees of counsel) in respect of its performances under the foregoing subsections (i), (ii) and (iii) shall be paid by the Owner on demand, with interest thereon at the rate provided for in Section 5(Q) hereof from the date when such expenses were incurred by the Mortgagee.

7. Events of Default and Remedies.

(A) Each of the following events shall constitute an "Event of Default":

(i) a default in the payment when due (together with any applicable grace period) of all or any part of the Obligations; or

(ii) an event of default stipulated in Section 8.1 of the Credit Agreement shall occur and be continuing; or

(iii) a default by the Owner occurs in the due and punctual observance of any of the covenants contained in subsections (A)(i), (B) (other than subclauses (iv), (vi) and (xiii) thereof), (G), (H), (J), (L), (M), (N), (O), (P), (Q), (S), (T), (U), (V) or (W) of Section 5 of this Mortgage; or

(iv) a default by the Owner occurs in the due and punctual observance of any of the covenants contained in subsections (C), (E), (F), (I), (K), or (R) or subclauses (ii) and (iii) of subsection (A) and subclauses (iv), (vi) or (xiii) of subsection (B) of Section 5 of this Mortgage and such default continues unremedied for a period of thirty (30) days; or

(v) it becomes impossible or unlawful for the Owner to fulfill any of the covenants and obligations contained in this Mortgage and the Mortgagee considers that such impossibility or illegality will have a material adverse effect on its rights under this Mortgage or the enforcement thereof.

(B) If any Event of Default shall occur and be continuing, the Mortgagee shall be entitled:

(i) to demand payment by written notice to the Owner of the Obligations, whereupon such payment shall be immediately due and payable, anything contained in the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents to the contrary notwithstanding and without prejudice to any other rights and remedies of the Mortgagee or the Creditors, as the case may be, under the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents, provided, however, that if, before any sale of the Vessel, all defaults shall have been remedied in a manner satisfactory to the Mortgagee, the Mortgagee may waive such defaults by written notice to that effect to the Owner; but no such waiver shall extend to or affect any subsequent or other default or impair any rights and remedies consequent thereon;

(ii) at any time and as often as may be necessary to take any such action as the Mortgagee may in its discretion deem advisable for the purpose of protecting the security created by this Mortgage and each and every expense or liability (including reasonable fees of counsel) so incurred by the Mortgagee in or about the protection of such security shall be repayable to it by the Owner promptly after demand, together with interest thereon at the rate provided for in Section 5(Q) hereof from the date whereon such expense or liability was incurred by the Mortgagee. The Owner shall promptly execute and deliver to the Mortgagee such documents or cause promptly to be executed and delivered to the Mortgagee such documents, if any, and shall promptly do and perform such acts, if any, as in the opinion of the Mortgagee or its counsel may be necessary or advisable to facilitate or expedite the protection, maintenance and enforcement of the security created by this Mortgage;

(iii) to exercise all the rights and remedies in foreclosure and otherwise given to the Mortgagee by any applicable law, including those under the provisions of the Ship Mortgage Act;

(iv) to take possession of the Vessel, wherever the same may be, without prior demand and without legal process (when permissible under applicable law) and cause the Owner or other Person in possession thereof forthwith upon demand of the Mortgagee to surrender to the Mortgagee possession thereof as demanded by the Mortgagee, and by notice to the Owner, request that the crew be ordered to remain onboard the Vessel, that the Master of the Vessel be ordered to sail the Vessel at the cost of the Owner to any port designated by the Mortgagee and/or that the Owner take such action regarding the Vessel as may be requested by the Mortgagee;

(v) to require that all policies, contracts and other records relating to the Insurances (including details of and correspondence concerning outstanding claims) be forthwith delivered to such adjusters, brokers or other insurers as the Mortgagee may nominate;

(vi) to collect, recover, compromise and give a good discharge for all claims then outstanding or thereafter arising under the Insurances or any of them and to take over or institute (if necessary using the name of the Owner) all such proceedings in connection therewith as the Mortgagee in its absolute discretion deems advisable and to permit the brokers through whom collection or recovery is effected to charge the usual brokerage therefor;

(vii) to discharge, compound, release or compromise claims against the Owner in respect of the Vessel which have given or may give rise to any charge or lien on the Vessel or which are or may be enforceable by proceedings against the Vessel;

(viii) to take appropriate judicial proceedings for the foreclosure of this Mortgage and/or for the enforcement of the Mortgagee's rights hereunder or otherwise; recover judgment for any amount due by the Owner in respect of the Credit Agreement, the Note, this Mortgage, or any of the other relevant Transaction Documents and collect the same out of any property of the Owner;

(ix) to sell the Vessel at public auction, free from any claim of or by the Owner of any nature whatsoever by first giving notice of the time and place of sale with a general description of the property in the following manner:

- (a) by publishing such notice for ten (10) consecutive days in a daily newspaper of general circulation published in New York City;
- (b) if the place of sale should not be New York City, then also by publication of a similar notice in a daily newspaper, if any, published at the place of sale; and
- (c) by sending a similar notice by facsimile confirmed by registered mail to the Owner at its address hereinafter set forth at least fourteen (14) days prior to the date of sale;

Such sale of the Vessel may be held at such place as the Mortgagee in such notices may have specified, or such sale may be adjourned by the Mortgagee from time to time by announcement at the time and place appointed for such sale or for such adjourned sale and without further notice or publication the Mortgagee may make such sale at the time and place to which the same shall be so adjourned; and such sale may be conducted without bringing the Vessel to the place designated for such sale and in such manner as the Mortgagee may deem to be for its best advantage, and the Mortgagee may become the purchaser at such sale.

(x) pending sale of the Vessel (either directly or indirectly) to manage, charter, lease, insure, maintain and repair the Vessel and to employ or lay up the Vessel upon such terms, in such manner and for such period as the Mortgagee in its absolute discretion deems expedient and for the purpose aforesaid the Mortgagee shall be entitled to do all acts and things incidental or conducive thereto and in particular to enter into such arrangements respecting the Vessel, her insurance, management, maintenance, repair, classification and employment in all respects as if the Mortgagee were the owner of the Vessel and without being responsible for any loss thereby incurred;

(xi) to recover from the Owner on demand any such losses as may be incurred by the Mortgagee in or about the exercise of the powers vested in the Mortgagee under Section 7(B)(x) above with interest thereon at the rate provided for in Section 5(Q) hereof from the date when such losses were incurred by the Mortgagee; and

(xii) to recover from the Owner on demand all expenses, payments and disbursements (including reasonable fees and expenses of counsel) incurred by the Mortgagee in or about or incidental to the exercise by it of any of the powers vested in it hereunder together with interest thereon at the rate provided for in Section 5(Q) hereof from the date when such expenses, payments or disbursements were incurred by it;

PROVIDED, ALWAYS, that any sale of the Vessel or any interest therein by the Mortgagee pursuant to and in compliance with Section 7(B)(ix) above shall operate to divest all right, title and interest of the Owner, its successors and assigns, in or to the Vessel so sold and upon such sale the purchaser shall not be bound to see or inquire whether the Mortgagee's power of sale has arisen in the manner herein provided and the sale shall be deemed to be within the power of the Mortgagee and the receipt of the Mortgagee for the purchase money shall effectively discharge the purchaser who shall not be concerned with the manner of application of the proceeds of sale or be in any way answerable therefor.

In case the Mortgagee shall have proceeded to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Mortgagee, then and in every such case the Owner and the Mortgagee shall be restored to their former positions and rights hereunder with respect to the property, subject or intended to be subject to this Mortgage, and all rights, remedies and powers of the Mortgagee shall continue as if no such proceedings had been taken.

(C) Notwithstanding the foregoing, it is understood that a Total Loss of the Vessel which is covered by the insurance maintained by Owner pursuant to Section 5(B) hereof shall not be deemed to be a default under this Mortgage, the Credit Agreement, the Note or any of the other relevant Transaction Documents, or any of them.

8. Application of Proceeds. The proceeds of any sale made either under the power of sale hereby granted to the Mortgagee or under a judgment or decree in any judicial proceedings for the foreclosure of this Mortgage or for the enforcement of any remedy granted to the Mortgagee hereunder, any net earnings arising from the management, charter or other use of the Vessel by the Mortgagee under any of the powers herein contained or by law provided and the proceeds of any and all Insurances and any claims for damages on account of the Vessel or the Owner of any nature whatsoever and any Requisition Compensation, shall be applied in accordance with Section 8.2 of the Credit Agreement,

In the event that the proceeds are insufficient to pay in full the Obligations, the Mortgagee shall be entitled to collect the balance from the Owner or any other Person liable therefor.

9. No Waiver. No delay or omission of the Mortgagee or the other Creditors to exercise any right or power vested in it under the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents, or any of them shall impair such right or power or be construed as a waiver thereof or as acquiescence in any default by the Owner hereunder, nor shall the acceptance by the Mortgagee of any payments in connection with this Mortgage from any source be deemed a waiver hereunder. However, if at any time after an Event of Default and prior to the actual sale of the Vessel by the Mortgagee or prior to any foreclosure proceedings the Owner cures all Events of Default and pays all expenses, advances and damages to the Mortgagee consequent on such Events of Default, with interest at the rate provided for in Section 5(Q) hereof from the date when such expenses, advances and damages were incurred, then the Mortgagee may accept such cure and payment and restore the Owner to its former position, but such action shall not affect any subsequent Event of Default or impair any rights consequent thereon.

10. Delegation of Power. The Mortgagee shall be entitled at any time and as often as may be expedient to delegate all or any of the powers and discretions vested in it by this Mortgage (including the power vested in it by virtue of Section 12 hereof) in such manner and upon such terms and to such Persons as the Mortgagee in its absolute discretion may deem advisable.

11. Indemnity. Without prejudice to any other rights and remedies of the Mortgagee under the Credit Agreement, the Note, this Mortgage or any of the other relevant Transaction Documents, the Owner hereby agrees and undertakes to indemnify the Mortgagee against all obligations and liabilities whatsoever and whensoever arising which the Mortgagee may incur in good faith in respect of, in relation to or in connection with the Vessel or otherwise howsoever in relation to or in connection with the enforcement of the Mortgagee's rights hereunder or under the Credit Agreement, the Note or any of the other relevant Transaction Documents.

12. Power of Attorney.

(A) The Owner hereby irrevocably appoints the Mortgagee as its attorney-in-fact for the duration of the Security Period to do in its name or in the name of the Owner all acts which the Owner, or its successors or assigns, could do in relation to the Vessel, including without limitation, to demand, collect, receive, compromise, settle and sue for (insofar as the Mortgagee lawfully may) all freights, hire, earnings, issues, revenues, income and profits of the Vessel, and all amounts due from underwriters under the Insurances as payment of losses or as return premiums or otherwise, salvage awards and recoveries, recoveries in general average or otherwise, and all other sums due or to become due to the Owner or in respect of the Vessel, and to make, give and execute in the name of the Owner, acquittance, receipts, releases or other discharges for the same, whether under seal or otherwise, to take possession of, sell or otherwise dispose of or manage or employ, the Vessel, to execute and deliver charters and a bill of sale with respect to the Vessel, and to endorse and accept in the name of the Owner all checks, notes, drafts, warrants, agreements and all other instruments in writing with respect to the foregoing. PROVIDED, HOWEVER, that, unless the context otherwise permits under this Mortgage, such power shall not be exercisable by or on behalf of the Mortgagee unless and until any Event of Default stipulated in Section 7(A) hereof shall occur and be continuing and shall not be exercisable after all defaults have been cured.

(B) The exercise of the power granted in this Section 12 by or on behalf of the Mortgagee shall not require any Person dealing with the Mortgagee to conduct any inquiry as to whether any such Event of Default has occurred and is continuing, nor shall such Person be in any way affected by notice that any such Event of Default has not occurred nor is continuing, and the exercise by the Mortgagee of such power shall be conclusive evidence of its right to exercise the same.

13. Appointment of Receiver. If any legal proceedings shall be taken to enforce any right under this Mortgage, the Mortgagee shall be entitled as a matter of right to the appointment of a receiver of the Vessel and of the freights, hire, earnings, issues, revenues, income and profits due or to become due and arising from the operation thereof.

14. Commencement of Proceedings. The Mortgagee shall have the right to commence proceedings in the courts of any country having competent jurisdiction and in particular the Mortgagee shall have the right to arrest and take action against the Vessel at whatever place the Vessel shall be found lying and for the purpose of any action which the Mortgagee may bring before the local court for the jurisdiction of such court or other judicial authority and the Owner agrees that for the purpose of proceedings against the Vessel any writ, notice, judgment or other legal process or documents may be served upon the Master of the Vessel (or upon anyone acting as the Master) and that such service shall be deemed good service on the Owner for all purposes.

15. Partial Invalidity. In the event that any provision or provisions of this Mortgage shall be declared invalid, void or otherwise inoperative by any present or future court of competent jurisdiction in any country, the Owner will, without prejudice to any other right and remedy of the Mortgagee under the Credit Agreement, the Note, this Mortgage, the other relevant Transaction Documents or any of them, execute and deliver such other and further instruments and do such things as in the reasonable opinion of the Mortgagee or its counsel will be necessary or advisable to carry out the true intent and spirit of this Mortgage. In any event, any such declaration of partial invalidity shall not affect the validity of any other provision or provisions of this Mortgage, or the validity of this Mortgage as a whole.

16. Cumulative Remedies. Each and every power and remedy in this Mortgage specifically given to the Mortgagee shall be in addition to every other power and remedy herein or in the Credit Agreement, the Note or the other relevant Transaction Documents specifically given or now or hereafter existing at law, in equity, admiralty, or by statute, and each and every power and remedy whether specifically in this Mortgage or in the Credit Agreement, the Note or the other relevant Transaction Documents given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by the Mortgagee, and the exercise or the beginning of the exercise of any such power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other power or remedy under the Credit Agreement, the Note, this Mortgage or any other relevant Transaction Documents.

17. Recordation of Mortgage. For the purpose of recording this First Preferred Mortgage as required by the United States Ship Mortgage Act, 1920, as amended, *inter alia*, by Public Law 100-710 (46 USC Section 31301 *et seq.*), the total amount is One Hundred Thirty Million United States Dollars (U.S.\$130,000,000) and interest, expenses and performance of mortgage covenants. It is not intended that this Mortgage shall include property other than the Vessel and it shall not include property other than the Vessel as the term "vessel" is used in the Ship Mortgage Act. Notwithstanding the foregoing, for property other than the Vessel, if any should be determined to be covered by this Mortgage, the discharge amount is zero point zero one percent (0.01%) of the total amount.

18. No Waiver of Preferred Status. Anything herein to the contrary notwithstanding, it is intended that nothing herein shall waive the preferred status of this Mortgage under the laws of the United States of America or under the corresponding provisions of any other jurisdiction in which it is sought to be enforced and that, if any provision or portion thereof herein shall be construed to waive the preferred status of this Mortgage, then such provision to such extent shall be void and of no effect.

19. Counterparts. This Mortgage may be executed in any number of counterparts each of which shall be an original but such counterparts shall together constitute but one and the same instrument.

20. Notices. Notices and other communications under this Mortgage shall be in writing and may be given by facsimile as follows:

If to the Owner -

SEACOR Marine LLC
7910 Main St. 2nd Floor
Houma, Louisiana 70360
Attn: President
Facsimile No.: (985) 876-5444

With a copy to:
SEACOR Holdings Inc.
2200 Eller Drive
P.O. Box 13038
Ft. Lauderdale, Florida 33316
Attn.: Legal Department
Facsimile No.: (954) 527-1772

If to the Mortgagee -

DNB BANK ASA, New York Branch
200 Park Avenue, 31st Floor
New York, New York 10166
Telephone No.: (212) 681-3800
Attention: Credit Middle Office / Loan Services Department
Facsimile No.: (212) 681-4123
Email: nyloanscsd@dnb.no

or to such other address as either party shall from time to time specify in writing to the other. Any notice sent by facsimile shall be confirmed by letter dispatched as soon as practicable thereafter.

Every notice or other communication shall, except so far as otherwise expressly provided by this Mortgage, be deemed to have been received (provided that it is received prior to 2 p.m. New York time; otherwise it shall be deemed to have been received on the next following Banking Day), in the case of a facsimile when such facsimile is transmitted to the facsimile number specified herein and telephonic confirmation of receipt thereof is obtained, and in the case of a letter, at the time of receipt thereof.

21. Rights of Owner. Unless one or more Events of Default shall have occurred and be continuing, the Owner (a) shall be suffered and permitted to retain actual possession and use of the Vessel and (b) shall have the right, from time to time in its discretion, and without application to the Mortgagee, and without obtaining a release thereof by the Mortgagee, to dispose of, free from the lien hereof, any boilers, engines, machinery, masts, spars, sails, rigging, boats, anchors, cables, chains, tackle, apparel, furniture, fittings, equipment or any other appurtenances of the Vessel that are no longer useful, necessary, profitable or advantageous in the operation of the Vessel, first or simultaneously replacing the same by new boilers, engines, machinery, masts, spars, sails, rigging, boats, anchors, cables, chains, tackle, apparel, furniture, fittings, equipment or any other appurtenances of substantially equal value to the Owner, which shall forthwith become subject to the lien of this Mortgage.

22. Waiver; Amendment. None of the terms and conditions of this Mortgage may be changed, waived, modified or varied in any manner whatsoever unless in writing duly signed by the Owner and the Mortgagee.

23. Successors and Assigns. All the covenants, promises, stipulations and agreements of the Owner and all the rights and remedies of the Mortgagee contained in this Mortgage shall bind the Owner, its successors and assigns, and shall inure to the benefit of the Mortgagee, its successors and assigns, whether so expressed or not.

24. Applicable Law. This Mortgage shall be governed by, and construed in accordance with, the laws of the United States of America.

25. Submission to Jurisdiction. The Owner hereby irrevocably submits to the jurisdiction of the courts of the State of New York and of the United States District Court for the Southern District of New York in any action or proceeding brought against it by any of the Creditors under this Mortgage or under any document delivered hereunder and hereby irrevocably agrees that valid service of summons or other legal process on it may be effected by serving a copy of the summons and other legal process in any such action or proceeding on the Owner by mailing or delivering the same by hand to the Owner at the address indicated for notices in this Mortgage. The service, as herein provided, of such summons or other legal process in any such action or proceeding shall be deemed personal service and accepted by the Owner as such, and shall be legal and binding upon the Owner for all the purposes of any such action or proceeding. Final judgment (a certified or exemplified copy of which shall be conclusive evidence of the fact and of the amount of any indebtedness of the Owner to the Creditors) against the Owner in any such legal action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment. The Owner shall advise the Mortgagee promptly of any change of address for the purpose of service of process. Notwithstanding anything herein to the contrary, the Creditors may bring any legal action or proceeding in any other appropriate jurisdiction.

26. WAIVER OF IMMUNITY. TO THE EXTENT THAT THE OWNER HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY FROM SUIT, JURISDICTION OF ANY COURT OR ANY LEGAL PROCESS (WHETHER THROUGH ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID OF EXECUTION, EXECUTION OF A JUDGMENT, OR FROM ANY OTHER LEGAL PROCESS OR REMEDY) WITH RESPECT TO ITSELF OR ITS PROPERTY, THE OWNER HEREBY IRREVOCABLY WAIVES SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER THIS MORTGAGE.

27. WAIVER OF JURY TRIAL. EACH OF THE OWNER AND THE MORTGAGEE HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY HERETO OR ANY BENEFICIARY HEREOF ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS MORTGAGE.

28. Headings. In this Mortgage, section headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Mortgage.

[Signature Page Follows]

C-7-25

IN WITNESS WHEREOF, the Owner has executed this Mortgage by its duly authorized representative on the day and year first above written.

SEACOR MARINE LLC

By: _____
Name:
Title:

C-7-26

ACKNOWLEDGMENT OF MORTGAGE

STATE OF NEW YORK)
 : ss:
COUNTY OF NEW YORK)

On this ___ day of _____, 2018, before me personally appeared _____, to me known, who, being by me duly sworn, did depose and say that he/she is _____ of SEACOR MARINE LLC, the limited liability company described in and which executed the foregoing Mortgage; and that he/she signed his/her name thereto pursuant to authority granted to him/her by SEACOR MARINE LLC acting on behalf of said limited liability company.

Notary Public

C-7-27

Credit Agreement

C-7-28

Note

C-7-29

ASSIGNMENT OF EARNINGS

given by

[_____]

in favor of

DNB BANK ASA, NEW YORK BRANCH

[_____] , 2018

[VESSEL]

ASSIGNMENT OF EARNINGS

[VESSEL]

THIS ASSIGNMENT OF EARNINGS (this "Assignment") is made as of [____], 2018, by [____], a [limited liability company] [corporation] formed and existing under the laws of [____] (the "Assignor"), in favor of DNB BANK ASA, New York Branch, a bank incorporated under the laws of the Kingdom of Norway ("DNB"), as security trustee for the Creditors (the "Assignee"), as security for the due performance by the Assignor of its obligations to the Creditors under or in connection with the Credit Agreement.

W I T N E S S E T H H A T:

WHEREAS:

(A) The Assignor is the sole owner of the whole of the [____] flag vessel m.v. [____], Official No. [____] (the "Vessel");

(B) The Assignor has entered into that certain senior secured credit agreement, dated [____], 2018 (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among, *inter alios*, (1) SEACOR Marine Foreign Holdings Inc., as borrower (the "Borrower"), (2) SEACOR Marine Holdings Inc., as parent guarantor (the "Parent Guarantor"), (3) the Assignor and the other the entities listed on Schedule 1-A thereto as subsidiary guarantors, (4) DNB, as facility agent and security trustee and (5) the financial institutions identified on Schedule 1-B thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the "Lenders"), pursuant to which the Lenders have agreed to make available to the Borrower a senior secured term loan facility in the aggregate amount of up to One Hundred Thirty Million United States Dollars (U.S. \$130,000,000) (the "Facility"); and

(C) It is a condition precedent to, among other things, the Lenders making the Facility available to the Borrower under the Credit Agreement that the Assignor executes and delivers to the Assignee, as security for the obligations of the Credit Parties to the Creditors under or in connection with the Credit Agreement, the Note and the other relevant Transaction Documents, an assignment of all of the Assignor's right, title and interest in and to the earnings and requisition compensation of the Vessel.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Assignor:

1. Defined Terms. Unless otherwise defined herein, terms defined in the Credit Agreement shall have the same meanings when used herein, including in the preamble and recitals of this Assignment. For the purposes of this Assignment, when any term is modified by the word "relevant" such term shall be construed to mean with respect to, among others, as the case may be, the Assignor.

2. Grant of Security. As security for the payments and performance by the Assignor for the indebtedness, liabilities and obligations of the Credit Parties from time to time under the Credit Agreement, the Note and the other relevant Transaction Documents, the Assignor, as legal and beneficial owner, does hereby assign, transfer and set over unto the Assignee, for the benefit of the Assignee and its successors and assigns, and does hereby grant the Assignee a security interest in, all of the Assignor's right, title and interest in and to (i) all moneys and claims for moneys due and to become due thereto, whether as charter hire, freights, indemnities, payments or otherwise, under, and all claims for damages arising out of any breach of, any bareboat, time or voyage charter, contract of affreightment or other contract for the use or employment of the Vessel, (ii) all remuneration for salvage and towage services, demurrage and detention moneys and any other earnings whatsoever due or to become due to the Assignor arising from the use or employment of the Vessel, (iii) all moneys or other compensation payable by reason of requisition for title or for hire or other compulsory acquisition of the Vessel, and (iv) all proceeds of all of the foregoing.

3. Notice of Assignment. The Assignor will, promptly upon the occurrence and during the continuance of an Event of Default, give notice, in the form annexed hereto as Exhibit 1 of this Assignment to any charterer or contractee of the Vessel. If such notice is provided, Assignee shall rescind it promptly after the cure or waiver of the underlying Event(s) of Default so long as no other Event of Default has occurred and is continuing.

4. Payment. The Assignor shall cause all sums payable to the Assignor and assigned hereby, whether as charterhire, freight, indemnities or otherwise, to be paid directly to the Assignee or, in the case of payments made to an agent of the Assignor, to be transferred promptly upon receipt by such agent, to the Borrower's Earnings Account or to such other account as the Assignee shall direct for the account of the Assignor.

5. Performance under Charters; No Duty of Inquiry. The Assignor hereby undertakes that, notwithstanding the assignment herein contained, it shall punctually perform all its obligations under all charters and contracts pertaining to the Vessel to which it is a party. It is hereby expressly agreed that, anything contained herein to the contrary notwithstanding, the Assignor shall remain liable under all charters and contracts pertaining to the Vessel to which it is a party to perform the obligations assumed by it thereunder, and the Assignee shall have no obligation or liability under any such charter or contract by reason of or arising out of the assignment contained herein, nor shall the Assignee be required to assume or be obligated in any manner to perform or fulfill any obligation of the Assignor under or pursuant to any such charter or contract or to make any payment or make any inquiry as to the nature or sufficiency of any payment received by the Assignee, or, unless and until indemnified to its satisfaction, to present or file any claim or to take any other action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled hereunder or pursuant hereto at any time or times.

6. Requisition. The Assignor shall promptly notify the Assignee in writing of the commencement and termination of any period during which the Vessel may be requisitioned.

7. Employment of Vessel. The Assignor hereby further covenants and undertakes promptly to furnish the Assignee with all such information as it may from time to time reasonably require regarding the employment, position and engagements of the Vessel, however not to unreasonably interfere with the conduct of the Assignor's business.

8. Negative Pledge. The Assignor does hereby warrant and represent that it has not transferred, assigned, pledged or otherwise disposed of, and hereby covenants that it will not transfer, assign, pledge or otherwise dispose of so long as this Assignment shall remain in effect, any of its right, title or interest in the whole or any part of the moneys and claims hereby assigned to anyone other than the Assignee, and it will not take or omit to take any action, the taking or omission of which might result in a material alteration or material impairment of the rights hereby assigned or any of the rights created in this Assignment.

9. Power of Attorney. Upon and during the continuance of an Event of Default, the Assignor does hereby irrevocably appoint and constitute the Assignee as the Assignor's true and lawful attorney-in-fact with full power (in the name of the Assignor or otherwise) to ask, require, demand, receive, compound and give acquittance for any and all moneys and claims for moneys assigned hereby, to endorse any checks or other instruments or orders in connection therewith, and to file any claims or take any action or institute any proceedings which the Assignee may deem to be necessary or advisable and otherwise to do any and all things which the Assignor itself could do in relation to the property hereby assigned including but not limited to filing any and all Uniform Commercial Code financing statements or renewals thereof in connection with this Assignment which the Assignee may deem to be necessary or advisable in order to perfect or maintain the security interest granted hereby.

10. Application of Proceeds. All moneys collected or received from time to time by the Assignee pursuant to this Assignment shall be dealt with as provided in the Credit Agreement.

11. Further Assurances. The Assignor agrees that at any time and from time to time, upon the written request of the Assignee, the Assignor will promptly and duly execute and deliver any and all such further instruments and documents as the Assignee may deem necessary in obtaining the full benefits of this Assignment and of the rights and powers herein granted.

12. Remedies Cumulative and Not Exclusive; No Waiver. Each and every right, power and remedy herein given to the Assignee shall be cumulative and shall be in addition to every other right, power and remedy of the Assignee now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy, whether herein given or otherwise existing, may be exercised from time to time, in whole or in part, and as often and in such order as may be deemed expedient by the Assignee, and the exercise or the beginning of the exercise of any right, power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission by the Assignee in the exercise of any right or power or in the pursuance of any remedy accruing upon any breach or default by the Assignor shall impair any such right, power or remedy or be construed to be a waiver of any such right, power or remedy or to be an acquiescence therein; nor shall the acceptance by the Assignee of any security or of any payment of or on account of any of the amounts due from the Assignor under or in connection with the Credit Agreement or any document delivered in connection therewith and maturing after any breach or default or of any payment on account of any past breach or default be construed to be a waiver of any right to take advantage of any future breach or default or of any past breach or default not completely cured thereby.

13. Invalidity. If any provision of this Assignment shall at any time for any reason be declared invalid, void, unenforceable or otherwise inoperative by a court of competent jurisdiction, then, to the fullest extent permitted by law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be construed in favor of the Assignee in order to carry out the intentions of the parties hereto as nearly as may be possible; and (ii) the invalidity and unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction. In the event that it should transpire that by reason of any law or regulation, or by reason of a ruling of any court, or by any other reason whatsoever, the assignment herein contained is either wholly or partly defective, the Assignor hereby undertakes to furnish the Assignee with an alternative assignment or alternative security and/or to do all such other acts as, in the sole opinion of the Assignee, acting reasonably, shall be required in order to ensure and give effect to the full intent of this Assignment.

14. Continuing Security. It is declared and agreed that the security created by this Assignment shall be held by the Assignee as a continuing security for the payment of all moneys which may at any time and from time to time be or become payable by the Assignor under the Credit Agreement, the Note and any other relevant Transaction Document and that the security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the amount hereby secured and that the security so created shall be in addition to and shall not in any way be prejudiced or affected by any collateral or other security now or hereafter held by the Assignee for all or any part of the moneys hereby secured.

15. Waiver; Amendment. None of the terms and conditions of this Assignment may be changed, waived, modified or varied in any manner whatsoever unless in writing duly signed by the Assignee and the Assignor.

16. Termination. If the Assignor shall pay and discharge all of its obligations under or in connection with the Credit Agreement, the Note and the other relevant Transaction Documents, or is released therefrom in accordance with the terms thereof, or if there is a Total Loss (as such term is defined in the Mortgage) of the Vessel and the Assignor has substituted acceptable collateral for the Vessel in accordance with the Credit Agreement, all of the right, title and interest herein assigned shall revert to the Assignor and this Assignment shall terminate. Upon any such termination, the Assignee will, at the Assignor's expense, execute and deliver to the Assignor such documents as the Assignor shall reasonably request to evidence such termination.

17. WAIVER OF JURY TRIAL, EACH OF THE ASSIGNOR, AND BY ITS ACCEPTANCE HEREOF, THE ASSIGNEE, HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY HERETO OR ANY BENEFICIARY HEREOF ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS ASSIGNMENT.

18. Notices. Notices and other communications hereunder shall be in writing and may be sent in accordance with the Credit Agreement.

19. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of New York.

20. Submission to Jurisdiction. The Assignor hereby irrevocably submits to the jurisdiction of the courts of the State of New York and of the United States District Court for the Southern District of New York in any action or proceeding brought against it by the Assignee under this Assignment or under any document delivered hereunder and hereby irrevocably agrees that valid service of summons or other legal process on it may be effected by serving a copy of the summons and other legal process in any such action or proceeding on the Assignor by mailing by certified mail, signature required, or delivering the same by hand to the Assignor at the address indicated for notices in the Credit Agreement. The service, as herein provided, of such summons or other legal process in any such action or proceeding shall be deemed personal service and accepted by the Assignor as such, and shall be legal and binding upon the Assignor for all the purposes of any such action or proceeding. Final judgment (a certified or exemplified copy of which shall be conclusive evidence of the fact and of the amount of any indebtedness of the Assignor to the Assignee) against the Assignor in any such legal action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment. The Assignor will advise the Assignee promptly of any change of address for the purpose of service of process. Notwithstanding anything herein to the contrary, the Assignee may bring any legal action or proceeding in any other appropriate jurisdiction.

21. Counterparts. This Assignment may be signed in any number of counterparts, each of which shall be an original with the same effect as if the signatures thereto and hereto were upon the same instrument.

22. Headings. In this Assignment, Section headings are inserted for convenience of reference only and shall be ignored in the interpretation hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the Assignor has caused this Assignment to be executed as of the day and year first above written.

[ASSIGNOR]

By _____
Name:
Title:

EARNINGS ASSIGNMENT NOTICE

TO:

TAKE NOTICE:

(a) that by an Assignment of Earnings dated as of [_____], 2018 made by us to DNB Bank ASA, New York Branch, 200 Park Avenue, 31st Floor, New York, New York 10166, as security trustee (the "Assignee"), we, the owner of the [_____] flag vessel [VESSEL NAME] (the "Vessel"), Official No. _____, have assigned to the Assignee, as from the date of said assignment, a security interest in all our right, title and interest in and to:

- (i) all moneys and claims for moneys due and to become due thereto, whether as charter hire, freights, indemnities, payments or otherwise, under, and all claims for damages arising out of any breach of, any bareboat, time or voyage charter, contract of affreightment or other contract for the use or employment of the Vessel;
 - (ii) all remuneration for salvage and towage services, demurrage and detention moneys and any other earnings whatsoever due or to become due to the undersigned arising from the use or employment of the Vessel,
 - (iii) all moneys or other compensation payable by reason of requisition for title or for hire or other compulsory acquisition of the Vessel; and
 - (iv) all proceeds of all of the foregoing.
- (b) until further notice by the Assignee, that you are hereby irrevocably authorized and instructed to pay as from the date hereof all of such aforesaid moneys to the Assignee, for the account of the undersigned (Account No. _____), at the above address of the Assignee (or at such other place as the Assignee may direct).

DATED THIS ____ day of _____, 20__.

[ASSIGNOR]

By _____
Name:
Title:

ASSIGNMENT OF INSURANCES

given by

[_____]

in favor of

DNB BANK ASA, NEW YORK BRANCH

[_____], 2018

[VESSEL]

ASSIGNMENT OF INSURANCES

[VESSEL]

THIS ASSIGNMENT OF INSURANCES (this "Assignment") is made as of [_____], 2018, by [_____], a [limited liability company] [corporation] formed and existing under the laws of [_____] (the "Assignor"), in favor of DNB BANK ASA, New York Branch, a bank incorporated under the laws of the Kingdom of Norway ("DNB"), as security trustee for the Creditors (the "Assignee"), as security for the due performance by the Assignor of its obligations to the Creditors under or in connection with the Credit Agreement.

WITNESSETH THAT:

WHEREAS:

(A) The Assignor is the sole owner of the whole of the [_____] flag vessel [VESSEL], Official No. [VESSEL] (the "Vessel");

(B) The Assignor has entered into that certain senior secured credit agreement, dated [_____], 2018 (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among, *inter alios*, (1) SEACOR Marine Foreign Holdings Inc., as borrower (the "Borrower"), (2) SEACOR Marine Holdings Inc., as parent guarantor (the "Parent Guarantor"), (3) the Assignor and the other entities listed on Schedule 1-A thereto as subsidiary guarantors, (4) DNB, as facility agent and security trustee and (5) the financial institutions identified on Schedule 1-B thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the "Lenders"), pursuant to which the Lenders have agreed to make available to the Borrower a senior secured term loan facility in the aggregate amount of up to One Hundred Thirty Million United States Dollars (U.S. \$130,000,000) (the "Facility"); and

(C) It is a condition precedent to, among other things, the Lenders making the Facility available to the Borrower under the Credit Agreement that the Assignor executes and delivers to the Assignee, as security for the obligations of the Assignor to the Creditors under or in connection with the Credit Agreement, the Note and the other relevant Transaction Documents, an assignment of any and all insurances taken out in respect of the Vessel.

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Assignor:

1. Defined Terms. Unless otherwise defined herein, terms defined in the Credit Agreement shall have the same meanings when used herein, including in the preamble and recitals of this Assignment. For the purposes of this Assignment, when any term is modified by the word "relevant" such term shall be construed to mean with respect to, among others, as the case may be, the Assignor.

2. Grant of Security. As security for the payments and performance by the Assignor for the indebtedness, liabilities and obligations of the Credit Parties from time to time under the Credit Agreement, the Note and the other relevant Transaction Documents, the Assignor as legal and beneficial owner does hereby assign, transfer and set over unto the Assignee, for the benefit of the Assignee and its successors and assigns, and does hereby grant the Assignee a security interest in, all of the Assignor's right, title and interest in, to and under all policies and contracts of insurance, including the Assignor's rights under all entries in any Protection and Indemnity Association or Club, which are from time to time taken out by or for the Assignor in respect of the Vessel, the Vessel's hull and machinery, and all the benefits thereof including, without limitation, all claims of whatsoever nature, as well as return premiums (all of which are herein collectively called the "Insurances"), and in and to all moneys and claims for moneys in connection therewith and all proceeds of all of the foregoing.

3. Notices; Loss Payable Clauses.

(A) All Insurances, except entries in Protection and Indemnity Associations or Clubs, or insurances effected in lieu of such entries, relating to the Vessel shall contain a loss payable and notice of cancellation clause in the form of Exhibit 1 hereto or in such other form as the Assignee may agree.

(B) All entries in Protection and Indemnity Associations or Clubs or insurances effected in lieu of such entries relating to the Vessel shall contain a loss payable and notice of cancellation clause in the form of Exhibit 2 hereto or in such other form as the Assignee may agree.

4. Covenants and Undertakings. The Assignor hereby covenants with the Assignee that:

(A) It will do or permit to be done each and every act or thing which the Assignee may from time to time require to be done for the purpose of enforcing the Assignee's rights under this Assignment and will allow its name to be used as and when required by the Assignee for that purpose; and

(B) It will forthwith give notice in the form set out in Exhibit 3 attached hereto, or cause its insurance brokers to give notice, of this Assignment to all insurers, underwriters, clubs and associations providing insurance in connection with the Vessel and procure that such notice is endorsed on all the policies and entries of insurances in respect of the Vessel.

5. No Duty of Inquiry. The Assignee shall not be obliged to make any inquiry as to the nature or sufficiency of any payment received by it hereunder or to make any claim or take any other action to collect any moneys or to enforce any rights and benefits hereby assigned to the Assignee or to which the Assignee may at any time be entitled hereunder except such reasonable action as may be requested by any underwriter, association or club. The Assignor shall remain liable to perform all the obligations assumed by it in relation to the property hereby assigned and the Assignee shall be under no obligation of any kind whatsoever in respect thereof or be under any liability whatsoever (including, without limitation, any obligation or liability with respect to the payment of premiums, calls, assessments or any other sums at any time due and owing in respect of the Insurances) in the event of any failure by the Assignor to perform such obligations.

6. Negative Pledge. The Assignor does hereby warrant and represent that it has not transferred, assigned, pledged or otherwise disposed of, and hereby covenants that it will not transfer, assign, pledge or otherwise dispose of so long as this Assignment shall remain in effect, any of its right, title or interest in the whole or any part of the moneys and claims hereby assigned, to anyone other than the Assignee, and it will not take or omit to take any action, the taking or omission of which might result in a material alteration or material impairment of the rights hereby assigned or any of the rights created in this Assignment.

7. Power of Attorney. Upon and during the continuance of an Event of Default, the Assignor hereby irrevocably appoints and constitutes the Assignee as the Assignor's true and lawful attorney-in-fact with full power (in the name of the Assignor or otherwise) to ask, require, demand, receive, compound and give acquittance for any and all moneys and claims for moneys assigned hereby, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Assignee may deem to be necessary or advisable and otherwise to do any and all things which the Assignor itself could do in relation to the property hereby assigned including but not limited to filing any and all Uniform Commercial Code financing statements or renewals thereof in connection with this Assignment which the Assignee may deem to be necessary or advisable in order to perfect or maintain the security interest granted hereby.

8. Application of Proceeds. All moneys collected or received from time to time by the Assignee pursuant to this Assignment shall be dealt with as provided in the Credit Agreement.

9. Further Assurances. The Assignor agrees that any time, and from time to time, upon the written request of the Assignee it will promptly and duly execute and deliver any and all such further instruments and documents as the Assignee may deem necessary in obtaining the full benefits of this Assignment and of the rights and powers herein granted.

10. Remedies Cumulative and Not Exclusive; No Waiver. Each and every right, power and remedy herein given to the Assignee shall be cumulative and shall be in addition to every other right, power and remedy of the Assignee now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy, whether herein given or otherwise existing, may be exercised from time to time, in whole or in part, and as often and in such order as may be deemed expedient by the Assignee, and the exercise or the beginning of the exercise of any right, power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission by the Assignee in the exercise of any right or power or in the pursuance of any remedy accruing upon any breach or default by the Assignor shall impair any such right, power or remedy or be construed to be a waiver of any such right, power or remedy or to be an acquiescence therein; nor shall the acceptance by the Assignee of any security or of any payment of or on account of any of the amounts due from the Assignor under or in connection with the Credit Agreement or any document delivered in connection therewith and maturing after any breach or default or of any payment on account of any past breach or default be construed to be a waiver of any right to take advantage of any future breach or default or of any past breach or default not completely cured thereby.

11. Invalidity. If any provision of this Assignment shall at any time for any reason be declared invalid, void, unenforceable or otherwise inoperative by a court of competent jurisdiction, then, to the fullest extent permitted by law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be construed in favor of the Assignee in order to carry out the intentions of the parties hereto as nearly as may be possible; and (ii) the invalidity and unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction. In the event that it should transpire that by reason of any law or regulation, or by reason of a ruling of any court, or by any other reason whatsoever, the assignment herein contained is either wholly or partly defective, the Assignor hereby undertakes to furnish the Assignee with an alternative assignment or alternative security and/or to do all such other acts as, in the sole opinion of the Assignee, acting reasonably, shall be required in order to ensure and give effect to the full intent of this Assignment.

12. Continuing Security. It is declared and agreed that the security created by this Assignment shall be held by the Assignee as a continuing security for the payment of all moneys which may at any time and from time to time be or become payable by the Assignor under the Credit Agreement, the Note and any other relevant Transaction Document and that the security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the amount hereby secured and that the security so created shall be in addition to and shall not in any way be prejudiced or affected by any collateral or other security now or hereafter held by the Assignee for all or any part of the moneys hereby secured.

13. Waiver; Amendment. None of the terms and conditions of this Assignment may be changed, waived, modified or varied in any manner whatsoever unless in writing duly signed by the Assignee and the Assignor.

14. Termination. If the Assignor shall pay and discharge all of its obligations under or in connection with the Credit Agreement, the Note and the other relevant Transaction Documents or is released therefrom in accordance with the terms thereof, or if there is a Total Loss (as defined in the Mortgage) of the Vessel and the Assignor has substituted acceptable collateral for the Vessel in accordance with the Credit Agreement, all the right, title and interest herein assigned shall revert to the Assignor, and this Assignment shall terminate. Upon any such termination, the Assignee will, at the Assignor's expense, execute and deliver to the Assignor such documents as the Assignor shall reasonably request to evidence such termination.

15. WAIVER OF JURY TRIAL. EACH OF THE ASSIGNOR, AND BY ITS ACCEPTANCE HEREOF, THE ASSIGNEE, HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY HERETO OR ANY BENEFICIARY HEREOF ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS ASSIGNMENT.

16. Notices. Notices and other communications hereunder shall be in writing and may be sent in accordance with the Credit Agreement.

17. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of New York.

18. Submission to Jurisdiction. The Assignor hereby irrevocably submits to the jurisdiction of the courts of the State of New York and of the United States District Court for the Southern District of New York in any action or proceeding brought against it by the Assignee under this Assignment or under any document delivered hereunder and hereby irrevocably agrees that valid service of summons or other legal process on it may be effected by serving a copy of the summons and other legal process in any such action or proceeding on the Assignor by mailing by certified mail, signature required, or delivering the same by hand to the Assignor at the address indicated for notices in Section 16. The service, as herein provided, of such summons or other legal process in any such action or proceeding shall be deemed personal service and accepted by the Assignor as such, and shall be legal and binding upon the Assignor for all the purposes of any such action or proceeding. Final judgment (a certified or exemplified copy of which shall be conclusive evidence of the fact and of the amount of any indebtedness of the Assignor to the Assignee) against the Assignor in any such legal action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment. The Assignor will advise the Assignee promptly of any change of address for the purpose of service of process. Notwithstanding anything herein to the contrary, the Assignee may bring any legal action or proceeding in any other appropriate jurisdiction.

19. Counterparts. This Assignment may be signed in any number of counterparts, each of which shall be an original with the same effect as if the signatures thereto and hereto were upon the same instrument.

20. Headings. In this Assignment, Section headings are inserted for convenience of reference only and shall be ignored in the interpretation hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the Assignor has caused this Assignment to be executed as of the day and year first above written.

[ASSIGNOR]

By _____
Name:
Title:

LOSS PAYABLE CLAUSEHull and Machinery.

Loss, if any, payable to DNB Bank ASA, New York Branch, as security trustee and as mortgagee (the "Mortgagee"), for distribution by it to itself and to [____], as owner (the "Owner"), as their respective interests may appear, or order, except that, unless underwriters have been otherwise instructed by notice in writing from the Mortgagee, in the case of any loss involving any damage to the Vessel or liability of the Vessel, the underwriters may pay directly for the repair, salvage, liability or other charges involved or, if the Owner shall have first fully repaired the damage and paid the cost thereof, or discharged the liability or paid all of the salvage or other charges, then the underwriters may pay the Owner as reimbursement therefor; provided, however, that if such damage involves a loss of more than U.S. \$500,000 or its equivalent, the underwriters shall not make such payment without first obtaining the written consent thereto of the Mortgagee.

In the event of the actual total loss or agreed, compromised or constructive total loss of the Vessel, unless the Vessel has been replaced with other acceptable collateral granted to the Mortgagee, payment shall be made to the Mortgagee, for distribution by it to itself and to the Owner as their respective interests appear.

The Mortgagee shall be advised:

- (1) except with respect to any war risk cover, at least fourteen (14) days before cancellation of this insurance may take effect before its scheduled termination date for non-payment of insurance premiums and otherwise at least fourteen (14) days before cancellation of this insurance may take effect and with respect to war risk cover, except as otherwise provided by the automatic termination provisions of the war risk policy, at least seven (7) days before cancellation of this insurance may take effect before its scheduled termination date for non-payment of insurance premiums and otherwise at least seven (7) days before cancellation of this insurance may take effect;
- (2) of any act or omission or of any event of which the insurer has knowledge and which might invalidate or render unenforceable in whole or in part any such insurance; and
- (3) of any default in the payment of any premium with respect to, or the material alteration of, any such insurances.

LOSS PAYABLE CLAUSEProtection and Indemnity.

Payment of any recovery that [_____] (the “Owner”) is entitled to make out of the funds of the Association in respect of any liability, costs or expenses incurred by him shall be made to the Owner or to his order unless and until the Association receives notice from DNB Bank ASA, New York Branch, as security trustee and as mortgagee (the “Mortgagee”), that the Owner is in default under the Mortgage, in which event all recoveries shall thereafter be paid to the Mortgagee for distribution by it to itself and the Owner, as their respective interests may appear, or order; provided always that no liability whatsoever shall attach to the Association, its managers or their agents for failure to comply with the latter obligation until after the expiry of two business days from the receipt of such notice.

The Mortgagee shall be advised:

- (1) except with respect to any war risk cover, at least fourteen (14) days before cancellation of this insurance may take effect before its scheduled termination date for non-payment of insurance premiums and otherwise at least fourteen (14) days before cancellation of this insurance may take effect and with respect to war risk cover, except as otherwise provided by the automatic termination provisions of the war risk policy, at least seven (7) days before cancellation of this insurance may take effect before its scheduled termination date for non-payment of insurance premiums and otherwise at least seven (7) days before cancellation of this insurance may take effect;
- (2) of any act or omission or of any event of which the insurer has knowledge and which might invalidate or render unenforceable in whole or in part any such insurance; and
- (3) of any default in the payment of any premium with respect to, or the material alteration of, any such insurances.

NOTICE OF ASSIGNMENT OF INSURANCES

TO:

TAKE NOTICE:

- (a) that by an Assignment of Insurances dated as of [_____], 2018 made by us to DNB Bank ASA, New York Branch, as security trustee (the "Assignee"), a copy of which is attached hereto, we have assigned to the Assignee as from the date of said assignment, inter alia, all our right, title and interest in, to and under all policies and contracts of insurance, including our rights under all entries in any Protection and Indemnity Association or Club, which are from time to time taken out by us in respect of the [_____] flag vessel [_____] (the "Vessel"), Official No. [____], and its earnings and all the benefits thereof including all claims of whatsoever nature (all of which together are hereinafter called the "Insurances").
- (b) that you are hereby irrevocably authorized and instructed to pay as from the date hereof all payments under
 - (i) all Insurances, except entries in Protection and Indemnity Associations or Clubs or insurances effected in lieu of such entries, relating to the Vessel in accordance with the loss payable clause in Exhibit 1 of the Assignment of Insurances;
 - (ii) all entries in Protection and Indemnity Associations or Clubs or insurances effected in lieu of such entries relating to the Vessel in accordance with the loss payable clause in Exhibit 2 of the Assignment of Insurances;
- (c) that you are hereby instructed to endorse the assignment, notice of which is given to you herein, on all policies or entries relating to the Vessel.

DATED AS OF THE ___ day of _____, 20__.

ASSIGNOR

By _____
Name:
Title:

ASSIGNMENT OF CHARTER

given by

[_____]

in favor of

DNB BANK ASA, NEW YORK BRANCH

[_____] , 2018

[VESSEL]

ASSIGNMENT OF CHARTER

[VESSEL]

THIS ASSIGNMENT OF CHARTER (this "Assignment") is made as of [], 2018, by [], a [limited liability company] [corporation] formed and existing under the laws of the [Republic of the Marshall Islands][] (the "Assignor"), in favor of DNB BANK ASA, New York Branch, a bank incorporated under the laws of the Kingdom of Norway ("DNB"), as security trustee for the Creditors (the "Assignee").

W I T N E S S E T H H A T:

WHEREAS:

(A) The Assignor is the sole owner of the whole of the [] flag vessel m.v. [], Official No. [] (the "Vessel");

(B) Pursuant to a [charter] dated [] (as amended or otherwise modified from time to time, the "Charter"), the Assignor agreed to let to and [] (the "Charterer") agreed to hire the Vessel for the period and on the terms and conditions set forth therein;

(C) The Assignor has entered into that certain senior secured credit agreement, dated [], 2018 (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among, *inter alios*, (1) SEACOR Marine Foreign Holdings Inc., as borrower (the "Borrower"), (2) SEACOR Marine Holdings Inc., as parent guarantor (the "Parent Guarantor"), (3) the Assignor and the other entities listed on Schedule 1-A thereto as subsidiary guarantors, (4) DNB, as facility agent and security trustee and (5) the financial institutions identified on Schedule 1-B thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the "Lenders"), pursuant to which the Lenders have agreed to make available to the Borrower a senior secured term loan facility in the aggregate amount of up to One Hundred Thirty Million United States Dollars (U.S. \$130,000,000) (the "Facility"); and

(D) It is a condition precedent to, among other things, the Lenders making the Facility available to the Borrower under the Credit Agreement that the Assignor executes and delivers to the Assignee, as security for the obligations of the Assignor to the Creditors under or in connection with the Credit Agreement, the Note and the other relevant Transaction Documents, an assignment of all of the Assignor's right, title and interest in and to the Assigned Property (as defined below).

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Assignor:

1. Defined Terms. Unless otherwise defined herein, terms defined in the Credit Agreement shall have the same meanings when used herein, including in the preamble and recitals of this Assignment. For the purposes of this Assignment, when any term is modified by the word "relevant" such term shall be construed to mean with respect to, among others, as the case may be, the Assignor.

2. Grant of Security. As security for the payments and performance by the Credit Parties for the indebtedness, liabilities and obligations of the Assignor from time to time under the Credit Agreement, the Note and the other relevant Transaction Documents, the Assignor, as legal and beneficial owner, does hereby assign, transfer and set over unto the Assignee, for the benefit of the Assignee and its successors and assigns, and does hereby grant the Assignee a security interest in, all of the Assignor's right, title and interest in and to the following personal property (hereinafter collectively referred to as the "Assigned Property"): (i) all of the Assignor's right, title and interest in and to the Charter and all supporting obligations related thereto, (ii) all of the Assignor's right, title and interest in and to all accounts and payment intangibles now or hereafter due under the Charter, including, without limitation, all rents, charter hire, additional hire payments, and supplemental hire payments, all purchase option price payments, stipulated loss value payments, and all claims for money, distributions, indemnities, losses or damages (including liquidated damages), arising out of or related to the Charter, to the present or future use, operation or management of the Vessel pursuant to the Charter, or to any breach thereof and (iii) all proceeds of all of the foregoing.

3. Notice of Assignment. The Assignor shall (a) promptly give notice in the form annexed hereto as Exhibit 1 of this Assignment to the Charterer; and (b) procure the execution by such Charterer of (to the extent such Charterer is an affiliate of the Assignor but otherwise use commercially reasonable efforts to procure) its acknowledgement of this Assignment in the form annexed hereto as Exhibit 2 and deliver such acknowledgment to the Assignee.

4. Representations. The Assignor represents and, so long as any obligations of the Borrower under the Credit Agreement remain unpaid, shall be deemed continuously to represent and warrant that (a) the Charter is genuine and enforceable in accordance with its terms against the obligors thereunder; (b) the Assignor is the beneficial owner of the Vessel and the Assigned Property is free and clear of all security interests, liens or other encumbrances except those in favor of the Assignee; (c) neither any charterer nor any other obligor with respect to any Assigned Property (each such obligor under the Assigned Property, including any charterer, hereinafter, the "Account Debtor") has any defense, set-off, claim or counterclaim which can be asserted against Assignor, whether in any proceeding to enforce the Assigned Property or otherwise; (d) the Assignor is authorized to enter into this Assignment and into the Charter; (e) to the knowledge of the Assignor no event has occurred which is a default or an event of default, or with the passing of time or the giving of notice or both would be a default or an event of default, under the Charter.

5. Covenants. The Assignor (a) will defend the Assigned Property against the claims and demands of all other parties, including, without limitation, defenses, set-offs, claims and counterclaims asserted by any charterer or any other Account Debtor against the Assignor, the Vessel or the Assignee; (b) will keep the Assigned Property free of all security interests or other liens, mortgages, chattel mortgages and encumbrances, except those in favor of the Assignee, and will not sell, transfer, assign, deliver or otherwise dispose of any Assigned Property or any interest therein without the prior written consent of the Assignee (and the Assignor will, at the Assignee's request, mark all or any Assigned Property and/or records related thereto to indicate the interests of the Assignee); (c) will notify the Assignee immediately of any default by any charterer or other Account Debtor in payment or other performance of its obligations with respect to any Assigned Property; (d) without the Assignee's prior written consent, will not make or agree to make any material alteration, material modification, termination, cancellation of, or substitution for, or credits, discounts, adjustments, offsets or allowances on, the Charter or any other Assigned Property; (e) will promptly furnish the Assignee with all such information as it may from time to time reasonably require regarding the employment, position and engagements of the Vessel, however not to unreasonably interfere with the conduct of the Assignor's business and (f) in connection herewith, will execute and deliver to the Assignee such assignments, notices and other documents, pay all costs of title searches and filing financing statements, assignments and other documents in all public offices reasonably requested by the Assignee, and do such other things as the Assignee may reasonably request in connection with this Assignment.

6. Payment. The Assignor shall cause all sums payable to the Assignor under the Charter and assigned hereby, whether as charterhire, freight, indemnities or otherwise, to be transferred by or on behalf of the Assignee to the Earnings Account as soon as possible after being earned.¹ Upon the occurrence and during the continuance of any Event of Default, the Assignee may notify all or any Account Debtors of the existence of this Assignment, and the Assignee may direct such Account Debtors, including, without limitation, any charterer, to make all payments on or in respect to the Assigned Property to the Assignee.

7. Performance under Charter; No Duty of Inquiry. The Assignor hereby undertakes that, notwithstanding the assignment herein contained, it shall punctually perform all its obligations under the Charter and contracts pertaining to the Vessel to which it is a party. It is hereby expressly agreed that, anything contained herein to the contrary notwithstanding, the Assignor shall remain liable under all charters and contracts pertaining to the Vessel to which it is a party to perform the obligations assumed by it thereunder, and the Assignee shall have no obligation or liability under any such Charter or contract by reason of or arising out of the assignment contained herein, nor shall the Assignee be required to assume or be obligated in any manner to perform or fulfill any obligation of the Assignor under or pursuant to any such Charter or contract or to make any payment or make any inquiry as to the nature or sufficiency of any payment received by the Assignee, or, unless and until indemnified to its satisfaction, to present or file any claim or to take any other action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled hereunder or pursuant hereto at any time or times.

8. Power of Attorney. Upon the occurrence of an Event of Default and so long as such Event of Default shall be continuing, the Assignor does hereby irrevocably appoint and constitute the Assignee as the Assignor's true and lawful attorney-in-fact with full power (in the name of the Assignor or otherwise) to ask, require, demand, receive, compound and give acquittance for any and all moneys and claims for moneys assigned hereby, to endorse any checks or other instruments or orders in connection therewith, and to file any claims or take any action or institute any proceedings which the Assignee may deem to be necessary or advisable and otherwise to do any and all things which the Assignor itself could do in relation to the property hereby assigned including but not limited to filing any and all Uniform Commercial Code financing statements or renewals thereof in connection with this Assignment which the Assignee may deem to be necessary or advisable in order to perfect or maintain the security interest granted hereby.

9. Application of Proceeds. All moneys collected or received from time to time by the Assignee pursuant to this Assignment shall be dealt with as provided in the Credit Agreement.

10. Further Assurances. The Assignor agrees that at any time and from time to time, upon the written request of the Assignee, the Assignor will promptly and duly execute and deliver any and all such further instruments and documents as the Assignee may deem necessary in obtaining the full benefits of this Assignment and of the rights and powers herein granted.

11. Remedies Cumulative and Not Exclusive; No Waiver. Each and every right, power and remedy herein given to the Assignee shall be cumulative and shall be in addition to every other right, power and remedy of the Assignee now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy, whether herein given or otherwise existing, may be exercised from time to time, in whole or in part, and as often and in such order as may be deemed expedient by the Assignee, and the exercise or the beginning of the exercise of any right, power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission by the Assignee in the exercise of any right or power or in the pursuance of any remedy accruing upon any breach or default by the Assignor shall impair any such right, power or remedy or be construed to be a waiver of any such right, power or remedy or to be an acquiescence therein; nor shall the acceptance by the Assignee of any security or of any payment of or on account of any of the amounts due from the Assignor under or in connection with the Credit Agreement or any document delivered in connection therewith and maturing after any breach or default or of any payment on account of any past breach or default be construed to be a waiver of any right to take advantage of any future breach or default or of any past breach or default not completely cured thereby.

¹ SEACOR to confirm

12. Invalidity. If any provision of this Assignment shall at any time for any reason be declared invalid, void, unenforceable or otherwise inoperative by a court of competent jurisdiction, then, to the fullest extent permitted by law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be construed in favor of the Assignee in order to carry out the intentions of the parties hereto as nearly as may be possible; and (ii) the invalidity and unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction. In the event that it should transpire that by reason of any law or regulation, or by reason of a ruling of any court, or by any other reason whatsoever, the assignment herein contained is either wholly or partly defective, the Assignor hereby undertakes to furnish the Assignee with an alternative assignment or alternative security and/or to do all such other acts as, in the sole opinion of the Assignee, acting reasonably, shall be required in order to ensure and give effect to the full intent of this Assignment.

13. Continuing Security. It is declared and agreed that the security created by this Assignment shall be held by the Assignee as a continuing security for the payment of all moneys which may at any time and from time to time be or become payable by the Assignor under the Credit Agreement, the Note and any other relevant Transaction Document and that the security so created shall not be satisfied by any intermediate payment or satisfaction of any part of the amount hereby secured and that the security so created shall be in addition to and shall not in any way be prejudiced or affected by any collateral or other security now or hereafter held by the Assignee for all or any part of the moneys hereby secured.

14. Waiver; Amendment. None of the terms and conditions of this Assignment may be changed, waived, modified or varied in any manner whatsoever unless in writing duly signed by the Assignee and the Assignor.

15. Termination. If the Assignor shall pay and discharge all of its obligations under or in connection with the Credit Agreement, the Note and the other relevant Transaction Documents, or is released therefrom in accordance with the terms thereof, or if there is a Total Loss (as such term is defined in the Mortgage) of the Vessel and the Assignor has substituted acceptable collateral for the Vessel in accordance with the Credit Agreement, all of the right, title and interest herein assigned shall revert to the Assignor and this Assignment shall terminate. Upon any such termination, the Assignee will, at the Assignor's expense, execute and deliver to the Assignor such documents as the Assignor shall reasonably request to evidence such termination.

16. WAIVER OF JURY TRIAL. EACH OF THE ASSIGNOR, AND BY ITS ACCEPTANCE HEREOF, THE ASSIGNEE, HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY HERETO OR ANY BENEFICIARY HEREOF ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS ASSIGNMENT.

17. Notices. Notices and other communications hereunder shall be in writing and may be sent in accordance with the Credit Agreement.

18. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of New York.

19. Submission to Jurisdiction. The Assignor hereby irrevocably submits to the jurisdiction of the courts of the State of New York and of the United States District Court for the Southern District of New York in any action or proceeding brought against it by the Assignee under this Assignment or under any document delivered hereunder and hereby irrevocably agrees that valid service of summons or other legal process on it may be effected by serving a copy of the summons and other legal process in any such action or proceeding on the Assignor by mailing by certified mail, signature required, or delivering the same by hand to the Assignor at the address indicated for notices in the Credit Agreement. The service, as herein provided, of such summons or other legal process in any such action or proceeding shall be deemed personal service and accepted by the Assignor as such, and shall be legal and binding upon the Assignor for all the purposes of any such action or proceeding. Final judgment (a certified or exemplified copy of which shall be conclusive evidence of the fact and of the amount of any indebtedness of the Assignor to the Assignee) against the Assignor in any such legal action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment. The Assignor will advise the Assignee promptly of any change of address for the purpose of service of process. Notwithstanding anything herein to the contrary, the Assignee may bring any legal action or proceeding in any other appropriate jurisdiction.

20. Counterparts. This Assignment may be signed in any number of counterparts, each of which shall be an original with the same effect as if the signatures thereto and hereto were upon the same instrument.

21. Headings. In this Assignment, Section headings are inserted for convenience of reference only and shall be ignored in the interpretation hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the Assignor has caused this Assignment to be executed as of the day and year first above written.

[ASSIGNOR]

By _____
Name:
Title:

CHARTER ASSIGNMENT NOTICE

TO:

TAKE NOTICE:

(a) that by an Assignment of Charter dated as of [] made by us to DNB Bank ASA, New York Branch, 200 Park Avenue, 31st Floor, New York, New York 10166, as security trustee (the "Assignee"), we, the beneficial owner of the [] flag vessel [VESSEL NAME] (the "Vessel"), Official No. _____, have assigned to the Assignee, as from the date of said assignment, a security interest in all our right, title and interest in, to and under that certain charter party dated [] between us as owner and [] as charterer for the Vessel (the "Charter") including without limitation:

- (i) all of the Assignor's right, title and interest in and to the Charter and all supporting obligations related thereto
- (ii) all of the Assignor's right, title and interest in and to all accounts and payment intangibles now or hereafter due under the Charter, including, without limitation, all rents, charter hire, additional hire payments, and supplemental hire payments, all purchase option price payments, stipulated loss value payments, and all claims for money, distributions, indemnities, losses or damages (including liquidated damages), arising out of or related to the Charter, to the present or future use, operation or management of the Vessel pursuant to the Charter, or to any breach thereof; and
- (iii) all proceeds of all of the foregoing.

(b) until further notice by the Assignee, that you are hereby irrevocably authorized and instructed to pay as from the date hereof all amounts from time to time due and payable to, or receivable by, us under the Charter to our account as follows:

Bank:
 Swift:
 Account No:
 Beneficiary:

Please confirm your consent to the Assignment by executing and returning the Consent and Agreement attached below.

DATED THIS ____ day of _____, 20__.

[ASSIGNOR]

By _____
 Name:
 Title:

CONSENT AND AGREEMENT

DNB BANK ASA
 200 Park Avenue, 31st Floor
 New York, New York 10166
 Telephone No.: (212) 681-3800
 Attention: Credit Middle Office / Loan Services Department
 Facsimile No.: (212) 681-4123
 Email: nyloanscsd@dnb.no

Date: [____]

The undersigned refers to the notice (the "Notice") given to it by [____] (the "Assignor") in respect of the Assignment of Charter dated [__], 2018 (the "Assignment") made by the Assignor to and in favor of you (the "Assignee"). Capitalized terms used but not defined herein shall have the meaning assigned such terms in the Notice.

The undersigned, as Charterer, in consideration of one dollar (\$1.00) lawful money of the United States of America paid to us, hereby acknowledges receipt of the Notice, consents and agrees to the Assignment and to all of the respective terms thereof and hereby confirms and further agrees that:

- (a) The Charter is in full force and effect and is the legal, valid and binding obligation of the undersigned, enforceable against it in accordance with its terms.
- (b) As from the date hereof and so long as the Assignment is in effect, the undersigned will pay all amounts from time to time due and payable to, or receivable by, the Assignor under the Charter to the Assignor's account² as follows:

Bank:
 Swift:
 Account No:
 Beneficiary:

or to such other account as the Assignee may direct by notice in writing to us from time to time, all such payments to be made in immediately available funds by wire transfer on the day when such payment is due in accordance with the terms of the Charter.

- (c) Upon receipt by the undersigned of notice from the Assignee that an event of default has occurred and is continuing in respect of the Assignment:
 - (i) the undersigned acknowledges and agrees that the Assignee shall have the right but not the obligation to perform the Assignor's obligations under the Charter and to exercise the Assignor's rights under the Charter;
 - (ii) the undersigned shall deliver to the Assignee at its address above copies of all notices and other instruments, certificates, reports and communications required or permitted to be given or made to the Assignor pursuant to the Charter; and

² SEACOR to confirm

(iii) the undersigned shall fully cooperate with the Assignee in exercising rights available to the Assignee under the Assignment.

This Consent and Agreement shall be governed by the laws of the State of New York and may be relied on by the Assignor and the Assignee.

IN WITNESS WHEREOF, the undersigned, intending to be legally bound, has caused this Consent and Agreement to be duly executed

[CHARTERER]

By _____
Name:
Title:

ASSIGNMENT OF INTEREST RATE AGREEMENT

given by

SEACOR MARINE FOREIGN HOLDINGS INC.

in favor of

DNB BANK ASA, NEW YORK BRANCH

[_____], 2018

ASSIGNMENT OF INTEREST RATE AGREEMENT

THIS ASSIGNMENT OF INTEREST RATE AGREEMENT, dated [____], 20[___] (this "Assignment"), is made by SEACOR MARINE FOREIGN HOLDINGS INC., a corporation incorporated and existing under the laws of the Republic of the Marshall Islands (the "Assignor"), to and in favor of DNB BANK ASA, NEW YORK BRANCH ("DNB") in its capacity as Security Trustee for and on behalf of itself and the other Creditors under the Credit Agreement described below (the "Assignee").

W I T N E S S E T H H A T:

WHEREAS:

(A) [____], in its capacity as swap bank (the "Swap Bank") and the Assignor have entered into a Master Agreement [(on the [2002] ISDA (Multicurrency - Crossborder) form)], dated [____] (said Master Agreement, including all Transactions (as defined therein) entered into pursuant thereto, and Confirmations (as defined therein) exchanged thereunder, from time to time, as the same may be amended or supplemented from time to time, collectively, the "Interest Rate Agreement");

(B) the Assignor has entered into that certain senior secured credit agreement, dated [____], 2018 (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among, *inter alios*, (1) the Assignor, as borrower (the "Borrower"), (2) SEACOR Marine Holdings Inc., as parent guarantor (the "Parent Guarantor"), (3) the entities listed on Schedule 1-A to thereto as subsidiary guarantors, (4) DNB, as facility agent and security trustee and (5) the financial institutions identified on Schedule 1-B thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the "Lenders"), pursuant to which the Lenders have agreed to make available to the Borrower a senior secured term loan facility in the aggregate amount of up to One Hundred Thirty Million United States Dollars (U.S. \$130,000,000) (the "Facility"); and

(C) it is a condition precedent to the Lenders making the Facility available to the Borrower under the Credit Agreement that the Assignor shall have executed and delivered to the Assignee this Assignment.

NOW, THEREFORE, in consideration of the foregoing, the Assignor hereby agrees as follows (with the terms used herein and not otherwise defined having the meaning ascribed thereto in the Credit Agreement or the Interest Rate Agreement, as applicable):

1. Grant of Security. The Assignor has sold, assigned, transferred and set over and, by this instrument does sell, assign, transfer and set over, unto the Assignee, and unto the Assignee's successors and assigns, to it and its successors' and assigns' own proper use and benefit, and, as security for the obligations of the Credit Parties under the Credit Agreement, the Note, the Interest Rate Agreement described therein and the other Transaction Documents, does hereby grant the Assignee a security interest in, all of the Assignor's right, title and interest in and to: (i) the Interest Rate Agreement, (ii) all moneys due and to become due to the Assignor under the Interest Rate Agreement, (iii) all claims for damages arising out of the breach of the Interest Rate Agreement and rights to terminate any Transaction, and (iv) any proceeds of any of the foregoing.

2. Consent of Swap Bank. The Assignor hereby warrants that the Assignor will promptly obtain the consent of the Swap Bank as evidenced by the execution by the Swap Bank of the Consent and Agreement in the form attached as Annex A.

3. Covenants. The Assignor hereby agrees that so long as this Assignment is in effect it will not terminate, or consent to the termination of, the Interest Rate Agreement (including any Transaction), or amend, modify, supplement, or waive any material term of the Interest Rate Agreement (including any Transaction), in each case without first obtaining the written consent of the Assignee therefor (such written consent not to be unreasonably withheld, conditioned or delayed). No amendment or modification of the Interest Rate Agreement (including any Transaction), and no consent, waiver or approval with respect thereto shall be valid unless joined in, in writing, by the Assignee (such writing not to be unreasonably withheld, condition or delayed). No notice, request or demand under the Interest Rate Agreement shall be valid as against the Assignee unless and until a copy thereof is furnished to the Assignee. The Assignor hereby agrees to furnish the Assignee in writing with any information which it reasonably requests in relation to the Interest Rate Agreement.

4. Performance under Interest Rate Agreement. It is expressly agreed that anything herein contained to the contrary notwithstanding, the Assignee shall have no obligation or liability under the Interest Rate Agreement by reason of or arising out of this Assignment nor shall the Assignee be required or obligated in any manner to perform or to fulfill any obligations of the Assignor under or pursuant to the Interest Rate Agreement nor to make any payment nor to make any inquiry as to the nature or sufficiency of any payment received by the Assignee nor to present or file any claim, nor to take any other action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled hereunder at any time or times.

5. Power of Attorney. Upon and during the continuance of an Event of Default, the Assignor does hereby constitute the Assignee, its successors and assigns, the Assignor's true and lawful attorney, irrevocably, with full power (in the name of the Assignor or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all moneys, claims, property and rights hereby assigned, to endorse any checks or other instruments or orders in connection therewith and to file any claims or to take any action or institute any proceedings which the Assignee may deem to be necessary or advisable in the premises. The powers and authority granted to the Assignee herein have been given for a valuable consideration and are hereby declared to be irrevocable.

6. Further Assurances. The Assignor agrees that at any time and from time to time, upon the written request of the Assignee, the Assignor will promptly and duly execute and deliver any and all such further instruments and documents as the Assignee may deem necessary in obtaining the full benefits of this Assignment and of the rights and powers herein granted.

7. Representations. The Assignor does hereby represent and warrant that the Interest Rate Agreement is in full force and effect and is enforceable in accordance with the terms thereof and the Assignor is not in default thereunder. The Assignor does hereby further warrant and represent that neither the whole nor any part of the right, title and interest hereby assigned are the subject of any present assignment or pledge, and hereby covenants that, without the prior written consent thereto of the Assignee, so long as this Assignment shall remain in effect, the Assignor will not assign or pledge the whole or any part of the right, title and interest hereby assigned to anyone other than the Assignee, its successors or assigns, and the Assignor will not knowingly take or omit to take any action, the taking or omission of which might result in any alteration or impairment of said rights or this Assignment.

8. Application of Proceeds. All moneys collected or received from time to time by the Assignee pursuant to this Assignment shall be dealt with as provided in the Credit Agreement.

9. Remedies; Remedies Cumulative and Not Exclusive; No Waiver. Each and every right, power and remedy herein given to the Assignee shall be cumulative and shall be in addition to every other right, power and remedy of the Assignee now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy, whether herein given or otherwise existing, may be exercised from time to time, in whole or in part, and as often and in such order as may be deemed expedient by the Assignee, and the exercise or the beginning of the exercise of any right, power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission by the Assignee in the exercise of any right or power or in the pursuance of any remedy accruing upon any breach or default by the Assignor shall impair any such right, power or remedy or be construed to be a waiver of any such right, power or remedy or to be an acquiescence therein; nor shall the acceptance by the Assignee of any security or of any payment of or on account of any of the amounts due from the Assignor to the Assignee under or in connection with the Credit Agreement or any documents delivered in connection therewith and maturing after any breach or default or of any payment on account of any past breach or default be construed to be a waiver of any right to take advantage of any future breach or default or of any past breach or default not completely cured thereby.

10. Invalidity. In case any one or more of the provisions contained in this Assignment would, if given effect, be invalid, illegal or unenforceable in any respect under any law applicable in any relevant jurisdiction, said provision shall not be enforceable against the Assignor, but the validity, legality and enforceability of the remaining provisions herein or therein contained shall not in any way be affected or impaired thereby. In the event that it should transpire that by reason of any law or regulation, or by reason of a ruling of any court, or by any other reason whatsoever, the assignment herein contained is either wholly or partly defective, the Assignor hereby undertakes to furnish the Assignee with an alternative assignment or alternative security and/or to do all such other acts as, in the reasonable opinion of the Assignee, shall be required in order to ensure and give effect to the full intent of this Assignment.

11. Continuing Security. It is declared and agreed that the security created by this Assignment shall be held by the Assignee as a continuing security for the payment of all moneys which may at any time and from time to time be or become payable by the Assignor under the Credit Agreement, the Note or any other Transaction Document and that the security so created shall not be satisfied by an intermediate payment or satisfaction of any part of the amount hereby secured and that the security so created shall be in addition to and shall not in any way be prejudiced or affected by any collateral or other security now or hereafter held by the Assignee for all or any part of the moneys hereby secured.

12. Waiver; Amendment. None of the terms and conditions of this Assignment may be changed, waived, modified or varied in any manner whatsoever unless in writing duly signed by the Assignee and the Assignor.

13. Termination. If the Assignor has irrevocably and indefeasibly paid and discharged all of its obligations under or in connection with the Credit Agreement, the Note and the other Transaction Documents or is released therefrom in accordance with the terms thereof, all of the right, title and interest herein assigned shall revert to the Assignor and this Assignment shall terminate. Upon any such termination, the Assignee will at the Assignor's expense, execute and deliver to the Assignor such documents as the Assignor shall reasonably request to evidence such termination.

14. **WAIVER OF JURY TRIAL.** IT IS MUTUALLY AGREED BY AND BETWEEN THE ASSIGNOR AND THE ASSIGNEE THAT EACH OF THEM HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY HERETO AGAINST ANY OTHER PARTY HERETO ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS ASSIGNMENT.

15. **Notices.** Notices and other communications hereunder shall be in writing and may be sent in accordance with the Credit Agreement.

16. **Governing Law.** This Assignment shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to principles of conflict of law (excluding Section 5-1401 and 5-1402 of the New York General Obligations law).

17. **Submission to Jurisdiction.** The Assignor hereby irrevocably submits to the jurisdiction of the courts of the State of New York and of the United States District Court for the Southern District of New York in any action or proceeding brought against it by any of the Creditors under this Assignment or under any document delivered hereunder and hereby irrevocably agrees that valid service of summons or other legal process on it may be effected by serving a copy of the summons and other legal process in any such action or proceeding on the Assignor by mailing by certified mail, signature required, or delivering the same by hand to the Assignor at the address indicated for notices in Section 16 of the Credit Agreement. The service, as herein provided, of such summons or other legal process in any such action or proceeding shall be deemed personal service and accepted by the Assignor as such, and shall be legal and binding upon the Assignor for all the purposes of any such action or proceeding. Final judgment (a certified or exemplified copy of which shall be conclusive evidence of the fact and of the amount of any indebtedness of the Assignor to the Creditors) against the Assignor in any such legal action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment. The Assignor will advise the Assignee promptly of any change of address for the purpose of service of process. Notwithstanding anything herein to the contrary, the Creditors may bring any legal action or proceeding in any other appropriate jurisdiction.

18. **Severability.** If any provision hereof is invalid and unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be construed in favor of the Assignee in order to carry out the intentions of the parties hereto as nearly as may be possible; and (ii) the invalidity and unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

19. **Counterparts.** This Assignment may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one and the same instrument. Delivery of an executed counterpart of this Assignment by facsimile or electronic transmission shall be deemed as effective as delivery of an originally executed counterpart.

20. **Headings.** In this Assignment, section headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Assignment.

[Signature Page Follows]

IN WITNESS WHEREOF the Assignor has caused this Assignment to be duly executed on the day and year first above written.

SEACOR MARINE FOREIGN HOLDINGS INC.

By: _____
Name:
Title:

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**FORM OF CONSENT AND AGREEMENT
OF SWAP BANK**

The undersigned (the “Swap Bank”), in its capacity as Party A to the Master Agreement [(on the [2002] ISDA (Multicurrency — Crossborder) form)] dated [____], 20[___] (said Master Agreement, including all Transactions (as defined therein) entered into pursuant thereto, and Confirmations (as defined therein) exchanged thereunder, from time to time, as the same may be amended or supplemented from time to time, collectively, the “Interest Rate Agreement”) between the undersigned and SEACOR MARINE FOREIGN HOLDINGS INC., as Party B (the “Assignor”), hereby consents to the assignment by the Assignor of all the Assignor’s right, title and interest in and to the Interest Rate Agreement to DNB BANK ASA, NEW YORK BRANCH, as Security Trustee (the “Assignee”), pursuant to an Assignment of Interest Rate Agreement dated [____], 20[___] (as the same may be amended, supplemented or otherwise modified from time to time, the “Assignment”); and agrees that, it will make payment of all moneys due and to become due to the Assignor under the Interest Rate Agreement, without setoff or deduction for any claim not arising under the Interest Rate Agreement, and notwithstanding the existence of a default or event of default by the Assignor under the Interest Rate Agreement, to the account specified by the Assignee at such address as the Assignee shall request the undersigned in writing until receipt of written notice from the Assignee that all obligations of the Assignor to it have been paid in full.

The undersigned agrees that it shall look solely to the Assignor for performance of the Interest Rate Agreement and that the Assignee shall have no obligation or liability under or pursuant to the Interest Rate Agreement arising out of the Assignment, nor shall the Assignee be required or obligated in any manner to perform or fulfill any obligations of the Assignor under or pursuant to the Interest Rate Agreement. Notwithstanding the foregoing, if an Event of Default under the Credit Agreement (as defined in or by reference in the Assignment) shall have occurred and be continuing, the undersigned agrees that the Assignee shall have the right, but not the obligation, to perform all of the Assignor’s obligations under the Interest Rate Agreement as though named therein as Party B.

The undersigned agrees that it shall not seek the recovery of any payment actually made by it to the Assignee pursuant to this Consent and Agreement once such payment has been made. This provision shall not be construed to relieve the Assignor of any liability to the undersigned.

The undersigned agrees to execute and deliver, or cause to be executed and delivered, upon the written request of the Assignee, any and all such further instruments and documents as the Assignee may deem necessary for the purpose of obtaining the full benefits of the Assignment and of the rights and power herein granted.

The undersigned hereby confirms that the Interest Rate Agreement is a legal, valid and binding obligation, enforceable against it in accordance with its terms.

Date: _____, 20__

[_____], as Swap Bank

By: _____

Name:

Title:

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ASSIGNMENT AND ASSUMPTION AGREEMENT

between

[NAME OF ASSIGNOR]

and

[NAME OF ASSIGNEE]

_____, 20__

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ASSIGNMENT AND ASSUMPTION AGREEMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement"), dated as of _____, 20__ among [NAME OF ASSIGNOR], a [bank]/[corporation] organized under the laws of [JURISDICTION OF ASSIGNOR] (the "Assignor"), and [NAME OF ASSIGNEE], a [bank]/[corporation] organized under the laws of [JURISDICTION OF ASSIGNEE] (the "Assignee"), supplemental to:

(i) that certain senior secured credit agreement dated [_____], 2018 (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among, *inter alios*, (1) SEACOR Marine Foreign Holdings Inc., as borrower (the "Borrower"), (2) DNB Bank ASA, New York Branch, as facility agent (in such capacity, the "Facility Agent") and security trustee (in such capacity, the "Security Trustee") and (3) the financial institutions identified on Schedule 1-B thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the "Lenders"), pursuant to which the Lenders have agreed to make available to the Borrower a senior secured term loan facility in the aggregate amount of up to One Hundred Thirty Million United States Dollars (U.S. \$130,000,000);

(ii) the promissory note from the Borrower in favor of the Facility Agent dated as of [_____], 2018 (the "Note") evidencing the Loan; and

(iii) the Security Documents, any Interest Rate Agreement and any other Transaction Documents (as such terms are defined in the Credit Agreement).

Except as otherwise defined herein, terms defined in the Credit Agreement shall have the same meaning when used herein.

In consideration of the premises and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Pursuant to Section 10 of the Credit Agreement, the Assignor hereby sells, transfers and assigns [●]% of its Commitment (the "Assigned Commitment") under the Credit Agreement and an undivided share of its right, title and interest in, to and under the Credit Agreement, under the Note (including, without limitation, its interest in the indebtedness evidenced by the Note), under the Security Documents, any Interest Rate Agreement and any other Transaction Documents to the Assignee to the extent of the Assigned Commitment, including a share of the rights of the Assignor with respect to all Commitments under the Credit Agreement equal to the proportion that the amount of the Assigned Commitment bears to the aggregate amount of all Commitments under the Credit Agreement. Simultaneously herewith, the Assignee shall pay to the Assignor an amount equal to US\$[●], which amount constitutes the product derived by multiplying (a) US\$[●], being the sum of the present outstanding principal balance of the Loan by the Assignor, by (b) the Assignor's percentage of interest that the Assigned Commitment bears to the Assignor's Commitment.

2. The Assignee hereby assumes, and shall be fully liable for, the obligations of the Assignor in respect of the Assigned Commitment under the Credit Agreement (including, but not limited to, the obligation to advance its respective percentage of the Loan as and when required) and undertakes to observe and perform all of the covenants and obligations on the part of the Lenders under the Credit Agreement and to be bound by all of the covenants, obligations, undertakings and provisions contained in the Credit Agreement, any Security Document, any Interest Rate Agreement and any other Transaction Documents as are expressed to be binding on the Lenders and shall hereinafter be deemed a "Lender" for all purposes of the Credit Agreement, the Note, the Security Documents, any Interest Rate Agreement, any other Assignment and Assumption Agreement(s) and any other Transaction Documents, the Assignee's Commitment thereunder being U.S.\$[●] in respect of the Loan.

3. The Assignee shall pay an administrative fee of U.S.\$7,500 to the Facility Agent to reimburse the Facility Agent for its cost in processing the assignment and assumption herein contained.

4. All references in the Note, in each of the Security Documents, in any Interest Rate Agreement and in any of the other Transaction Documents to the Credit Agreement shall be deemed to be references to the Credit Agreement as assigned and assumed pursuant to the terms hereof.

5. The Assignee, by entering into this Agreement, agrees to the terms of Section 15.14 of the Credit Agreement as if fully incorporated herein.

6. The Assignee irrevocably designates and appoints the Facility Agent and the Security Trustee as its agent and trustee and irrevocably authorizes the Facility Agent and the Security Trustee to take such action on its behalf and to exercise such powers on its behalf under the Credit Agreement, under the Note, under the other Security Documents, under any Interest Rate Agreement and under any other Transaction Documents, each as supplemented hereby, as are delegated to the Facility Agent and the Security Trustee by the terms of each thereof, together with such powers as are reasonably incidental thereto all as provided in Section 15 of the Credit Agreement.

7. Every notice or demand under this Agreement shall be in writing and may be given by telecopy and shall be sent as follows:

If to the Assignor:

[NAME OF ASSIGNOR]

[ADDRESS]

Facsimile No.:

Attention:

If to the Assignee

[NAME OF ASSIGNOR]

[ADDRESS]

Facsimile No.:

Attention:

Every notice or demand hereunder shall be deemed to have been received at the time of receipt thereof.

8. EACH OF THE ASSIGNOR AND, BY ITS ACCEPTANCE HEREOF, THE ASSIGNEE, HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY HERETO OR ANY BENEFICIARY HEREOF ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.

9. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to the principles of conflicts of law.

10. This Agreement may be executed in several counterparts with the same effect as if the parties executing such counterparts shall have all executed one agreement as of the date hereof, each of which counterparts when executed and delivered shall be deemed to be an original and all of such counterparts together shall constitute this Agreement.

[Signature Page Follows]

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IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed as of the day and year first above written.

[NAME OF ASSIGNOR]

By _____
Name:
Title:

[NAME OF ASSIGNEE]

By _____
Name:
Title:

Deposit Account Control Agreement

This DEPOSIT ACCOUNT CONTROL AGREEMENT (this “**Agreement**”), dated as of [DATE], by and among SEACOR MARINE FOREIGN HOLDINGS INC. (the “**Grantor**”), DNB BANK ASA, acting through its New York Branch, as security trustee for lenders and other creditors under the Credit Agreement referenced below (the “**Secured Party**”), and DNB BANK ASA, acting through its New York Branch (the “**Depository Bank**”), is delivered pursuant to that to certain senior secured credit agreement, dated [_____], 2018 (as amended, amended and restated, supplemented or otherwise modified from time to time, the “**Credit Agreement**”), among, inter alios, (1) the Grantor, as borrower, (2) SEACOR Marine Holdings Inc., as parent guarantor, (3) the entities listed on Schedule 1-A to thereto as subsidiary guarantors, (4) DNB, as facility agent and security trustee and (5) the financial institutions identified on Schedule 1-B thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the “**Lenders**”). This Agreement is entered into by the parties hereto for the purpose of perfecting the security interests of the Secured Party granted by the Grantor in the **Deposit Account[s]** described in Section 2(b) below pursuant to the Earnings Account Pledge dated as of [the date hereof] made between the Grantor and the Secured Party (as amended, amended and restated, supplemented or otherwise modified from time-to-time, the “**Earnings Account Pledge**”). All references herein to the UCC shall mean the Uniform Commercial Code as in effect from time-to-time in the State of New York.

1. DEPOSITORY BANK’S REPRESENTATIONS; COVENANTS.

The Depository Bank hereby confirms and agrees that:

- (a) The Depository Bank is engaged in the business of banking and is a "Bank" as such term is defined in UCC §9-102(a)(8).
- (b) The Depository Bank has established for the Grantor and maintains the deposit account[s] listed in Schedule 1 annexed hereto (such account[s], together with each such other deposit account maintained by the Grantor with the Depository Bank (collectively, the “**Deposit Accounts**” and each a “**Deposit Account**”). The Grantor is the Depository Bank’s customer with respect to the Deposit Account[s].
- (c) Each Deposit Account is a "Deposit Account" as such term is defined in UCC §9-102(a)(29).
- (d) Each Deposit Account will be maintained in the manner set forth herein until termination of this Agreement.
- (e) This Agreement is the valid and legally binding obligation of the Depository Bank.

- (f) The Depository Bank has not entered into any currently effective agreement with any person relating to any Deposit Account and/or any of the funds credited thereto under which the Depository Bank may be obligated to comply with instructions originated by a person other than the Grantor or the Secured Party. Until the termination of this Agreement, the Depository Bank will not enter into any agreement with any person relating to any Deposit Account and/or any of the funds credited thereto under which the Depository Bank may be obligated to comply with instructions originated by a person other than the Grantor or the Secured Party.

2. NOTICE OF SOLE CONTROL.

Following receipt of a **Notice of Sole Control** as defined in Section 9 below, the Depository Bank shall

- (a) comply with instructions originated by the Secured Party without further consent of the Grantor or any person acting or purporting to act for the Grantor being required, including, without limitation, directing disposition of the funds in each Deposit Account, thereby granting the Secured Party "control" over the Deposit Accounts under UCC §9-104(a)(2);
- (b) comply with instructions directing the disposition of funds in each Deposit Account originated by the Grantor or its authorized representatives until such time as the Secured Party delivers a Notice of Sole Control pursuant to Section 9 below to the Depository Bank; and
- (c) comply with, and is fully entitled to rely upon, any instruction from the Secured Party, even if such instruction is contrary to any instruction that the Grantor may give or may have given to the Depository Bank.

3. DEPOSITORY BANK'S RESPONSIBILITY.

- (a) The Depository Bank will not be liable to the Secured Party for complying with instructions concerning the Deposit Account[s] from the Grantor that are received by the Depository Bank before the Depository Bank receives a Notice of Sole Control.
- (b) The Depository Bank will not be liable to the Grantor or the Secured Party for complying with a Notice of Sole Control or with instructions concerning the Deposit Account[s] originated by the Secured Party, even if the Grantor notifies the Depository Bank that the Secured Party is not legally entitled to issue the Notice of Sole Control or instructions unless the Depository Bank takes the actions after it is served with an injunction, restraining order or other legal process enjoining it from doing so, issued by a court of competent jurisdiction.
- (c) This Agreement does not create any obligation of the Depository Bank except for those expressly set forth in this Agreement and Article 4 of the UCC. In particular, the Depository Bank need not investigate whether the Secured Party is entitled under the Secured Party's agreements with the Grantor to give instructions concerning any Deposit Account or a Notice of Sole Control. The Depository Bank may rely on notices and communications given by the appropriate party.

4. **INDEMNIFICATION.**

- (a) The Grantor agrees to indemnify the Depository Bank, its officers, directors, employees and agents against all claims incurred, sustained or payable by the Depository Bank, or such other indemnitee, arising out of this Agreement, except to the extent directly caused by the Depository Bank's, or such other indemnitee's, gross negligence or willful misconduct, as determined by a court of competent jurisdiction in a final, non-appealable judgment.
- (b) The Secured Party agrees to indemnify the Depository Bank against all other claims incurred, sustained or payable by the Depository Bank arising from the Depository Bank's following instructions originated by the Secured Party, or from the Depository Bank's transfer of funds pursuant to this Agreement, except to the extent directly caused by the gross negligence or willful misconduct of the Depository Bank, as determined by a court of competent jurisdiction in a final, non-appealable judgment.

5. **CHOICE OF LAW; WAIVER OF JURY TRIAL.**

- (a) Both this Agreement and the Deposit Accounts shall be construed in accordance with and governed by the laws of the State of New York, without regard to conflict-of-laws principles. Regardless of any provision in any other agreement, for purposes of the UCC, the State of New York shall be deemed to be the Depository Bank's jurisdiction and the Deposit Account[s] shall be governed by the laws of the State of New York. The Depository Bank and the Grantor may not change the law governing any Deposit Account without the Secured Party's prior written consent.
- (b) To the extent permitted by applicable law, each party waives all rights to trial by jury in any action, claim or proceeding (including any counterclaim) of any type arising out of or directly or indirectly relating to this Agreement.

6. **CONFLICT WITH OTHER AGREEMENTS.**

As of the date hereof, there are no other agreements entered into between the Depository Bank and the Grantor with respect to any Deposit Account or any funds credited thereto (other than standard and customary documentation with respect to the establishment and maintenance of such Deposit Accounts). The Depository Bank and the Grantor will not enter into any other agreement with respect to any Deposit Account unless the Secured Party shall have received prior written notice thereof. The Depository Bank and the Grantor have not and will not enter into any other agreement with respect to control of the Deposit Accounts or purporting to limit or condition the obligation of the Depository Bank to comply with any orders or instructions with respect to any Deposit Account as set forth in Section 3 above without the prior written consent of the Secured Party acting in its sole discretion. In the event of any conflict with respect to control over any Deposit Account between this Agreement (or any portion hereof) and any other agreement now existing or hereafter entered into, the terms of this Agreement shall prevail.

7. **DEPOSIT ACCOUNT STATEMENTS.**

As of the date hereof, the Depository Bank has furnished to the Secured Party the most recent account statement issued by the Depository Bank with respect to each of the Deposit Accounts and the cash balances held therein. Each such statement accurately reflects the assets held in such Deposit Account as of the date thereof.

8. **NOTICE OF ADVERSE CLAIMS.**

Except for the claims and interests of the Secured Party and of the Grantor in the Deposit Account[s], the Depository Bank as of the date hereof represent that, to the best of its knowledge, it does not exist any claim to, security interest in, lien on, or encumbrance against any Deposit Account or in any funds credited thereto and does not know of any claim that any person or entity other than the Secured Party has been given control (within the meaning of UCC §9-104) of any Deposit Account or any such funds. If the Depository Bank becomes aware that any person or entity is asserting any lien, encumbrance, security interest or adverse claim (including any writ, garnishment, judgment, warrant of attachment, execution or similar process or any claim of control) against any funds in any Deposit Account, the Depository Bank shall promptly notify the Secured Party and the Grantor thereof.

9. **MAINTENANCE OF DEPOSIT ACCOUNTS.**

In addition to the obligations of the Depository Bank in Section 3 hereof, the Depository Bank agrees to maintain the Deposit Accounts as follows:

Notice of Sole Control. If at any time the Secured Party delivers to the Depository Bank a notice instructing the Depository Bank to terminate Grantor's access to any Deposit Account (a "**Notice of Sole Control**"), the Depository Bank agrees that, after receipt of such notice, it will take all instructions with respect to such Deposit Account solely from the Secured Party, terminate all instructions and orders originated by the Grantor with respect to the Deposit Account[s] or any funds therein, and cease taking instructions from the Grantor, including, without limitation, instructions for distribution or transfer of any funds in any Deposit Account.

10. **BINDING EFFECT.**

The terms of this Agreement shall become effective when it has been executed by the Grantor, the Secured Party and the Depository Bank, and thereafter shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and permitted transferees.

11. NOTICES.

Any notice, request or other communication required or permitted to be given under this Agreement shall be in writing and deemed to have been properly given when delivered in person, or when sent by facsimile and electronic confirmation of error free receipt is received or two Banking Days after being sent by certified or registered United States mail, return receipt requested, postage prepaid, addressed to the party at the address set forth below. “**Banking Day**” means any day other than a Saturday or Sunday or any other day on which banking institutions in New York, New York are authorized or required by law to close.

[GRANTOR'S ADDRESS]

[DEPOSITORY BANK'S ADDRESS]

[SECURED PARTY'S ADDRESS]

12. TERMINATION; SURVIVAL.

Except as otherwise provided in this Section 12, this Agreement and the obligations of the Depository Bank hereunder shall continue in effect until the security interests of the Secured Party in the Deposit Account[s] and any and all funds therein have been terminated pursuant to the terms of the Earnings Account Pledge and the Secured Party has notified the Depository Bank of such termination in writing. This Agreement may be terminated by:

- (a) the Secured Party at any time by written notice to the Depository Bank and the Grantor;
- (b) the Depository Bank, at any time by written notice delivered to the Secured Party and the Grantor not less than 30 calendar days prior to the effective termination date; or
- (c) the Grantor, by written notice signed by the Grantor and the Secured Party, delivered to the Depository Bank not less than 10 calendar days prior to the effective termination date.

Prior to any termination of this Agreement pursuant to this Section 12, the Depository Bank hereby agrees that it shall promptly take, at the Grantor's sole cost and expense, all reasonable actions necessary to transfer any funds in the Deposit Accounts to the institution designated in writing by the Secured Party.

Sections 4 and 5 of this Agreement will survive termination of this Agreement.

13. FEES AND EXPENSES.

The Depository Bank agrees to look solely to the Grantor for payment of any and all fees, costs, charges and expenses incurred or otherwise relating to the Deposit Accounts and services provided by the Depository Bank hereunder (collectively, the “**Account Expenses**”), and the Grantor agrees to pay the Account Expenses to the Depository Bank on demand therefor. The Grantor acknowledges and agrees that it shall be, and at all times remains, solely liable to the Depository Bank for all the Account Expenses.

14. SEVERABILITY.

If any term or provision set forth in this Agreement shall be invalid or unenforceable, the remainder of this Agreement, other than those provisions held invalid or unenforceable, shall be construed in all respects as if such invalid or unenforceable term or provision were omitted.

15. AMENDMENT.

No amendment to this Agreement will be binding on any party to this Agreement unless it is in writing and signed by all of the parties.

16. COUNTERPARTS.

This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same agreement and any party hereto may execute this Agreement by signing and delivering one or more counterparts. Delivery of an executed counterpart of this Agreement electronically or by facsimile shall be effective as delivery of an original executed counterpart of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SEACOR MARINE FOREIGN HOLDINGS INC., as Grantor

By _____

Name:

Title:

DNB BANK ASA, NEW YORK BRANCH,
as Depository Bank

By _____

Name:

Title:

By _____

Name:

Title:

DNB BANK ASA, NEW YORK BRANCH,
as Secured Party

By _____

Name:

Title:

SCHEDULE 1

Deposit Accounts

EARNINGS ACCOUNT PLEDGE

between

SEACOR MARINE FOREIGN HOLDINGS INC.,
as assignor

and

DNB BANK ASA, NEW YORK BRANCH,
as security trustee and as assignee

[_____], 2018

EARNINGS ACCOUNT PLEDGE

THIS EARNINGS ACCOUNT PLEDGE (this "Pledge") is made as of [____], 2018, by and between SEACOR marine foreign holdings inc., a corporation incorporated and existing under the laws of the Republic of the Marshall Islands (the "Assignor"), and DNB BANK ASA, New York Branch ("DNB"), in its capacity as Security Trustee (as such term is hereinafter defined) (the "Assignee").

WITNESSETH:

WHEREAS:

A. By a senior secured credit agreement dated [____], 2018 (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among, *inter alios*, (1) the Assignor, as borrower, (2) SEACOR Marine Holdings Inc., as parent guarantor (the "Parent Guarantor"), (3) the entities listed on Schedule 1-A thereto as subsidiary guarantors, (4) DNB, as facility agent and security trustee and (5) the financial institutions identified on Schedule 1-B thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the "Lenders"), the Lenders have agreed to make available to the Assignor a senior secured term loan facility in the aggregate amount of up to One Hundred Thirty Million United States Dollars (U.S. \$130,000,000) (the "Facility");

B. The Assignor has opened and maintains an account with account number [____] (such account, including any sub-account(s) into and from which balances from such account are swept by the Account Bank from time to time for reserve-related or other purposes, the "Earnings Account") with DNB (in such capacity, the "Account Bank"); and

C. It is a condition precedent to, among other things, the availability of the Facility that the Assignor execute and deliver to the Assignee, as security for the obligations of the Credit Parties under the Credit Agreement, the Note and the other Transaction Documents, an assignment and pledge of the Earnings Account in favor of the Assignee.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration (the receipt and sufficiency whereof are hereby acknowledged), and by way of security for the due performance of the obligations of the Assignor under the Credit Agreement, the Note and the other relevant Transaction Documents, it is hereby agreed as follows:

1. Defined Terms. Unless otherwise defined herein, terms defined in the Credit Agreement shall have the same meanings when used herein. For the purposes of this Pledge, when any term is modified by the word "relevant" such term shall be construed to mean with respect to, among others, as the case may be, the Assignor.

2. Grant of Security. As security for the obligations of the Credit Parties under the Credit Agreement, the Note and the other Transaction Documents, including, without limitation, the due and punctual performance by the Assignor of all its obligations under this Pledge now or hereafter existing hereinafter (the "Obligations"), the Assignor, as legal and beneficial owner, does hereby assign, transfer and set over unto the Assignee absolutely and does hereby grant a security interest in, all of its right, title and interest, present and future, in and to the Earnings Account and all moneys from time to time on deposit in the Earnings Account, together with interest on the foregoing and proceeds thereof.

3. Negative Pledge; Representations and Warranties. The parties hereto acknowledge and agree that the Earnings Account is a “deposit account” as such term is set forth in the Uniform Commercial Code. The Assignor does hereby warrant and represent that it has not assigned or pledged, and hereby covenants that it will not assign or pledge so long as this Pledge shall remain in effect, any of its right, title or interest in the whole or any part of the property hereby assigned to anyone other than the Assignee or as permitted by the Credit Agreement, and it will not take or omit to take any action, the taking or omission of which might result in a material alteration or impairment of the rights hereby assigned or any of the rights created in this Pledge; the Assignor further represents that the lien created hereby constitutes a perfected first priority security interest in the Earnings Account in favor of the Assignee; the Assignor shall not create, assume or suffer to exist any additional lien, charge, security interest, writ, order, judgment, warrant of attachment, execution or similar process upon the Earnings Account.

4. Power of Attorney. The Assignor does hereby constitute the Assignee the Assignor's true and lawful attorney irrevocably, with full power (in the name of the Assignor or otherwise) upon the occurrence and during the continuance of an Event of Default (i) to set off and apply all moneys in the Earnings Account in or towards satisfaction of any and all moneys, obligations and liabilities hereby secured and in such order as the Assignee in its absolute discretion may from time to time conclusively determine, (ii) to ask, require, demand, receive, compound and give acquittance for any and all moneys and claims for moneys assigned hereby, (iii) to endorse any checks or other instruments or orders in connection therewith, and (iv) to file any claims or take any action or institute any proceedings which the Assignee may deem to be necessary or advisable in the premises.

5. Accounts Control Agreement. The Assignor represents that it has entered into an accounts control agreement which provides, inter alia, that the Earnings Account shall be under the control of the Assignee, and that the Assignor shall have the right to withdraw and otherwise direct the disposition of funds in the Earnings Account until such time as the Assignee shall have issued a notice to the Account Bank of its exclusive right to direct withdrawals from the Earnings Account and to exercise all rights with respect to all of the funds in the Earnings Account after the occurrence and during the continuance of an Event of Default.

6. Termination. When all of the Obligations shall have been fully satisfied, the Assignee agrees that the security interest granted hereby shall terminate and it shall forthwith release the Assignor from its Obligations hereunder and the Assignee, at the request and expense of the Assignor, will promptly execute and deliver to the Assignor a proper instrument or instruments acknowledging the satisfaction and termination of this Pledge, and all rights, title and interests herein assigned shall revert to the Assignor, and this Pledge shall terminate.

7. Further Assurances. The Assignor shall from time to time, and at all times after the security constituted by this Pledge shall have become enforceable, execute all such further instruments and documents and do all such things as the Assignee may reasonably request for the purpose of obtaining the full benefit of this Pledge and of the rights, title, interest, powers, authorities and discretions conferred on the Assignee by this Pledge, provided that nothing contained herein shall be construed to require the Assignor to give notice of this Pledge to its creditors in the ordinary course of business other than as required under the Credit Agreement or upon an Event of Default that shall have occurred and be continuing. The Assignor hereby irrevocably appoints the Assignee its attorney-in-fact for it and in its name and on its behalf and as its act and deed to execute, seal and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which it may in its reasonable discretion deem necessary or advisable for any of the purposes of this Pledge; provided that the Assignee shall not exercise such power unless an Event of Default shall have occurred and be continuing.

8. No Waiver; Remedies Cumulative and Not Exclusive. The Assignee shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder, and no waiver shall be valid unless in writing, signed by the Assignee, and then only to the extent therein set forth. A waiver by the Assignee of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Assignee would otherwise have had on any future occasion. No failure to exercise nor any delay in exercising on the part of the Assignee, any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law.

9. Continuing Security. It is declared and agreed that the security created by this Pledge shall be held by the Assignee as a continuing security for the Obligations which may at any time and from time to time be or become payable and that the security so created shall not be satisfied by an intermediate payment or satisfaction of any part of the amount hereby secured and that the security so created shall be in addition to and shall not in any way be prejudiced or affected by any collateral or other security now or hereafter held by the Assignee for all or any part of the Obligations hereby secured.

10. Application of Proceeds. All moneys collected or received from time to time by the Assignee pursuant to this Pledge shall be applied in accordance with the terms and provisions of the Credit Agreement.

11. Waiver; Amendment. None of the terms or provisions of this Pledge may be waived, altered, modified or amended except by an instrument in writing, duly executed by the Assignor and the Assignee. This Pledge and all obligations of the Assignor hereunder shall be binding upon the successors and assigns of the Assignor and shall, together with the rights and remedies of the Assignee hereunder, inure to the benefit of the Assignee, its respective successors and assigns.

12. Governing Law. This Pledge shall be governed by and construed in accordance with the laws of the State of New York. Unless otherwise defined herein or in the Credit Agreement, terms defined in Article 8 and Article 9 of the Uniform Commercial Code are used herein as therein defined. The parties agree that New York is the jurisdiction of Assignee for all purposes hereof and of Article 8 and Article 9 of the Uniform Commercial Code.

13. Submission to Jurisdiction. The Assignor hereby irrevocably submits to the jurisdiction of the courts of the State of New York and of the United States District Court for the Southern District of New York in any action or proceeding brought against it by the Assignee under this Pledge or under any document delivered hereunder and hereby irrevocably agrees that valid service of summons or other legal process on it may be effected by serving a copy of the summons and other legal process in any such action or proceeding on the Assignor by mailing by certified mail, signature required, or delivering the same by hand to the Assignor at the address indicated for notices in Section 16 of the Credit Agreement. The service, as herein provided, of such summons or other legal process in any such action or proceeding shall be deemed personal service and accepted by the Assignor as such, and shall be legal and binding upon the Assignor for all the purposes of any such action or proceeding. To the extent permitted by applicable law, final judgment (a certified or exemplified copy of which shall be conclusive evidence of the fact and of the amount of any indebtedness of the Assignor to the Assignee) against the Assignor in any such legal action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment. The Assignor will advise the Assignee promptly of any change of address for the purpose of service of process. Notwithstanding anything herein to the contrary, the Assignee may bring any legal action or proceeding in any other appropriate jurisdiction.

14. **WAIVER OF JURY TRIAL.** EACH OF THE ASSIGNOR AND THE ASSIGNEE HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY HERETO OR ANY BENEFICIARY HEREOF ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS PLEDGE.

15. Notices. Notices and other communications hereunder shall be in writing and may be sent in accordance with the Credit Agreement.

16. Invalidity. If any provision of this Pledge shall at any time for any reason be declared invalid, void or otherwise inoperative by a court of competent jurisdiction, (i) such declaration or decision shall not affect the validity of any other provision or provisions of this Pledge or the validity of this Pledge as a whole; (ii) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be construed in favor of the Assignee in order to carry out the intentions of the parties hereto as nearly as may be possible; and (iii) the invalidity and unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction. In the event that it should transpire that by reason of any law or regulation, or by reason of a ruling of any court, or by any other reason whatsoever, the assignment herein contained is either wholly or partly defective, the Assignor hereby undertakes to furnish the Assignee with an alternative assignment or alternative security and/or to do all such other acts as, in the sole reasonable opinion of the Assignee, shall be required in order to ensure and give effect to the full intent of this Pledge.

17. Counterparts. This Pledge may be signed in any number of counterparts, each of which shall be an original with the same effect as if the signatures thereto and hereto were upon the same instrument.

18. Headings. In this Pledge, section headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Pledge.

[Signature Page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Pledge to be executed as of the day and year first above written.

Assignor:

[_____]

By: _____
Name:
Title:

Assignee:

DNB BANK ASA, New York Branch,
as Security Trustee

By: _____
Name:
Title:

By: _____
Name:
Title:

MANAGER'S UNDERTAKING

[_____], 2018

DNB BANK ASA, New York Branch (“DNB”)
 200 Park Avenue, 31st Floor
 New York, New York 10166
 Telephone No.: (212) 681-3800
 Attention: Credit Middle Office / Loan Services Department

[_____] (the “Owner”)

Dear Sirs:

We refer to that senior secured credit agreement dated [_____], 2018 (as the same may be amended, supplemented or otherwise modified from time to time, the “Credit Agreement”), among, *inter alios*, (1) SEACOR Marine Foreign Holdings Inc., as borrower (the “Borrower”), (2) the Owner, as a subsidiary guarantor, (3) DNB, as facility agent (in such capacity, the “Facility Agent”) and security trustee (in such capacity, the “Security Trustee”) and (3) the financial institutions identified on Schedule 1-B thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the “Lenders”) and swap banks.

We hereby confirm that we have been appointed as the manager of the [_____] flag vessel [VESSEL NAME] (the “Vessel”), Official No. [____], pursuant to a management agreement (the “Management Agreement”), dated as of [_____], between the Owner and ourselves. We hereby represent and warrant that the copy of the Management Agreement attached hereto is a true and complete copy of the Management Agreement, and that there have been no amendments or variations thereto or defaults thereunder by us or, to the best of our knowledge and belief, the Owner.

In consideration of the Creditors (as defined in the Credit Agreement) granting their approval to our appointment as manager of the Vessel, we hereby irrevocably and unconditionally undertake with the Creditors as follows:

- (a) all claims of whatsoever nature which we have or may at any time hereafter have against or in connection with the Vessel, its earnings, insurances or requisition compensation, or against the Owner, shall rank after and be in all respects subordinate to all of the rights and claims of the Creditors against such property or persons; provided, however, so long as no Event of Default (as defined in the Credit Agreement) shall have occurred or be continuing, any amount due to us under the Management Agreement may be paid by the Owner;
- (b) we shall not institute any legal or quasi legal proceeds under any jurisdiction at any time hereafter against the Vessel, its earnings, insurances or requisition compensation, or against the Owner in any capacity without the Facility Agent’s express, prior written consent;
- (c) we shall upon the Facility Agent’s written request deliver to the Facility Agent all documents reasonably requested by the Facility Agent of whatever nature held by us or any sub-manager appointed by us in connection with the Owner or the Vessel, its earnings, insurances or requisition compensation;

- (d) we shall not do, or omit to do, or cause anything to be done or omitted, which might be contrary to or incompatible with the obligations undertaken by the Owner under the Credit Agreement and the other Transaction Documents (as defined in the Credit Agreement);
- (e) we shall not agree or purport to agree to any material amendment or variation or termination of the Management Agreement without the prior written consent of the Majority Lenders (such consent not to be unreasonably withheld, conditioned or delayed), except where the amendment or variation is required to comply with applicable laws or regulations;
- (f) we shall direct and procure that all moneys payable to us or through us with respect to any charter or other contract of employment with respect to the Vessel ("Charter Revenue"), net costs and operating expenses of the Vessel and any fees payable to us, shall be remitted to the Borrower's Earnings Account (as defined in the Credit Agreement) as soon as possible after receipt thereof;
- (g) we shall ensure that no moneys payable to us or through us with respect to any charter or other contract of employment with respect to the Vessel shall be paid into or through any account which is pledged or assigned to, or otherwise encumbered or subject to any rights of setoff in favor of, any entity or person other than the Security Trustee;
- (h) we shall procure that any sub-manager appointed by us will, on or before the date of such appointment, enter into an undertaking in favor of the Creditors in substantially the same form as this letter;
- (i) we shall advise the Facility Agent in writing prior to our ceasing to be the manager of the Vessel; and
- (j) we shall immediately advise the Facility Agent in writing if the Vessel's Safety Management Certificate is withdrawn.

Upon satisfaction of the indebtedness of the Owner to the Creditors under the Credit Agreement and the other applicable Transaction Documents, our obligations hereunder shall terminate.

The provisions of this letter shall be governed by, and construed in accordance with, the laws of the State of New York.

Any legal action or proceeding with respect to this letter may be brought in any New York State court or Federal court of the United States of America sitting in New York City and any appellate court from any thereof or such other courts having jurisdiction over such action or proceeding as the Lender may select. By execution and delivery of this letter and for the exclusive benefit of the Lenders, we irrevocably and generally and unconditionally accept the jurisdiction of such courts.

[Signature page follows]

[_____]

By: _____

Name:

Title:

FORM OF COMPLIANCE CERTIFICATE

CERTIFICATE OF

SEACOR MARINE HOLDINGS INC.

FOR THE PERIOD ENDED _____

The undersigned, being the Chief Financial Officer of SEACOR MARINE HOLDINGS INC., a corporation organized and existing under the laws of the State of Delaware (the "Parent Guarantor"), hereby certifies, on behalf of the Parent Guarantor, DNB BANK ASA, NEW YORK BRANCH ("DNB"), as facility agent for the Creditors, in connection with that certain senior secured loan agreement dated [____], 2018 (as the same may be amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), among, *inter alios* (1) the Parent Guarantor, (2) SEACOR Marine Foreign Holdings Inc., as borrower, (3) DNB, as facility agent and security trustee and (4) the financial institutions identified on Schedule 1-B to the Loan Agreement (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Loan Agreement), as lenders and swap banks:

- (i) that I have reviewed (i) the consolidated financial statements of the Parent Guarantor dated as of _____ and for the _____ period then ended and (ii) the separate financial reports of the Parent Guarantor delivered pursuant to the terms of the Loan Agreement, each dated as of _____ and for the _____ period then ended, and such statements and reports fairly present the financial condition of the Parent Guarantor as of the dates indicated and the results of their operations and cash flows for the periods indicated;
- (ii) that I have reviewed the terms of the Loan Agreement and the other Transaction Documents and have made, or caused to be made under my supervision, a review in reasonable detail of the transactions and the condition of the Parent Guarantor during the accounting period covered by the financial statements referred to in clause (i) above;
- (iii) such review has not disclosed the existence during or at the end of such accounting period of any condition or event that constitutes a Default or an Event of Default, nor do we have knowledge of the existence of any such condition or event as at the date of this Certificate [EXCEPT, [IF SUCH CONDITION OR EVENT EXISTED OR EXISTS, DESCRIBE THE NATURE AND PERIOD OF EXISTENCE THEREOF AND WHAT ACTION THE BORROWERS HAVE TAKEN, ARE TAKING AND PROPOSE TO TAKE WITH RESPECT THERETO]];
- (iv) the Parent Guarantor is in compliance with the covenants contained in Section 4 of the Parent Guaranty and in each other Transaction Document to which it is a party, and Annex A attached hereto shows the calculation thereof in reasonable detail.

Capitalized terms used but not otherwise defined herein have such meanings given to them in the Loan Agreement

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of _____.

SEACOR MARINE HOLDINGS INC.

By: _____

Name:

Title: Chief Financial Officer

ANNEX A

1. Section 4(a)(x)(i)(v) – Minimum Consolidated Liquidity:

- 1) All Cash and Cash Equivalents of the Parent Guarantor: \$ _____
- 2) 7.5% of Total Debt
 - a) Consolidated total amount of Indebtedness of the Parent Guarantor: \$ _____
 - b) Minus aggregate debt of all Warehouse Financing Facilities and the Chase Facility \$ _____
 - c) Plus any lease or charter obligations of any Credit Party \$ _____
 - d) Plus the amount of guaranteed obligations under any guarantee by the Parent Guarantor of the Chase Facility \$ _____
 - e) Equals \$ _____
- 3) \$35,000,000
- 4) 1 shall be greater than the greater of 2 and 3 [yes/no]

2. Section 4(a)(xv) – Maximum Gross Interest Bearing Debt to Total Capital:

- 1) Gross Interest Bearing Debt
 - a) Consolidated total amount of Indebtedness of the Parent Guarantor: \$ _____
 - b) Minus aggregate debt of all Warehouse Financing Facilities and the Chase Facility \$ _____
 - c) Equals \$ _____
- 2) Total Capital
 - a) Consolidated total amount of Indebtedness of the Parent Guarantor: \$ _____
 - b) Minus aggregate debt of all Warehouse Financing Facilities and the Chase Facility \$ _____
 - c) Plus shareholders' equity of the Parent Guarantor \$ _____
 - d) Equals \$ _____
- 3) Ratio of 1 to 2 % _____
Requirement per the Loan Agreement: Less than 60% [yes/no]

3. Section 4(a)(xvi) – Consolidated EBITDA to Consolidated Net Interest Expense:

1)	Consolidated EBITDA (most recent four quarters)	\$ _____
2)	Consolidated Net Interest Expense (most recent four quarters)	\$ _____
3)	Ratio of 1 to 2	_____

Requirement per the Parent Guaranty: Note less than:

2.00:1.00 for the four consecutive fiscal quarters ending on March 31, 2020 through the four consecutive fiscal quarters ending on June 30, 2020,

2.50:1.00 for the four consecutive fiscal quarters ending on September 30, 2020 through the four consecutive fiscal quarters ending on December 31, 2020, or

3.00:1.00 for each four consecutive fiscal quarters of the Parent Guarantor thereafter [yes/no]

4. Section 4(b)(iii) – Lease Obligations:

1)	Lease Obligations incurred by the Parent Guarantor and its Subsidiaries	\$ _____
----	---	----------

Requirement per the Parent Guaranty: Shall not exceed:

\$75,000,000 [yes/no]

5. Section 4(b)(ii)(3) – Unconsolidated JV Investments:

1)	Unconsolidated JV Investments	\$ _____
2)	Consolidated Book Equity of the Parent Guarantor	\$ _____
3)	30% of 2	\$ _____

Requirement per the Parent Guaranty: The Parent Guarantor shall not make any new Investment in any Person which is not a Subsidiary of the Parent Guarantor and which is not consolidated on the balance sheet of the Parent Guarantor if, before or after giving effect to such Investment:

(3) is greater than (1) [yes/no]

6. Section 4(b)(xi)(3) – Subsidiary Indebtedness:

1)	Indebtedness ¹ of all Subsidiaries of the Parent Guarantor that is not a Credit Party (other than Indebtedness extended to Subsidiaries by the Parent Guarantor or any Subsidiary of the Parent Guarantor),	\$ _____
2)	Consolidated Book Equity of the Parent Guarantor	\$ _____
3)	30% of 2	\$ _____

Requirement per the Parent Guaranty: The Parent Guarantor may permit Indebtedness of any Subsidiary of the Parent Guarantor that is not a Credit Party (other than Indebtedness extended to such Subsidiary by the Parent Guarantor or any Subsidiary of the Parent Guarantor), so long as:

(1) is not greater than (3) [yes/no]

¹ Excluding for this purpose (x) all Lease Obligations of such Subsidiary, (y) in the case of any Subsidiary of the Parent Guarantor that is not a Credit Party, any Indebtedness existing on the date hereof that is non-recourse to the Parent Guarantor, including, without limitation, the Chase Facility, and (z) normal trade credits in the ordinary course of business.

Form of Drawdown Notice

September __, 2018

DNB Bank ASA, New York Branch,
as Facility Agent
200 Park Avenue
31st Floor
New York, NY 10166

Ladies and Gentlemen:

Please be advised that, in accordance with Section 3.3 of the Credit Agreement dated September [___], 2018 (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement") among, *inter alios*, (i) SEACOR Marine Foreign Holdings Inc., a corporation formed and existing under the laws of the Republic of the Marshall Islands, as borrower, (the "Borrower"), (ii) DNB Bank ASA, New York Branch, as facility agent and security trustee and (iii) the financial institutions identified on Schedule 1-B thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the "Lenders"). Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement. The undersigned hereby request that the Loan be advanced to the Borrower as follows:

Drawdown Date:	_____, 2018
Amount to be drawn down:	US\$ _____
Disbursement Instructions:	See Exhibit 1

The undersigned hereby represents and warrants that (a) the representations and warranties stated in Section 2 of the Credit Agreement (updated mutatis mutandis) are true and correct on the date hereof and will be true and correct on the Drawdown Date specified above as if made on such date unless stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date, and (b) no Event of Default has occurred and is continuing or will have occurred and be continuing on the Drawdown Date, and no event has occurred or is continuing which, with the giving of notice or lapse of time, or both, would constitute an Event of Default.

The undersigned authorizes you to deduct the outstanding fees referred to in Section 3.6 of the Credit Agreement from the amount of the Loan.

This Drawdown Notice is effective upon receipt by you and shall be irrevocable.

[Signature Page Follows]

Very truly yours,

SEACOR MARINE FOREIGN HOLDINGS INC.

By: _____

Name:

Title:

M-2

Disbursement Instructions

M-3

MEMBERSHIP INTEREST PLEDGE AGREEMENT

between

[_____],
as Pledgor

and

DNB BANK ASA, NEW YORK BRANCH,
as Security Trustee,
as Pledgee

[_____], 2018

MEMBERSHIP INTEREST PLEDGE AGREEMENT

THIS MEMBERSHIP INTEREST PLEDGE AGREEMENT (this "Pledge Agreement") is made as of [____], 2018 between [____], a [____] organized and existing under the laws of [____] (herein called the "Pledgor"), and DNB BANK ASA, NEW YORK BRANCH ("DNB"), as security trustee for and on behalf of itself and the other Creditors, as pledgee (together with its successors and permitted assigns, herein called the "Pledgee").

W I T N E S S E T H A T:

WHEREAS:

A. The Pledgor is the registered owner of [one hundred percent (100%)] of the membership interests (the "Membership Interests") in [____], each a single purpose company registered under the laws of the Republic of the Marshall Islands (each, a "Pledged Company," and together the "Pledged Companies"), with such authorized, issued and outstanding membership interests as is set forth on Schedule I;

B. By a senior secured credit agreement dated [____], 2018 (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among, *inter alios*, (1) SEACOR Marine Foreign Holdings Inc., as borrower (the "Borrower"), (2) SEACOR Marine Holdings Inc., as parent guarantor (the "Parent Guarantor"), (3) the entities listed on Schedule 1-A thereto as subsidiary guarantors, (4) DNB, as facility agent and security trustee and (5) the financial institutions identified on Schedule 1-B thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the "Lenders"), the Lenders have agreed to make available to the Borrower credit facilities in the aggregate amount of up to One Hundred Thirty Million United States Dollars (U.S. \$130,000,000) (the "Facility");

C. It is a condition precedent to the availability of the Facility under the Credit Agreement that the Pledgor execute and deliver to the Pledgee, as security for the obligations of the Credit Parties under or in connection with the Credit Agreement and the other Transaction Documents (the "Obligations"), a pledge of all of the Pledgor's right, title and interest in and to the Membership Interests in each Pledged Company.

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Pledgor, the Pledgor agrees with the Pledgee as follows:

1. Defined Terms. Unless otherwise defined herein, terms defined in the Credit Agreement shall have the same meanings when used herein.

2. Grant of Security. As security for the complete payment to the Facility Agent and the Creditors of all sums owing by the Pledged Companies to the Creditors whether for principal, interest, fees, expenses or otherwise, under and in connection with the Credit Agreement and the other Transaction Documents and the due and punctual performance by the Pledged Companies of all other Obligations under the Credit Agreement and the other Transaction Documents, the Pledgor hereby pledges, assigns and transfers to the Pledgee and hereby grants to the Pledgee a first lien on, and first security interest in, the following (the "Pledged Collateral"):

(i) the Membership Interests in each Pledged Company, and all distributions, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of said Membership Interests;

(ii) all additional membership interests of each Pledged Company that may from time to time be acquired by the Pledgor in any manner and all cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such additional Membership Interests; and

(iii) any proceeds of any of the foregoing.

3. Delivery of Irrevocable Proxy and Membership Interest Transfer. Concurrently with the execution of this Pledge Agreement, the Pledgor shall deliver to the Pledgee (i) a fully executed irrevocable proxy with respect to each Pledged Company in favor of the Pledgee, in substantially the form of Exhibit I (the "Irrevocable Proxy"), (ii) a fully executed instrument of transfer of limited liability company interests with respect to each Pledged Company in substantially the form of Exhibit II (the "Transfer") and (iii) fully executed letters of resignation from each Officer and Director (or equivalent) of each Pledged Company ("Letters of Resignation"). The exercise by the Pledgee of voting rights evidenced by an Irrevocable Proxy shall be subject to the limitations thereon set forth in Section 8 hereof.

4. Representations and Warranties. The Pledgor represents and warrants that:

(i) it is duly formed or organized and is validly existing in good standing under the laws of its jurisdiction of formation, has full power to carry on its business as now being conducted and to enter into and perform its obligations under this Pledge Agreement, and has complied with all statutory, regulatory and other requirements relative to such business and this Pledge Agreement;

(ii) all necessary [limited liability company] action has been taken to authorize, and all necessary consents and authorities have been obtained and remain in full force and effect to permit it to enter into and perform its obligations under this Pledge Agreement and, as of the date of this Pledge Agreement, no further consents or authorities are necessary for the performance thereof;

(iii) the execution and delivery of, and the performance of the provisions of this Pledge Agreement do not contravene any applicable law or regulation existing at the date hereof material to the conduct of the Pledgor's business or any contractual restriction binding on the Pledgor or its certificate of formation or operating agreement (or equivalent instruments);

(iv) it is not necessary for the legality, validity, enforceability or admissibility into evidence of this Pledge Agreement that it or any document relating thereto be registered, filed, recorded or enrolled with any court or authority in any relevant jurisdiction or that any stamp, registration or similar Taxes be paid on or in relation to this Pledge Agreement;

(v) there is no action, suit or proceeding pending or, to the knowledge of the Pledgor, threatened in writing against it before any court, board of arbitration or administrative agency affecting the Pledged Collateral which is reasonably likely to result in a Material Adverse Effect;

(vi) its chief executive office and chief place of business and the office in which the records relating to its earnings and other receivables are kept is located at 7910 Main Street, 2nd Floor, Houma, LA 70360;

(vii) it is the legal and beneficial owner of, and has good and marketable title to, the Membership Interests in each Pledged Company, subject to no pledge, lien, mortgage, hypothecation, security interest, charge, option or other encumbrance whatsoever except for the lien and security interest created by this Pledge Agreement;

(viii) it has full power, authority and legal right to execute, deliver and perform this Pledge Agreement and to create the security interest for which this Pledge Agreement provides;

(ix) the Membership Interests in each Pledged Company (a) have been duly and validly created pursuant to its limited liability company agreement and (b) constitute 100% of the legal and beneficial ownership interests of the Pledgor in such Pledged Company and 100% of the membership interests in such Pledged Company;

(x) as of the date hereof, the Pledgor has not entered into any options, warrants or other agreements to acquire additional membership interests in any of the Pledged Companies and there are no voting trusts or other member agreements or arrangements relating to any Membership Interests in any of the Pledged Companies to which the Pledgor is a party other than the limited liability company agreement for each Pledged Company, except to the extent that grantees of any such interests at the same time pledge any and all such membership interests to the Pledgee at the time of issuance and that any options, warrants or other agreements with respect thereto are made subject to the foregoing requirements;

(xi) this Pledge Agreement has been duly executed and delivered by the Pledgor and constitutes a valid obligation of the Pledgor, legally binding upon it and enforceable in accordance with its terms, except to the extent such enforcement may be limited by equitable principles, principles of public policy or applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting generally the enforcement of creditor's rights;

(xii) the pledge, hypothecation and assignment of the Membership Interests in each Pledged Company pursuant to and/or described in this Pledge Agreement, together with any and all filings and other actions necessary to perfect the security interest therein, create a valid first perfected security interest in the Membership Interests in such Pledged Company and the proceeds thereof;

(xiii) no consent of any other party which has not already been given is required in connection with the execution, delivery, performance, validity, enforceability or enforcement of this Pledge Agreement, and no consent, license, approval or authorization of, or registration or declaration with, any governmental authority, bureau or agency is required in connection with the execution, delivery, performance, validity, enforceability or enforcement of this Pledge Agreement;

(xiv) the execution, delivery and performance of this Pledge Agreement will not violate or contravene any provision of any existing law or regulation or decree of any court, governmental authority, bureau or agency having jurisdiction in the premises or of the certificate of incorporation, articles of incorporation, bylaws or other constituent documents of the Pledgor or of any mortgage, indenture, security agreement, contract, undertaking or other agreement to which the Pledgor is a party or which purports to be binding upon it or any of its properties or assets and will not result in the creation or imposition of any lien, charge or encumbrance on, or security interest in, any of its properties or assets pursuant to the provisions of any such mortgage, indenture, security agreement, contract, undertaking or other agreement; and

(xv) Pledgor owns no interest in any of the Pledged Companies other than the Membership Interests in such Pledged Company.

5. Covenants. The Pledgor hereby covenants that during the continuance of this Pledge Agreement:

(i) it shall do or cause to be done all things necessary to preserve and keep its existence under the laws of its jurisdiction of incorporation or formation;

(ii) it shall warrant and defend the right and title of the Pledgee conferred by this Pledge Agreement in and to the Membership Interests in each Pledged Company at the cost of the Pledgor against the claims and demands of all persons whomsoever;

(iii) except as herein provided, it shall not sell, assign, transfer, change, pledge or encumber in any manner any part of the Membership Interests in any Pledged Company or suffer to exist any encumbrance on the Membership Interests in such Pledged Company;

(iv) without the prior written consent of the Pledgee, it will not materially amend or modify any limited liability company agreement relating to any Pledged Company including, without limitation, any amendment or modification which would cause the Membership Interests in such Pledged Company to constitute a security under Article 8 of the UCC;

(v) it shall not vote the Membership Interests in any of the Pledged Companies in favor of the consolidation, merger, dissolution, liquidation or any other corporate reorganization of such Pledged Company;

(vi) it shall not take from any of the Pledged Companies any undertaking or security in respect of its liability hereunder or in respect of any other liability of such Pledged Company to the Pledgor and the Pledgor shall not prove nor have the right of proof, in competition with the Pledgee, for any monies whatsoever owing from any of the Pledged Companies to the Pledgor, in any insolvency or liquidation, or analogous proceedings under any applicable law, of the Pledgor; and

(vii) the Pledgor shall not cause any of the Pledged Companies to transfer or issue any additional membership interests in such Pledged Company nor any options, warrants or other agreements to do so issued or entered into, except to the extent that grantees of any such interests at the same time pledge any and all such membership interests to the Pledgee at the time of issuance and that any options, warrants or other agreements with respect thereto are made subject to the foregoing requirements.

6. Delivery of Additional Membership Interests. If the Pledgor shall become entitled to receive or shall receive any membership certificates, option or rights, whether as an addition to, in substitution of, or in exchange for any of the Membership Interests in each Pledged Company, the Pledgor agrees to accept the same as the agent of the Pledgee and to hold the same in trust for the benefit of the Pledgee and to deliver the same forthwith to the Pledgee in the exact form received, with the endorsement of the Pledgor when necessary and/or appropriate instruments of transfer duly executed in blank, and Irrevocable Proxies and Transfers for any membership certificates so received, to be held by the Pledgee, subject to the terms hereof, as additional collateral security for the Obligations.

7. General Authority. The Pledgor hereby consents that, without the necessity of any reservation of rights against the Pledgor, and without notice to or further assent by the Pledgor, any demand for payment of any of the Obligations made by any of the Creditors in connection with an Event of Default which is continuing may be rescinded by the relevant Creditors and any of the Obligations continued, and the Obligations, or the liability of the Pledgor upon or for any part thereof, or any other collateral security (including, without limitation, any collateral security held pursuant to any of the other Transaction Documents executed and delivered pursuant to the Credit Agreement) or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, modified, accelerated, compromised, waived, surrendered, or released by the Pledgee, and the Transaction Documents, any guarantees and any other collateral security documents executed and delivered by any other Security Party and/or any Pledged Company or any other obligors in respect of the Obligations may be amended, modified, supplemented or terminated, in whole or in part, as the Pledgee, acting reasonably, may deem advisable, from time to time, and any other collateral security at any time held by the Pledgee for the payment of the Obligations (including, without limitation, any collateral security held pursuant to any other collateral security document executed and delivered pursuant to the Credit Agreement and the Transaction Documents) may be sold, exchanged, waived, surrendered or released, all without notice to or further assent by the Pledgor or any Pledged Companies, which will remain bound hereunder, notwithstanding any such renewal, extension, modification, acceleration, compromise, amendment, supplement, termination, sale, exchange, waiver, surrender or release. The Pledgor waives any and all notices of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by the Pledgee upon this Pledge Agreement, and the Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred in reliance upon this Pledge Agreement, and all dealings between any of the Pledged Companies and the Pledgee shall likewise be conclusively presumed to have been had or consummated in reliance upon this Pledge Agreement. The Pledgor waives diligence, presentment, protest, demand for payment and notice of default or non-payment to or upon the Pledgor, any of the Pledged Companies or any other Security Party with respect to the Obligations. Pledgor waives any defense based on the invalidity or unenforceability of any other pledge in favor of Pledgee of Membership Interests in such Pledged Company or any failure of Pledgee to demand or receive a pledge of any other membership interest in such Pledged Company.

8. Voting Rights. (i) The Pledgee, as the holder of the Irrevocable Proxy, shall have the right (but not the obligation) to vote the Membership Interests in relation to each Pledged Company at its own discretion at any annual or special meeting, as the case may be, of the members of such Pledged Company, provided, however, that the Pledgee shall not exercise such right to vote until such time that an Event of Default shall have occurred and be continuing under the Credit Agreement and shall not have been remedied to the Pledgee's satisfaction or waived in writing.

(ii) Unless and until there shall have occurred and be continuing an Event of Default, the Pledgor shall be entitled to exercise any and all voting and other consensual rights pertaining to the Pledged Collateral owned by it, and to give consents, waivers and ratifications in respect thereof; provided that, in each case, no vote shall be cast or any consent, waiver or ratification given or any action taken or omitted to be taken which would violate or be inconsistent with the terms of any Transaction Document, or which would cause any of the Membership Interests of a Pledged Company to constitute a security under Article 8 of the UCC unless expressly permitted by the terms of the Transaction Documents.

9. Default. The security constituted by this Pledge Agreement shall become immediately enforceable on the occurrence of an Event of Default that is continuing under the Credit Agreement.

10. Remedies. If any Event of Default shall have occurred and be continuing, the Pledgee shall be entitled:

(i) subject to the limitations of Sections 9-610 and 9-615 of the Uniform Commercial Code of the State of New York (if applicable), to sell, assign, transfer and deliver at any time the whole, or from time to time any part, of the Pledged Collateral or any rights or interests therein, at public or private sale or in any other manner, at such price or prices and on such terms as the Pledgee may deem appropriate, and either for cash, on credit, for other property or for future delivery, at the option of the Pledgee, upon not less than 10 days' prior written notice (which 10 day notice is hereby acknowledged by the Pledgor to be reasonable) addressed to the Pledgor at its last address on file with the Pledgee, but without demand, advertisement or other notice of any kind (all of which are hereby expressly waived by the Pledgor). If any of the Pledged Collateral or any rights or interests thereon are to be disposed of at a public sale, the Pledgee may, without notice or publication, adjourn any such sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, occur at the time and place identified in such announcement. If any of the Pledged Collateral or any rights or interests therein shall be disposed of at a private sale, the Pledgee shall be relieved from all liability or claim for inadequacy of price, provided that the Pledgee has acted in good faith. At any such public sale the Pledgee may purchase the whole or any part of the Pledged Collateral or any rights or interests therein so sold. Each purchaser, including the Pledgee should it acquire the Pledged Collateral, at any public or private sale shall hold the property sold free from any claim or right of redemption, stay, appraisal or reclamation on the part of the Pledgor which are hereby expressly waived and released to the extent permitted by applicable law. If any of the Pledged Collateral or any rights or interests therein shall be sold on credit or for future delivery, the Pledged Collateral or rights or interests so sold may be retained by the Pledgee until the selling price thereof shall be paid by the purchaser, but the Pledgee shall not incur any liability in case of failure of the purchaser to take up and pay for the Pledged Collateral or rights or interests therein so sold. In case of any such failure, such Pledged Collateral or rights or interests therein may again be sold on not less than 10 days' prior written notice as aforesaid;

(ii) to exercise all voting and other limited liability company rights at any meeting of a Pledged Company and exercise any and all rights of conversion, exchange, subscription or any other rights, privileges or options pertaining to the Membership Interests of a Pledged Company as if it were the absolute owner thereof, including, without limitation, the right to exchange at its discretion, such Membership Interests upon the merger, consolidation, reorganization, recapitalization or other readjustment of such Pledged Company or, upon the exercise by a Pledged Company or the Pledgee of any right, privilege or option pertaining to such Membership Interests, and in connection therewith, to deposit and deliver such Membership Interests with any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as it may determine, all without liability except to account for property actually received by it.

In addition to the rights and remedies granted to it in this Pledge Agreement and in any other instrument or agreement securing, evidencing or relating to any of the Obligations, the Pledgee shall have rights and remedies of a secured party under the Uniform Commercial Code of the State of New York.

11. No Duty on Pledgee. The Pledgee shall have no duty to exercise any of the aforesaid rights, privileges or options and shall not be responsible for any failure to do so or delay in so doing.

12. Application of Proceeds. All moneys collected or received by the Pledgee pursuant to this Pledge Agreement shall be dealt with as provided in the Credit Agreement.

13. Further Assurances. The Pledgor agrees that if this Pledge Agreement shall in the reasonable opinion of the Pledgor, at any time be deemed by the Pledgor for any reason insufficient in whole or in part to carry out the true intent and spirit hereof or thereof, it will execute or cause to be executed such other and further assurances and documents as in the reasonable opinion of the Pledgor may be required in order to more effectively accomplish the purposes of this Pledge Agreement.

14. Remedies; Remedies Cumulative and Not Exclusive; No Waiver. Each and every right, power and remedy herein given to the Pledgee shall be cumulative and shall be in addition to every other right, power and remedy of the Pledgee now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy, whether herein given or otherwise existing, may be exercised from time to time, in whole or in part, and as often and in such order as may be deemed expedient by the Pledgee, and the exercise or the beginning of the exercise of any right, power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission by the Pledgee in the exercise of any right or power or in the pursuance of any remedy accruing upon any breach or default by the Pledgor shall impair any such right, power or remedy or be construed to be a waiver of any such right, power or remedy or to be an acquiescence therein; nor shall the acceptance by the Pledgee of any security or of any payment of or on account of any of the amounts due from the Pledgor to the Pledgee under or in connection with the Credit Agreement or any documents delivered in connection therewith and maturing after any breach or default or of any payment on account of any past breach or default be construed to be a waiver of any right to take advantage of any future breach or default or of any past breach or default not completely cured thereby.

15. Invalidity. In case any one or more of the provisions contained in this Pledge Agreement would, if given effect, be invalid, illegal or unenforceable in any respect under any law applicable in any relevant jurisdiction, said provision shall not be enforceable against the Pledgor, but the validity, legality and enforceability of the remaining provisions herein or therein contained shall not in any way be affected or impaired thereby. In the event that it should transpire that by reason of any law or regulation, or by reason of a ruling of any court, or by any other reason whatsoever, the assignment herein contained is either wholly or partly defective, the Pledgor hereby undertakes to furnish the Pledgor with an alternative pledge or alternative security and/or to do all such other acts as, in the reasonable opinion of the Pledgee, shall be required in order to ensure and give effect to the full intent of this Pledge.

16. Continuing Security. It is declared and agreed that the security created by this Pledge Agreement shall be held by the Pledgee as a continuing security for the payment of all moneys which may at any time and from time to time be or become payable by the Pledgor under the Credit Agreement, the Note or any other Transaction Document and that the security so created shall not be satisfied by an intermediate payment or satisfaction of any part of the amount hereby secured and that the security so created shall be in addition to and shall not in any way be prejudiced or affected by any collateral or other security now or hereafter held by the Pledgee for all or any part of the moneys hereby secured.

17. Waiver; Amendment. None of the terms and conditions of this Pledge Agreement may be changed, waived, modified or varied in any manner whatsoever unless in writing duly signed by the Pledgee and the Pledgor.

18. Termination. When all of the Obligations shall have been fully satisfied, the Pledgee agrees that it shall forthwith release the Pledgor from its obligations hereunder and the Pledgee, at the request and expense of the Pledgor, will promptly execute and deliver to the Pledgor a proper instrument or instruments acknowledging the satisfaction and termination of this Pledge Agreement, and the Irrevocable Proxy, Transfer and Letters of Resignation shall terminate forthwith and be delivered to the Pledgor forthwith together with the other items furnished to the Pledgee pursuant to Section 2 hereof.

19. **WAIVER OF JURY TRIAL.** IT IS MUTUALLY AGREED BY AND BETWEEN THE PLEDGOR AND THE PLEDGEE THAT EACH OF THEM HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY HERETO AGAINST ANY OTHER PARTY HERETO ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS PLEDGE AGREEMENT.

20. **Notices.** Every notice or demand under this Pledge Agreement shall be in writing and may be sent by telecopy as follows:

If to the Pledgor:

[_____]
[7910 Main St. 2nd Floor
Houma, Louisiana 70360]

With a copy to:

SEACOR Holdings Inc.
2200 Eller Drive
P.O. Box 13038
Ft. Lauderdale, FL 33316
Attn: Legal Department
Facsimile No.: 954-527-1772

If to the Pledgee:

DNB BANK ASA, NEW YORK BRANCH
200 Park Avenue, 31st Floor
New York, NY 10166-0369
Telephone No.: (212) 681-3800
Attention: Credit Middle Office / Loan Services Department
Facsimile No.: (212) 681-4123
Email: nyloanscsd@dnb.no

or to such other address as either party shall from time to time specify in writing to the other. Any notice sent by facsimile shall be confirmed by letter dispatched as soon as practicable thereafter.

Every notice or other communication shall, except so far as otherwise expressly provided by this Pledge Agreement, be deemed to have been received (provided that it is received prior to 2 p.m. New York time; otherwise it shall be deemed to have been received on the next following Banking Day) in the case of a facsimile on the date of dispatch thereof (provided further that if the date of dispatch is not a Banking Day in the locality of the party to whom such notice or demand is sent, it shall be deemed to have been received on the next following Banking Day in such locality), and in the case of a letter, at the time of receipt thereof.

21. **Applicable Law.** This Pledge Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without giving effect to principles of conflict of law (excluding Section 5-1401 and 5-1402 of the New York General Obligations law).

22. Submission to Jurisdiction. The Pledgor hereby irrevocably submits to the jurisdiction of the courts of the State of New York and of the United States District Court for the Southern District of New York in any action or proceeding brought against it by any of the Creditors under this Pledge Agreement or under any document delivered hereunder and hereby irrevocably agrees that valid service of summons or other legal process on it may be effected by serving a copy of the summons and other legal process in any such action or proceeding on the Pledgor by mailing by certified mail, signature required, or delivering the same by hand to the Pledgor at the address indicated for notices in Section 20. The service, as herein provided, of such summons or other legal process in any such action or proceeding shall be deemed personal service and accepted by the Pledgor as such, and shall be legal and binding upon the Pledgor for all the purposes of any such action or proceeding. Final judgment (a certified or exemplified copy of which shall be conclusive evidence of the fact and of the amount of any indebtedness of the Pledgor to the Creditors) against the Pledgor in any such legal action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment. The Pledgor will advise the Assignee promptly of any change of address for the purpose of service of process. Notwithstanding anything herein to the contrary, the Creditors may bring any legal action or proceeding in any other appropriate jurisdiction.

23. Severability. If any provision hereof is invalid and unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be construed in favor of the Pledgee in order to carry out the intentions of the parties hereto as nearly as may be possible; and (ii) the invalidity and unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

24. Counterparts. This Pledge Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one and the same instrument. Delivery of an executed counterpart of this Pledge Agreement by facsimile or electronic transmission shall be deemed as effective as delivery of an originally executed counterpart. In the event that the Pledgor delivers an executed counterpart of this Pledge Agreement by facsimile or electronic transmission, the Pledgor shall also deliver an originally executed counterpart as soon as practicable, but the failure of the Pledgor to deliver an originally executed counterpart of this Pledge Agreement shall not affect the validity or effectiveness of this Pledge Agreement.

25. Headings. In this Pledge Agreement, section headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Pledge Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Pledge Agreement to be duly executed the day and year first above written.

Pledgor:

[_____]

By: _____

Name:

Title:

Signature Page – Pledge Agreement

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Pledgee:

DNB BANK ASA, New York Branch,
as Security Trustee

By: _____

Name:

Title:

By: _____

Name:

Title:

Signature Page – Pledge Agreement

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SCHEDULE I

PLEGDED COMPANY

Name of Pledged Company	Jurisdiction of Formation	Percentage of Membership Interest Pledged
	Republic of Marshall Islands	[100]%

EXHIBIT I

IRREVOCABLE PROXY

The undersigned, the registered and beneficial owner of 100% of the membership interests of [____], a single purpose company registered under the laws of the Republic of the Marshall Islands (the "Pledged Company"), hereby makes, constitutes and appoints **DNB BANK ASA, NEW YORK BRANCH**, as Security Trustee for the Lenders (the "Pledgee") with full power to appoint a nominee or nominees to act hereunder from time to time, the true and lawful attorney and proxy of the undersigned to vote 100% of the issued and outstanding membership interests in the Pledged Company at all annual and special meetings of the members of the Pledged Company or take any action by written consent with the same force and effect as the undersigned might or could do, hereby ratifying and confirming all that the said attorney or its nominee or nominees shall do or cause to be done by virtue hereof.

The said membership interests have been pledged to the Pledgee pursuant to a Pledge Agreement dated as of the date hereof between the undersigned and the Pledgee.

This power and proxy is coupled with an interest and is irrevocable and shall remain irrevocable so long as the Pledge is outstanding and is in full force and effect.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be duly executed this ____ day of _____, 20__.

[_____]

By: _____
Name:
Title:

EXHIBIT II

INSTRUMENT OF TRANSFER OF LIMITED LIABILITY COMPANY INTERESTS

We, [_____] a [_____] formed and existing under the laws of [_____] (the "Pledgor"), for value received, do hereby transfer unto DNB BANK ASA, NEW YORK BRANCH or its nominee (the "Transferee") 100% of the limited liability company interests in [_____] a limited liability company organized and existing under the laws of the Republic of the Marshall Islands (the "Pledged Company"), registered in the name of the Pledgor and the Transferee does hereby agree to take the said limited liability company interests in the Pledged Company.

As witness our hands the ____ day of _____, 20__.

Transferor:
[_____]

Transferee:

By: _____
Name:
Title:

By: _____
Name:
Title:

Deed of Charge

over shares in [Putford Pride Limited] [Putford Jaguar Limited] [Putford Achiever Limited] [Putford Saviour Limited]

Dated 2018

- (1) Boston Putford Offshore Safety Limited
- (2) DNB Bank ASA, New York Branch

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Deed of Charge

Dated 2018

By:

- (1) **Boston Putford Offshore Safety Limited** a company incorporated in England and Wales with registered number 0045597 whose registered office is at 7/8 Great James Street, London, United Kingdom, WC1N 3DF (the "**Chargor**")

In favour of:

- (2) **DNB Bank ASA, New York Branch** acting as security trustee through its office at 200 Park Avenue, 31st Floor, New York, New York 10166 (the "**Chargee**").

Whereas:

- (A) Each of the banks listed in schedule 1-B to the Loan Agreement (as defined below) (collectively the "**Lenders**") has agreed to lend to SEACOR Marine Foreign Holdings Inc. (the "**Borrower**") its participation in a loan not exceeding [one hundred and thirty] million united states dollars (\$130,000,000) (the "**Loan**") on the terms and subject to the conditions set out in a loan agreement dated 2018 made between, inter alios, the Borrower (as borrower), SEACOR Marine Holdings Inc. as parent guarantor, the entities identified in schedule 1-A thereto as subsidiary guarantors, DNB Bank ASA, New York Branch as facility agent (the "**Facility Agent**"), the Chargee as security trustee, each of the banks listed in schedule 1-B to the Loan Agreement as swap banks and lenders, DNB Markets, Inc., Clifford Capital Pte. Ltd. and NIBC Bank N.V. as mandated lead arrangers and DNB Markets, Inc. as coordinator and bookrunner (the "**Loan Agreement**").
- (B) Pursuant to the Loan Agreement, and as a condition precedent to the several obligations of the Lenders to make the Loan available to the Borrower, the Borrower has, amongst other things, agreed to procure that all the issued share capital of [Putford Pride Limited] [Putford Jaguar Limited] [Putford Achiever Limited] [Putford Saviour Limited] a company incorporated in England and Wales with registered number [11380434][11381063][11498739][11498615] whose registered office is at 7/8 Great James Street, London, United Kingdom, WC1N 3DF (the "**Company**") be charged to the Chargee as security trustee for the Creditors as security for the payment of the Indebtedness.
- (C) At the date of this Deed the Company has an authorised share capital of one hundred registered shares, each of a nominal value of £1, all one hundred of which have been issued and are fully paid and all of which are legally and beneficially owned by the Chargor.

This Deed witnesses as follows:

1 Definitions and Interpretation

1.1 In this Deed:

"Charge Documents" means:

- (a) all certificates in respect of the Initial Shares;
- (b) an undated letter of resignation signed by each of the directors of the Company materially in the form set out in Appendix A, together with a letter of authority to complete the same materially in the form set out in Appendix B;
- (c) an undated stock transfer form materially in the form set out in Appendix C executed by the Chargor in blank in respect of all of the Initial Shares;
- (d) an undertaking from the Company materially in the form set out in Appendix D;
- (e) an irrevocable proxy executed by the Chargor in favour of the Chargee materially in the form set out in Appendix E; and
- (f) any unissued share or stock certificates of the Company.

"Charged Securities" means:

- (a) the Initial Shares;
- (b) the Further Shares;
- (c) all dividends, interest or other distributions paid or payable or made on or in respect of the Initial Shares or the Further Shares at any time and from time to time during the Facility Period;
- (d) all stocks, shares, rights, money or property accruing or offered by way of redemption, bonus, preference, option or otherwise to or in respect of the Initial Shares or the Further Shares at any time and from time to time during the Facility Period; and
- (e) all allotments, accretions, offers, rights, benefits and other advantages and all other consensual rights accruing, offered or arising in respect of the Initial Shares or the Further Shares at any time and from time to time during the Facility Period.

"dollars", **"\$"** and **"USD"** denote the lawful currency of the United States of America.

"Facility Period" means the period beginning on the date hereof and ending on the date when the whole of the Indebtedness has been paid in full.

"Further Shares" means any further shares in the Company at any time and from time to time during the Facility Period issued to the Chargor, whether in addition to or in exchange or substitution for or replacement of any of the Initial Shares.

"Indebtedness" means the aggregate from time to time of: the amount of the Loan outstanding; all accrued and unpaid interest on the Loan; and all other sums of any nature (together with all accrued and unpaid interest on any of those sums) payable to any of the Creditors under all or any of the Transaction Documents.

"**Initial Shares**" means the shares in the Company owned by the Chargor and referred to in Recital (C).

"**Obligors**" means the parties to any of the Transaction Documents (other than any Creditor).

1.2 Unless otherwise specified in this Deed, or unless the context otherwise requires, all words and expressions defined or explained in the Loan Agreement shall have the same meanings when used in this Deed.

1.3 In this Deed:

1.3.1 words denoting the plural number include the singular and vice versa;

1.3.2 words denoting persons include corporations, partnerships, associations of persons (whether incorporated or not) or governmental or quasi-governmental bodies or authorities and vice versa;

1.3.3 references to Clauses are references to clauses of this Deed;

1.3.4 references to this Deed include the recitals to this Deed;

1.3.5 the headings and contents page(s) are for the purpose of reference only, have no legal or other significance, and shall be ignored in the interpretation of this Deed;

1.3.6 references to any document (including, without limitation, to any of the Transaction Documents) are, unless the context otherwise requires, references to that document as amended, supplemented, novated or replaced from time to time;

1.3.7 references to statutes or provisions of statutes are references to those statutes, or those provisions, as from time to time amended, replaced or re-enacted; and

1.3.8 references to any Creditor include its successors, transferees and assignees.

1.4 The Chargor agrees to be bound by clause 17.12 of the Loan Agreement (*Contractual recognition of bail-in*) as if it is a party to the Loan Agreement.

2 **Charge**

2.1 In order to secure the payment of the Indebtedness and the performance by the Chargor of all its obligations under or arising out of this Deed the Chargor with full title guarantee charges to the Chargee as security agent for the Creditors by way of first fixed charge the Charged Securities and all other rights, titles and interests of the Chargor in and to all certificates in respect of the Charged Securities and all voting and other consensual powers pertaining to the Charged Securities.

2.2 The Chargor warrants that it is, and covenants that it will throughout the Facility Period be, solely and beneficially entitled to all rights in relation to the Charged Securities, subject only to the rights created in favour of the Chargee by the Transaction Documents.

- 2.3 The Chargor will procure that (unless the Chargee shall agree otherwise in writing and then only subject to such terms and conditions as the Chargee may impose) the Company shall issue no further shares or other rights of any nature which would not constitute Charged Securities.
- 2.4 The Chargor warrants that it has not disposed of, nor created or permitted any Liens or other third party right to arise or exist on or over, any of the Charged Securities and covenants that it will not dispose of or deal with nor create or permit any Liens or other third party right to arise or exist on or over any of the Charged Securities.
- 2.5 The Chargor warrants that it is duly incorporated, validly existing and in good standing under the laws of England and Wales, has all requisite power to carry on its business as now being conducted and to enter into and perform its obligations under this Deed, and has complied in all material respects with all statutory, regulatory and other requirements relative to such business and such agreements.
- 2.6 The Chargor warrants that all necessary corporate or limited liability company action has been taken by it to authorise, and all necessary consents and authorities have been obtained and remain in full force and effect to permit, the Chargor to enter into and perform its obligations under this Deed.
- 2.7 The Chargor warrants that the obligations expressed to be assumed by it in this Deed are the legal, valid and binding obligations of the Chargor enforceable against it in accordance with its terms, except to the extent that such enforcement may be limited by equitable principles, principles of public policy or applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting generally the enforcement of creditors' rights.
- 2.8 The Chargor warrants that the execution, delivery, and performance by the Chargor of the provisions of this Deed does not contravene any applicable law or regulation existing on the Closing Date that is material to the conduct of the Chargor's business or any contractual restriction binding on the Chargor or its articles of incorporation, certificate of formation, by-laws or operating agreement (or equivalent instruments) thereof.
- 2.9 Other than registering the charge over the Charged Securities created by this Deed with Companies House in England and Wales, the Chargor warrants that it is not necessary for the legality, validity, enforceability or admissibility into evidence of this Deed, that it be registered, filed, recorded or enrolled with any court or authority in any relevant jurisdiction or that any stamp, registration or similar Taxes be paid on or in relation to this Deed
- 2.10 To the knowledge of the Chargor, there is no action, suit or proceeding pending or, to the knowledge of the Chargor, threatened against it in writing before any court, board of arbitration or administrative agency affecting the Charged Securities which is reasonably likely to result in a Material Adverse Effect.
- 2.11 The Chargor warrants that its chief executive office and chief place of business and the office in which the records relating to its earnings and other receivables are kept is located at Columbus Buildings, Waveney Road, Lowestoft, Suffolk NR321BN, United Kingdom.

- 2.12 The Chargor will not exercise any voting or consensual or preferential rights attaching to the Charged Securities in a manner which contravenes or is inconsistent with the terms of this Deed.
- 2.13 The Chargor will duly and punctually perform all obligations imposed on it in relation to the Charged Securities.
- 2.14 The Chargor shall do or cause to be done all things necessary to preserve and keep its existence under the laws of its jurisdiction of incorporation or formation.
- 2.15 The Chargor will forthwith deliver or cause to be delivered to the Chargee the Charge Documents and will immediately on the appointment of any further director of the Company (whether by way of addition or substitution) cause that director to sign and deliver to the Chargee an undated letter of resignation and a letter of authority materially in the forms set out in Appendices A and B.
- 2.16 Upon acquisition of any Further Shares the Chargor will forthwith deliver or cause to be delivered to the Chargee:
- 2.16.1 all certificates in respect of those Further Shares;
 - 2.16.2 an undated stock transfer form materially in the form set out in Appendix C executed by the Chargor in blank in respect of all of those Further Shares;
 - 2.16.3 an undertaking from the Company in respect of those Further Shares materially in the form set out in Appendix D; and
 - 2.16.4 an irrevocable proxy in respect of those Further Shares executed by the Chargor in favour of the Chargee materially in the form set out in Appendix E.
- 2.17 The Chargor will:
- 2.17.1 within the relevant timeframe, comply with any notice it receives pursuant to Part 21A of the Companies Act 2006 (People with significant control regime) from the Company; and
 - 2.17.2 promptly provide the Chargee with a copy of that notice.
- 2.18 The security constituted by this Deed shall be continuing and shall not be satisfied by any intermediate payment or satisfaction until the Indebtedness shall have been paid in full and none of the Creditors shall be under any further actual or contingent liability to any third party in relation to any matter referred to in the Transaction Documents. The security constituted by this Deed shall be in addition to any other security now or in the future held by any of the Creditors for or in respect of the Indebtedness, and shall not merge with or prejudice or be prejudiced by any such security or any other contractual or legal rights of any of the Creditors nor be affected by any irregularity, defect or informality or by any release, exchange or variation of any such security. Section 93 of the Law of Property Act 1925, or any provision which the Chargee considers analogous to that provision under the law of any other relevant jurisdiction, shall not apply to the security constituted by this Deed.

3 Chargee's Powers

- 3.1 If an Event of Default shall occur and be continuing, and the Chargee shall demand payment of all or any part of the Indebtedness, the security constituted by this Deed shall become immediately enforceable and the Chargee shall be entitled to exercise all or any of the rights, powers, discretions and remedies vested in the Chargee by this Clause without any requirement for any court order or declaration that an Event of Default has occurred. The Chargee's right to exercise those rights, powers, discretions and remedies shall be in addition to and without prejudice to all other rights, powers, discretions and remedies to which it may be entitled, whether by statute or otherwise. The Chargee shall be entitled to exercise its rights, powers, discretions and remedies despite any rule of law or equity to the contrary, and whether or not any previous default shall have been waived, and in particular without the limitations contained in Section 103 of the Law of Property Act 1925 or any statutory provision which the Chargee considers analogous to that section under the law of any other relevant jurisdiction.
- 3.2 In the circumstances described in Clause 3.1, the Chargee shall be entitled (but not obliged) without notice to the Chargor (except as required under Clause 3.2.6) to:
- 3.2.1 give notice to the Company of the charge of all voting and other consensual powers contained in Clause 2.1 and any irrevocable proxy; and/or
 - 3.2.2 exercise without reference to the Chargor all rights and powers pertaining to all or any part of the Charged Securities in such manner as the Chargee may in its discretion determine; and/or
 - 3.2.3 complete any blank form of transfer of all or any part of the Charged Securities by inserting the name of the Chargee or its nominee as transferee; and/or
 - 3.2.4 complete, enforce and put into effect any undated letter of resignation of any director of the Company and appoint new directors; and/or
 - 3.2.5 receive and retain all dividends and other distributions made in respect of all or any part of the Charged Securities and apply them in or towards satisfaction of, or retention on account for, the Indebtedness; and/or
 - 3.2.6 upon not less than 10 days' prior written notice (which 10 day notice is hereby acknowledged by the Chargor to be reasonable) addressed to the Chargor at its last address on file with the Chargee, but without demand, advertisement or other notice of any kind (all of which are hereby expressly waived by the Chargor), sell all or any part of the Charged Securities by public auction or private sale on such terms and conditions (including as to price) as the Chargee may in its discretion determine (the Chargee being authorised to purchase any Charged Securities on its own behalf) and, at the Chargee's discretion, to apply the proceeds of such sale (after deduction of all expenses incurred by the Chargee in relation to the sale) in or towards satisfaction of, or retention on account for, the Indebtedness; and/or

3.2.7 appropriate all or any part of the Charged Securities that constitute financial collateral on the following terms:

- (a) the expressions "financial collateral arrangement", "financial collateral" and "financial instrument" have the meaning given to them by the Financial Collateral Arrangements (No. 2) Regulations 2003;
- (b) this Deed constitutes a financial collateral arrangement;
- (c) the Chargee shall determine the value of the appropriated assets as follows:
 - (i) in respect of any part of the Charged Securities appropriated that consists of a financial instrument, the cash payment which it would have received on a disposal of that part for immediate payment; and
 - (ii) in respect of any part of the Charged Securities appropriated that consists of a balance on an account, the amount standing to the credit of that account, together with any accrued interest not credited to the account at the time of the appropriation; and
- (d) the exercise of any right of appropriation shall not prejudice or affect any other right or remedy available in respect of the remainder of the Charged Securities or any part of the Indebtedness that remains unpaid.

3.3 Following the occurrence of the circumstances described in Clause 3.1, the Chargor shall procure that all dividends and other distributions in respect of any of the Charged Securities shall be paid to the Chargee, and shall procure that all benefits (including, without limitation, all allotments, rights and property accruing at any time in respect of the Charged Securities by way of redemption, bonus, preference, option or otherwise) shall accrue to the Chargee, the Chargee being entitled at its discretion to appropriate and apply the same in or towards satisfaction of, or retention on account for, the Indebtedness. The Chargor undertakes that if, despite this Deed, it receives any payment or other benefit in respect of any of the Charged Securities following the occurrence of the circumstances described in Clause 3.1, it will immediately notify the Chargee, will hold the amount or benefit received on trust for the Chargee, and will pay that amount or transfer that benefit to or to the order of the Chargee on the Chargee's first written demand.

3.4 Prior to the occurrence of the circumstances described in Clause 3.1:

- 3.4.1 the Chargor shall be entitled to exercise or (as the case may be) direct the exercise of all rights and powers relating to the Charged Securities for all purposes not inconsistent with the terms of this Deed; and
- 3.4.2 the Chargor shall be entitled to receive and retain all dividends and other distributions in respect of the Charged Securities; and
- 3.4.3 the Chargee shall not exercise any of the powers of enforcement referred to in Clause 3.2 and shall not complete or otherwise attempt to enforce any undated letter of resignation of any of the directors of the Company.

4 Ancillary Provisions

- 4.1 Any purchaser from the Chargee of all or any part of the Charged Securities shall take those Charged Securities free of any claim or right of any third party (including, without limitation, any right of redemption of the Chargor which the Chargor by its execution of this Deed expressly waives).
- 4.2 The Chargor will do or permit to be done everything which the Chargee may from time to time require to be done for the purpose of enforcing the Chargee's rights under this Deed following an Event of Default which is continuing, and will allow its name to be used as and when required by the Chargee for that purpose.
- 4.3 The Chargor undertakes to reimburse the Chargee on demand for all sums which the Chargee may from time to time pay or become liable for in or about the protection, maintenance or enforcement of the rights created in favour of the Chargee by this Deed or in or about the exercise by the Chargee of any of the powers vested in it under or pursuant to this Deed, together in each case with interest at the Default Rate from the date when those sums were paid by the Chargee until the date of actual receipt, before or after any relevant judgment, and to keep the Chargee fully and effectually indemnified from and against all actions, losses, claims, proceedings, costs, demands and liabilities which the Chargee may suffer or incur under or in connection with the Charged Securities.
- 4.4 No failure to exercise, nor any delay in exercising, on the part of the Chargee, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.
- 4.5 The Chargee may at any time and from time to time delegate to any person all or any of its rights, powers, discretions and remedies pursuant to this Deed on such terms as the Chargee may consider appropriate (including the power to sub-delegate).
- 4.6 Neither the Chargee nor any agent or employee of the Chargee shall be liable for any losses which may be incurred in or about the exercise of any of the rights, powers, discretions or remedies of the Chargee under or pursuant to this Deed.

5 Receiver

- 5.1 On and at any time after the occurrence of an Event of Default which is continuing the Chargee may (but shall not be obliged to) appoint any person to be receiver and/or manager of the Charged Securities.
- 5.2 The appointment of a receiver and/or manager by the Chargee may be made in writing under the hand of any authorised signatory of the Chargee.
- 5.3 The Chargee shall have the power to authorise any joint receiver and/or manager to exercise any or all of his powers independently of any other joint receiver and/or manager.
- 5.4 The Chargee may at any time and from time to time remove any receiver and/or manager from office and appoint a replacement.

- 5.5 The Chargee shall have the power from time to time to fix the remuneration of any receiver and/or manager on the basis of charging from time to time adopted by him or his firm and any receiver and/or manager shall not be limited to any maximum amount or rate specified by law.
- 5.6 Any receiver and/or manager appointed pursuant to this Clause shall be the agent of the Chargor and the Chargor shall be solely responsible for his acts and defaults and for the payment of his remuneration.
- 5.7 Any receiver and/or manager appointed pursuant to this Clause shall have all the powers provided for in Schedule 1 of the Insolvency Act 1986 without restriction, and in particular without the restrictions contained in Section 103 of the Law of Property Act 1925 or any other statutory or other restriction which the Chargee may consider analogous under the laws of any other jurisdiction.
- 5.8 Without limitation, any receiver and/or manager shall have power on behalf of the Chargor (and at the Chargor's expense) to do or omit to do anything which the Chargor could do or omit to do in relation to the Charged Securities and may exercise all or any of the rights, powers, discretions and remedies conferred on the Chargee by the Transaction Documents or at law.
- 5.9 Neither the Chargee nor any agent or employee of the Chargee, nor any receiver and/or manager shall, whether as mortgagee in possession or otherwise, be liable to account or be liable for any loss on realisation of, or any default of any nature in connection with, the Charged Securities or the exercise of any of the rights, powers, discretions and remedies vested in any of them by virtue of the Transaction Documents or at law.

6 Power of Attorney

- 6.1 The Chargor by way of security irrevocably appoints the Chargee and any receiver and/or manager appointed by the Chargee severally to be its attorney (with unlimited power of substitution and delegation) with power (in the name of the Chargor or otherwise) to do all acts that the Chargor could do in relation to the Charged Securities, including, without limitation, to give a good receipt for any purchase price.
- 6.2 The Chargee agrees that it will not exercise any of its powers as attorney of the Chargor unless an Event of Default is continuing, but the exercise of any such powers by the Chargee shall not put any person dealing with the Chargee on enquiry as to whether an Event of Default is continuing and any such person shall not be affected by notice that no Event of Default is in fact continuing.
- 6.3 The exercise by the Chargee or by any receiver and/or manager of any of their powers as attorney of the Chargor shall be conclusive evidence of their right to do so.

7 Partial Invalidity

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

8 Further Assurance

The Chargor agrees that from time to time on the reasonable written request of the Chargee it will execute and deliver to the Chargee all further documents which the Chargee may reasonably require for the purpose of obtaining the full benefits of this Deed.

9 Waiver of Rights as Surety

9.1 The rights of the Chargee under this Deed, the security constituted by this Deed and the warranties, covenants and obligations of the Chargor contained in this Deed shall not in any way be discharged, impaired or otherwise affected by:

- 9.1.1 any forbearance (whether as to payment or otherwise) or any time or other indulgence granted to any of the other Obligors under or in connection with any of the Transaction Documents;
- 9.1.2 any amendment, variation, novation or replacement of any of the other Transaction Documents;
- 9.1.3 any failure of any of the Transaction Documents to be legal, valid, binding and enforceable in relation to any of the other Obligors for any reason;
- 9.1.4 the winding-up or dissolution of any of the other Obligors;
- 9.1.5 the release (whether in whole or in part) of, or the entering into of any compromise or composition with, any of the other Obligors; or
- 9.1.6 any other act, omission, thing or circumstance which would or might, but for this provision, operate to discharge, impair or otherwise affect the same.

9.2 Until the Indebtedness has been unconditionally and irrevocably paid and discharged in full, the Chargor shall not by virtue of any payment made under this Deed on account of the Indebtedness or by virtue of any enforcement by the Chargee of its rights under, or the security constituted by, this Deed or by virtue of any relationship between or transaction involving, the Chargor and any of the other Obligors:

- 9.2.1 exercise any rights of subrogation in relation to any rights, security or moneys held or received or receivable by the Chargee or any other person; or
- 9.2.2 exercise any right of contribution from any of the other Obligors under any of the Transaction Documents; or
- 9.2.3 exercise any right of set-off or counterclaim against any of the other Obligors; or
- 9.2.4 receive, claim or have the benefit of any payment, distribution, security or indemnity from any of the other Obligors; or

9.2.5 unless so directed by the Chargee (when the Chargor will prove in accordance with such directions), claim as a creditor of any of the other Obligors in competition with the Chargee

and the Chargor shall hold in trust for the Creditors and forthwith pay or transfer (as appropriate) to the Chargee any such payment (including an amount equal to any such set-off), distribution or benefit of such security, indemnity or claim in fact received by it.

10 Miscellaneous

10.1 In the event of there being any conflict between this Deed and the Loan Agreement, the Loan Agreement shall prevail.

10.2 All the covenants and agreements of the Chargor in this Deed shall bind the Chargor and its successors and permitted assignees and shall inure to the benefit of the Creditors and their respective successors, transferees and assignees.

10.3 No variation or amendment of this Deed shall be valid unless in writing and signed on behalf of the Chargor and the Chargee.

10.4 Other than the Creditors, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

11 Discharge of Security

Following the expiry of the Facility Period the Chargee will, at the cost of and on the request of the Chargor, execute and deliver to the Chargor a discharge of this Deed and redeliver the Charge Documents to or to the order of the Chargor.

12 Notices

12.1 All notices, requests, demands and other communications to any party hereunder shall be in writing (including prepaid overnight courier, facsimile transmission or similar writing) and shall be given to the Chargor and/or the Chargee at its respective address or facsimile number set forth below (or at such other address or facsimile numbers as such party may hereafter specify for the purpose by notice to the other party hereto):

If to the Chargor:

7/8 Great James Street
London
United Kingdom
WC1N 3DF

E-mail: jllorca@seacormarine.com

With a copy to:

[]

Attn: []

Facsimile No.: []

E-mail:

[SH NOTE: CHARGOR TO ADVISE]

If to the Chargee:

DNB BANK ASA
200 Park Avenue, 31st Floor
New York, New York 10166
Telephone No.: (212) 681-3800
Attention: Credit Middle Office / Loan Services Department
Facsimile No.: (212) 681-4123
Email: nyloanscsd@dnb.no

12.2 Each notice, request or other communication referred to in Clause 12.1 shall be effective if given:

12.2.1 by facsimile, when such facsimile is transmitted to the facsimile number specified in this Clause 12 and telephonic confirmation of receipt thereof is obtained; or

12.2.2 by mail, prepaid overnight courier or any other means, when received at the address specified in this Clause 12 or when delivery at such address is refused.

13 Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

14 Law and Jurisdiction

14.1 This Deed and any non-contractual obligations arising from or in connection with it shall in all respects be governed by and interpreted in accordance with English law.

14.2 For the exclusive benefit of the Chargee, the Chargor irrevocably agrees that the courts of England are to have exclusive jurisdiction to settle any dispute (a) arising from or in connection with this Deed or (b) relating to any non-contractual obligations arising from or in connection with this Deed and that any proceedings may be brought in those courts.

14.3 Nothing contained in this Clause shall limit the right of the Chargee to commence any proceedings against the Chargor in any other court of competent jurisdiction nor shall the commencement of any proceedings against the Chargor in one or more jurisdictions preclude the commencement of any proceedings in any other jurisdiction, whether concurrently or not.

14.4 The Chargor irrevocably waives any objection which it may now or in the future have to the laying of the venue of any proceedings in any court referred to in this Clause and any claim that those proceedings have been brought in an inconvenient or inappropriate forum, and irrevocably agrees that a judgment in any proceedings commenced in any such court shall be conclusive and binding on it and may be enforced in the courts of any other jurisdiction.

In witness of which this Deed has been duly executed and delivered the day and year first before written.

Signed and delivered)
as a **Deed**)
by **Boston Putford Offshore Safety**)
Limited)
acting by)
)
[being two directors])
[[] being a director and []being the)
company secretary])
[being a director])
[being an attorney in fact])
)
in the presence of:)

Witness signature:.....
Name:
Address:

Signed and delivered)
as a **Deed**)
by **DNB Bank ASA, New York Branch**)
acting by)
)
its duly authorised)
)
in the presence of:)

Witness signature:.....
Name:
Address:

Appendix A
Letter of Resignation

To: The Secretary

[Putford Pride Limited] [Putford Jaguar Limited] [Putford Achiever Limited] [Putford Saviour Limited]

7/8 Great James Street
London
United Kingdom
WC1N 3DF

Date:

Dear Sirs

I, [], hereby resign as a [director/secretary] of [Putford Pride Limited] [Putford Jaguar Limited] [Putford Achiever Limited] [Putford Saviour Limited] (the "**Company**") and confirm that I have no claim against the Company, whether for remuneration, loss of office or otherwise.

Yours faithfully

.....

[Director/Secretary]

Appendix B
Letter of Authority

To: DNB Bank ASA, New York Branch

200 Park Avenue, 31st Floor
New York, New York 10166
United States of America

Date:

Dear Sirs

[Putford Pride Limited] [Putford Jaguar Limited] [Putford Achiever Limited] [Putford Saviour Limited] (the "Company")

I, the undersigned, refer to the charge over shares in the Company dated 20 made in your favour by Boston Putford Offshore Safety Limited (the "**Shares Charge**") and confirm that you are hereby authorised to complete, by dating the same at any time after an Event of Default has occurred and you have demanded payment of all or any part of the Indebtedness, the undated letter of resignation as [director/secretary] of the Company executed by me and delivered to you pursuant to Clause 2.17 of the Shares Charge.

For the purposes of this letter, all capitalised terms shall have the meanings ascribed to them in the Shares Charge.

Yours faithfully

.....
[Director/Secretary]

**Appendix D
Undertaking**

(headed paper of [Putford Pride Limited] [Putford Jaguar Limited] [Putford Achiever Limited]
[Putford Saviour Limited])

To: DNB Bank ASA, New York Branch

200 Park Avenue, 31st Floor
New York, New York 10166
United States of America

Date:

Dear Sirs

We irrevocably and unconditionally undertake to register any transfer of all or any part of the [] shares in [Putford Pride Limited] [Putford Jaguar Limited] [Putford Achiever Limited] [Putford Saviour Limited] which have been charged to you by Boston Putford Offshore Safety Limited on presentation by you or on your behalf of any such transfer, together with the appropriate share certificates.

Yours faithfully

[Putford Pride Limited] [Putford Jaguar Limited] [Putford Achiever Limited] [Putford Saviour Limited]

By:.....

Name:

Title:

GUARANTY

by

SEACOR MARINE HOLDINGS INC.

in favor of

DNB BANK ASA, NEW YORK BRANCH,
as Security Trustee

September 28, 2018

GUARANTY

This GUARANTY (this "Guaranty"), dated as of September 28, 2018, is made by SEACOR MARINE HOLDINGS INC., a corporation incorporated and existing under the laws of the State of Delaware (the "Parent Guarantor"), in favor of DNB BANK ASA, New York Branch, a corporation organized under the laws of the Kingdom of Norway ("DNB"), as security trustee (the "Security Trustee") for the Creditors under the Credit Agreement referred to in Recital (A) below.

WITNESSETH THAT:

WHEREAS:

(A) Pursuant to the credit agreement dated as of September 26, 2018 (as the same may be further amended, supplemented or otherwise modified from time to time with the consent of the Parent Guarantor, the "Credit Agreement") made by and among, *inter alios*, (i) SEACOR Marine Foreign Holdings Inc. (the "Borrower"), a corporation incorporated and existing under the laws of the Republic of the Marshall Islands, as borrower, (ii) DNB, as facility agent (the "Facility Agent") and security trustee and (iii) the financial institutions identified on Schedule 1 thereto (together with any bank or financial institution which becomes a lender pursuant to Section 10 of the Credit Agreement), as lenders (the "Lenders"), the Lenders have agreed to provide to the Borrower a senior secured term loan facility in the aggregate amount of One Hundred Thirty Million United States Dollars (\$130,000,000) (the "Loan").

(B) It is a condition under the Credit Agreement that the Parent Guarantor enter into this Guaranty and otherwise agree to be bound by the terms of this Guaranty.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which the Parent Guarantor hereby acknowledges, the Parent Guarantor hereby agrees as follows:

1. DEFINITIONS

1.1 Specific Definitions. In this Guaranty, unless the context otherwise requires:

"Cash Equivalents" means any of the following: (i) marketable securities (a) issued or directly and unconditionally guaranteed as to interest and principal by the United States Government or (b) issued by any agency of the United States the obligations of which are backed by the full faith and credit of the United States, in each case maturing within one (1) year after such date; (ii) marketable direct obligations issued by any state of the United States or any political subdivision of any such state or any public instrumentality thereof, in each case maturing within one (1) year after such date and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's; (iii) commercial paper maturing no more than three (3) months from the date of creation thereof and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's; (iv) certificates of deposit or bankers' acceptances maturing within three (3) months after such date and issued or accepted by any Lender or by any commercial bank organized under the laws of the United States or any state thereof or the District of Columbia that (a) is at least "adequately capitalized" (as defined in the regulations of its primary federal banking regulator) and (b) has Tier 1 capital (as defined in such regulations) of not less than \$1,000,000,000; and (v) shares of any money market mutual fund that (a) has substantially all of its assets invested continuously in the types of investments referred to in clauses (i) and (ii) above, (b) has net assets of not less than \$5,000,000,000, and (c) has the highest rating obtainable from either S&P or Moody's;

“Cash and Cash Equivalents” means, on any date of determination, the sum of (a) cash and (b) Cash Equivalents, in each case that are held by the Parent Guarantor and its Subsidiaries on a consolidated basis free and clear of all Liens (other than Liens pursuant to the Transaction Documents and any statutory Liens in favor of a bank (including rights of set-off) incurred in the ordinary course of business on deposit accounts maintained with such bank and cash and Cash Equivalents in such accounts;

“Consolidated Book Equity” means the consolidated book equity of the Parent Guarantor, calculated in accordance with GAAP and reflected on the balance sheet of the Parent Guarantor;

“Consolidated EBITDA” means, for any accounting period, the consolidated net income of the Parent Guarantor and its Subsidiaries on a consolidated basis for that accounting period:

- (a) plus, to the extent reducing consolidated net income, the sum, without duplication, of:
 - (i) provisions for all federal, state, local and foreign income taxes and any tax distributions;
 - (ii) Consolidated Net Interest Expense; and
 - (iii) depreciation, depletion, amortization of intangibles and other non-cash charges or non-cash losses (including non-cash transaction expenses and the amortization of debt discounts) and any extraordinary losses;
- (b) minus, to the extent added in computing the consolidated net income of the Parent Guarantor for that accounting period, any non-cash income or non-cash gains (excluding any such non cash gain to the extent it represents the reversal of an accrual or reserve for potential cash item in any prior period);

“Consolidated Net Interest Expense” means the aggregate of all interest payments in respect of outstanding Indebtedness thereof that are due from the Parent Guarantor and its Subsidiaries on a consolidated basis during the relevant accounting period, determined on a consolidated basis in accordance with GAAP and as shown in the consolidated statements of income for the Parent Guarantor;

“Financial Covenants” means the covenants set forth in Section 4(a)(xiv), Section 4(a)(xv) and Section 4(a)(xvi) of this Guaranty.

“Gross Interest Bearing Debt” means, on any date of determination, the total amount of Indebtedness of the Parent Guarantor and its Subsidiaries on a consolidated basis outstanding on such date minus the aggregate amount of Indebtedness under all Warehouse Financing Facilities and the Chase Facility;

“Lease Obligations” means the amount of all lease or charter obligations calculated in accordance with GAAP and reflected on the balance sheet of any Credit Party;

“Total Capital” means the sum of the liabilities (other than Indebtedness under all Warehouse Financing Facilities and the Chase Facility) and shareholders’ equity of the Parent Guarantor and its Subsidiaries on consolidated basis, in each case determined in accordance with GAAP; and

“Total Debt” means the sum of Gross Interest Bearing Debt and Lease Obligations of the Parent Guarantor and its Subsidiaries.

“Unconsolidated JV Investments” means the amount of “investments, at equity, and advances to 50% or less owned companies” reflected on the consolidated balance sheet of the Parent Guarantor excluding any increase to such amount after June 30, 2018 in respect of any profits of such companies.

1.2 Defined Expressions. Unless otherwise defined herein, terms defined in the Credit Agreement shall have the same meanings when used herein, including in the preamble and recitals hereof.

2. GUARANTY

(a) The Parent Guarantor hereby unconditionally and irrevocably:

(i) guarantees to the Security Trustee for the account of the Creditors, as a primary obligor and not merely as a surety, punctual payment and performance by the Borrower and each other Credit Party of all their respective payment and performance obligations under the Transaction Documents;

(ii) undertakes with the Security Trustee on behalf of the Creditors that whenever the Borrower or any other Credit Party does not pay any amount (whether for principal, interest, fees, expenses or otherwise) when due (whether at stated maturity, by acceleration or otherwise) under or in connection with any Transaction Document, the Parent Guarantor shall immediately on demand pay that amount as if it were the primary obligor; and

(iii) agrees with the Security Trustee on behalf of the Creditors that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Creditor immediately on demand against any cost, loss or liability it incurs as a result of the Borrower or any other Credit Party not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Transaction Document on the date when it would have been due. The amount payable by such Parent Guarantor under this indemnity will not exceed the amount it would have had to pay under this Guaranty if the amount claimed had been recoverable on the basis of a guarantee (all obligations referred to in clauses (i) through (iii) above are herein referred to as the “Obligations”).

(b) This Guaranty is a guaranty of payment and not of collection and the Parent Guarantor expressly agrees that it shall not be necessary or required that any of the Creditors exercise any right, assert any claim or demand or enforce any remedy whatsoever against the Borrower or any of the other Credit Parties or any other Person before or as a condition to the obligations of the Parent Guarantor hereunder. This Guaranty is a primary obligation of the Parent Guarantor and shall be an absolute, unconditional, present, and continuing obligation and shall not be subject to any counterclaim, setoff, deduction, diminution, abatement, recoupment, suspension, deferment, reduction, or defense based on any claim the Parent Guarantor or any other person may have against the Borrower, any of the Credit Parties or any other person, and shall not be released, discharged or affected by any circumstance whatsoever, including without limitation: (a) the unenforceability, invalidity, irregularity or lack of genuineness of the Credit Agreement, the Note, any other Transaction Document or any of the obligations under the Credit Agreement, the Note and the other Transaction Documents; (b) any amendment, modification, termination, or removal of, or addition or supplement to, the Credit Agreement, the Note or any other Transaction Document, or any change in time, manner, or place of payment or performance of any Obligation; (c) any assignment, mortgage, release, exchange, addition, or transfer of any Collateral; (d) any failure, refusal, omission or delay on the part of the Borrower, any of the Credit Parties or any other Person to conform or comply with any term of the Credit Agreement, the Note or any other Transaction Document or any other agreement; (e) any waiver, consent, extension, indulgence, surrender, settlement, subordination, release, compromise, or other agreement, or the exercise or non-exercise of any right or remedy thereunder, with or without consideration; (f) the occurrence and/or continuance of any bankruptcy, insolvency, reorganization, liquidation, arrangement, adjustment of debt, relief of debtors, dissolution, or similar proceeding with respect to the Borrower, any of the Credit Parties, or any other Person, including without limitation any modification of the Borrower's obligations under the Credit Agreement, the Note or any other Transaction Document in connection with any such proceeding; (g) any defect in the title, condition, compliance with specifications, design, operation, or fitness for use of, or any damage to or loss of, or governmental prohibition or restriction, condemnation, requisition, or seizure of, any Collateral for any reason; (h) any merger, consolidation, restructuring, termination of existence, sale of assets, or change in the ownership of any membership interests or shares of capital stock of either of the Borrower or the Parent Guarantor; (i) any present or future law, regulation, or order in any jurisdiction (whether of right or in fact) or any agency thereof affecting any term of any Obligation or any rights of any of the Creditors with respect thereto, including, without limitation, any law, regulation or order purporting to vary the terms of payment or to restrict the right or power of the Borrower or of the Parent Guarantor to make payment of its Obligations to the Creditors; or (j) any other circumstances whatsoever which might otherwise constitute a defense available to, or a discharge of, the Borrower or the Parent Guarantor.

3. REPRESENTATIONS AND WARRANTIES

(a) The Parent Guarantor hereby makes all of the representations and warranties expressly applicable to the Parent Guarantor set forth in Section 2 of the Credit Agreement as if they were set forth in this Guaranty.

4. COVENANTS

(a) The Parent Guarantor hereby covenants and undertakes with the Security Trustee on behalf of the Creditors that from the date hereof and so long as any principal, interest or other monies are owing by the Credit Parties under or in connection with the Credit Agreement, the Note, the other Transaction Documents, or any of them, it will:

(i) duly perform and observe the terms of this Guaranty;

(ii) obtain every consent and do all other acts and things which may from time to time be necessary or advisable for the continued due performance of all its obligations under this Guaranty and, if this Guaranty shall, in the reasonable opinion of the Creditors, at any time be deemed by the Creditors for any reason insufficient in whole or in part to carry out the purposes of this Guaranty hereof, it will execute or cause to be executed such other and further assurances and documents as in the reasonable opinion of the Creditors may be required in order to accomplish the purposes of this Guaranty;

(iii) promptly upon any Responsible Officer of the Parent Guarantor obtaining actual knowledge thereof, inform the Facility Agent of the occurrence of (a) any Default or Event of Default, (b) any litigation, arbitration or governmental proceeding pending or threatened in writing against it not previously disclosed to the Lenders or any development in respect of a previously disclosed litigation, arbitration or governmental proceeding, which if adversely determined could reasonably be expected to have a Material Adverse Effect, including but not limited to, in respect of any Environmental Claim or any judgment entered against it and (c) any other event or condition which is reasonably likely to have a Material Adverse Effect;

(iv) deliver to the Facility Agent:

(1) as soon as available but not later than one hundred twenty (120) days after the end of each fiscal year of the Parent Guarantor ending after the Closing Date, complete copies of the consolidated financial reports of the Parent Guarantor (together with a calculation of Cash and Cash Equivalents and a Compliance Certificate), all in reasonable detail, which shall include at least the consolidated balance sheet of the Parent Guarantor as of the end of such year and the related consolidated statements of income and sources and uses of funds for such year, which shall be audited reports prepared by an Acceptable Accounting Firm;

(2) as soon as available but not later than sixty (60) days after the end of each of the first three full quarters of each fiscal year of the Parent Guarantor ending after the Closing Date, a quarterly interim consolidated balance sheet of the Parent Guarantor (together with a Compliance Certificate), and the related consolidated profit and loss statements and sources and uses of funds, all in reasonable detail, unaudited, but accompanied by the certification of the chief executive officer, chief financial officer or controller of the Parent Guarantor that such financial statements fairly present the financial condition of Parent Guarantor as at the dates indicated, subject to changes resulting from audit and normal year-end adjustments;

(3) as soon as they become available, but in any event prior to each fiscal year beginning after the Closing Date, the consolidated budget including the annual cash flow projections of the Parent Guarantor; and

(4) such other information and data with respect to Parent Guarantor or any of its Subsidiaries as from time to time may be reasonably requested by the Facility Agent or any Lender;

provided that any delivery requirement under this Section 4(a)(iv) shall be deemed satisfied by the posting of such information, materials or reports as applicable on EDGAR or any successor website maintained by the SEC;

(v) except as otherwise permitted by the Credit Agreement or hereunder, do or cause to be done all things necessary to preserve and keep its separate identity and existence under the laws of its jurisdiction of incorporation and all licenses, franchises, permits and assets necessary to the conduct of its business;

(vi) at all times keep proper books of record and account into which full and correct entries shall be made in accordance with GAAP;

(vii) pay and discharge all taxes, assessments and governmental charges or levies imposed upon its income or property prior to the date upon which penalties attach thereto; provided, however, that it shall not be required to pay and discharge, or cause to be paid and discharged, any such tax, assessment, charge or levy so long as the legality thereof shall be contested in good faith and by appropriate proceedings or other acts and it shall set aside on its books adequate reserves with respect thereto;

(viii) allow, upon ten (10) Banking Days' notice from the Facility Agent, any representative or representatives designated by the Facility Agent, subject to applicable laws and regulations, at normal business hours, to visit and inspect any of its properties, and, on request and subject to customary confidentiality arrangements, to examine its books of account, records, reports, agreements and other papers and to discuss its affairs, finances and accounts with its officers; provided that (i) the Facility Agent shall only be allowed to conduct one such inspection per calendar year prior to the occurrence of an Event of Default and an unlimited amount of inspections during the continuance of an Event of Default; and (ii), the foregoing inspections by the Facility Agent shall not unreasonably interfere with the conduct of the Parent Guarantor's or any of its Subsidiary's business (unless, with respect to Transaction Parties only, an Event of Default has occurred and is continuing);

(ix) except where failure to comply would not alone or in the aggregate result in a Material Adverse Effect, do or cause to be done, all things necessary to materially comply with all contracts or agreements to which it is a party, and all laws, and the rules and regulations thereunder, applicable to it, including, without limitation, those laws, rules and regulations relating to employee benefit plans and environmental matters;

(x) promptly upon the occurrence of any of the following conditions, provide to the Facility Agent notice thereof, specifying in reasonable detail the nature of such condition: (a) its receipt of any written communication that alleges that it is not in compliance with any applicable Environmental Law or Environmental Approval, if such failure to comply would reasonably be expected to have a Material Adverse Effect, (b) any Environmental Claim pending or threatened against it, which would reasonably be expected to have a Material Adverse Effect, or (c) any release, emission, discharge or disposal of any Material of Environmental Concern that would reasonably be expected to form the basis of any Environmental Claim against it, if such Environmental Claim could reasonably be expected to have a Material Adverse Effect. Upon the written request by the Facility Agent, it will submit to the Facility Agent at reasonable intervals, a report providing an update of the status of any issue or claim identified in any notice or certificate required pursuant to this subsection 4(a)(x);

(xi) forthwith upon learning of the existence or occurrence of any ERISA Funding Event, ERISA Termination Event, Foreign Termination Event or Foreign Underfunding that, when taken together with all other ERISA Funding Events, ERISA Termination Events, Foreign Termination Events and Foreign Underfundings that exist or have occurred, or which could reasonably be expected to exist or occur, could reasonably be expected to result in a liability to the Parent Guarantor in the aggregate in excess of \$5,000,000, furnish or cause to be furnished to the Facility Agent written notice thereof;

(xii) provide all documentation reasonably requested by Lenders in connection with their know your customer requirements;

(xiii) remain, and instruct each Subsidiary of the Parent Guarantor who is a Security Party, any Vessel Manager who is a Transaction Party and any Related Party thereof to remain, in compliance with applicable Sanctions Laws and Anti-Money Laundering Laws;

(xiv) at all times maintain a minimum balance of Cash and Cash Equivalents equal to the greater of (i) Thirty Five Million Dollars (\$35,000,000) and (ii) 7.5% of Total Debt;

(xv) maintain as of the last day of each fiscal quarter of each fiscal year of the Parent Guarantor a ratio of (x) Gross Interest Bearing Debt to (y) Total Capital not exceeding 60%; and

(xvi) maintain as of the last day of each fiscal quarter described below a ratio of (x) Consolidated EBITDA to (y) Consolidated Net Interest Expense of not less than:

(1) 2.00:1.00 for the four consecutive fiscal quarters ending on March 31, 2020 through the four consecutive fiscal quarters ending on June 30, 2020,

(2) 2.50:1.00 for the four consecutive fiscal quarters ending on September 30, 2020 through the four consecutive fiscal quarters ending on December 31, 2020, and

(3) 3.00:1.00 for each four consecutive fiscal quarters of the Parent Guarantor thereafter;

provided, that notwithstanding the foregoing, if on any date on which the ratio under this Section 4(a)(xvi) is to be tested, Consolidated EBITDA is less than, but at least 20% of, the amount necessary for the Parent Guarantor to be in compliance with the required ratio level applicable for such date, the Parent Guarantor may (A) cause to be contributed an amount of Cash and Cash Equivalents (which shall be through the sale or issuance of equity of the Parent Guarantor or any other capital contribution to the Parent Guarantor) or (B) designate an existing amount of Cash and Cash Equivalents in excess of the Cash and Cash Equivalents that the Parent Guarantor is required to maintain under Section 4(a)(xiv) (the "Cure Amount" and, such contribution or designation, the "Cure Right") as an increase to Consolidated EBITDA for such testing period and for calculating Consolidated EBITDA in each subsequent testing period which includes the fiscal quarter for which the Cure Right is exercised; provided, further, that (i) the Parent Guarantor shall have provided notice to the Facility Agent that it is exercising the Cure Right, (ii) such amounts are contributed or designated, as the case may be, on or prior to the fifteenth (15th) Banking Day after each such testing date (it being understood and agreed that until such date, neither the Facility Agent nor any Lender shall be permitted to exercise any rights on account of any actual or prospective breach of this Section 4(a)(xvi) and that such breach shall be deemed cured immediately upon the contribution or designation of the Cure Amount), (iii) the Cure Amount for any fiscal quarter does not exceed the aggregate amount necessary to cure the shortfall under this Section 4(a)(xvi) for such fiscal quarter, (iv) Cash and Cash Equivalents contributed or designated as a Cure Amount in any fiscal quarter shall not be used as a Cure Amount in any of the three consecutive fiscal quarters immediately following such fiscal quarter and (v) in each period of four consecutive fiscal quarters, there shall be at least two (2) fiscal quarters in which no Cure Right is exercised and the Cure Right shall not be exercised in more than five (5) fiscal quarters over the term of this Guaranty.

(b) The Parent Guarantor hereby covenants and undertakes with the Security Trustee on behalf of the Creditors that, from the date hereof and so long as any principal, interest or other monies are owing by any of the Credit Parties under or in connection with the Credit Agreement, the Note, the other Transaction Documents or any of them, it will not, without the prior written consent of the Security Trustee on behalf of the Creditors other than as expressly permitted by the terms of the Credit Agreement and the other Security Documents:

(i) create, assume or permit to exist, or permit any of its Subsidiaries to create, assume or permit to exist, any Lien (other than Permitted Liens) upon any property or assets of such Subsidiary that are subject to a Lien pursuant to the Security Documents;

(ii) make any new Investment in any Person which is not a Subsidiary of the Parent Guarantor and which is not consolidated on the balance sheet of the Parent Guarantor if, before or after giving effect to such Investment:

that is continuing,

(1) there shall have occurred an Event of Default described in sub-sections (a) and (j) of Section 8.1 of the Credit Agreement

(2) the Parent Guarantor shall not be in compliance with the Financial Covenants, or

Guarantor;

(3) the aggregate amount of Unconsolidated JV Investments shall exceed 30% of the Consolidated Book Equity of the Parent

(iii) ensure that the aggregate amount of all Lease Obligations incurred by the Parent Guarantor and its Subsidiaries shall not exceed \$75,000,000;

(iv) enter into any transaction with an Affiliate, other than on an arms-length basis other than transactions for its benefit; provided, that the foregoing restriction shall not apply to (i) any transaction between or among the Parent Guarantor and any other Credit Party; (ii) reasonable and customary fees paid to members of the board of directors (or similar governing body) of the Parent Guarantor and its Subsidiaries; (iii) compensation arrangements for officers and other employees of the Parent Guarantor and its Subsidiaries entered into in the ordinary course of business; (iv) transactions expressly permitted by the Credit Agreement, including but not limited to the extension of Intercompany Debt pursuant to Section 9.2(n)(ii) thereof and (v) other affiliate transactions existing on the Closing Date and set forth on Schedule 6 of the Credit Agreement;

(v) materially change the nature of its business or commence any business materially different from its current business;

(vi) change its name or principal place of business unless the Facility Agent shall have received five (5) Banking Days' prior written notice of such change;

(vii) make any Restricted Payment unless both before and after giving effect thereto, (1) there shall not have occurred an Event of Default that is continuing and (2) the Parent Guarantor and its Subsidiaries are in compliance with the Financial Covenants; provided, that no dividends or distributions may be made by the Parent Guarantor within two (2) years from the date hereof; and provided further, that in the event a Cure Amount is contributed or designated in connection with the Parent Guarantor's exercise of the Cure Right, no dividends or distributions may be made by the Parent Guarantor unless and until the Financial Covenants are satisfied without giving effect to such Cure Amount;

(viii) consolidate with, or merge into, any corporation or other entity, or merge any corporation or other entity into it or enter into any demerger, amalgamation, consolidation or corporate reconstruction or restructuring;

(ix) change its fiscal year (other than as may be required to conform to GAAP);

(x) sell, assign, transfer, pledge or otherwise convey or dispose of any of its shares of or interest in any of the other Credit Parties or allow any Security Party to do the same;

(xi) create, incur, issue, or otherwise become directly or indirectly liable for, or permit any of its Subsidiaries to incur issue, or otherwise become directly or indirectly liable for, any Indebtedness, other than the following:

(1) Permitted Indebtedness;

(2) in the case of any Subsidiary of the Parent Guarantor that is not a Credit Party, any Indebtedness existing on the date hereof that is non-recourse to the Parent Guarantor, including, without limitation, the Chase Facility;

(3) Indebtedness of any Subsidiary of the Parent Guarantor that is not a Credit Party (other than Indebtedness extended to such Subsidiary by the Parent Guarantor or any Subsidiary of the Parent Guarantor), so long as the aggregate amount of all such Indebtedness shall not exceed 30% of Consolidated Book Equity of the Parent Guarantor (excluding for this purpose (x) all Lease Obligations of such Subsidiary, (y) any Indebtedness described in Section 4(b)(xi)(2) and (z) normal trade credits in the ordinary course of business); and

(4) in the case of the Parent Guarantor, additional Indebtedness, so long as (1) both before and after giving effect thereto (x) no Event of Default described in sub-sections (a) and (j) of Section 8.1 of the Credit Agreement shall have occurred and be continuing and (y) the Parent Guarantor shall be in compliance with the Financial Covenants and (2) the final maturity date for such Indebtedness is more than 91 days after the Final Payment Date; provided, that the foregoing restriction shall not apply to Indebtedness incurred in the ordinary course of business, including Indebtedness in respect of or arising from (i) non-speculative interest rate hedges and foreign exchange transactions, (ii) letters of credit or similar instruments, or (iii) contracts entered into with respect to the chartering of vessels or the acquisition of equipment (other than any vessel),

(xii) (1) engage in a trade or financial transaction or other dealing with any individual, entity or Sanctioned Country that would violate Sanctions Laws; or (2) use any proceeds from the Loan, directly or, to its knowledge, indirectly, (A) to fund any trade or business involving any Blocked Person (except to the extent licensed or approved by OFAC or other applicable Governmental Authority), or (B) for the purpose of engaging in any activities that would result in a violation of Sanctions Laws or Anti-Money Laundering Laws by any Credit Party;

(xiii) allow any Change of Control to occur under paragraphs (b), (c) or (d) of the defined term "Change of Control"; or

(xiv) create, assume or permit to exist, any Lien on any of the Equity Interests of the Borrower without the consent of the Lenders.

5. PAYMENTS

5.1 Payment. All payments by the Parent Guarantor under this Guaranty shall be made in the same manner as the Borrower is required to make payments under the Credit Agreement as specifically set forth therein.

(b) On all sum or sums for which the Parent Guarantor is liable hereunder interest shall be due at the Default Rate specified in Section 6 in the Credit Agreement from the due date thereof under the Credit Agreement until the date of payment of such amount by the Parent Guarantor.

5.2 Taxes; Withholdings. Should the Parent Guarantor be compelled by law, regulation, decree, order or stipulation to make any deduction or withholding on account of any present or future taxes (including, without limitation, property, sales, use, consumption, franchise, capital, occupational, license, value added, excise, stamp, levies and imposts taxes and customs and other duties), assessments, fees (including, without limitation, documentation, license, filing and registration fees), deductions, withholdings and charges, of any kind or nature whatsoever, together with any penalties, fines, additions to tax or interest thereon, however imposed, withheld, levied, or assessed by any country or governmental subdivision thereof or therein, any international authority or any other taxing authority (“Taxes”) from any payment due under this Guaranty for the account of the Creditors, the sum due from the Parent Guarantor in respect of such payment shall be increased by such additional amounts necessary to ensure that, after the making of such deduction or withholding with respect to Taxes, each of the Creditors receives a net sum equal to the sum which it would have received had no such deduction or withholding with respect to Taxes been made and the Parent Guarantor shall indemnify each of the Creditors against any losses or costs incurred by it by reason of any failure of the Parent Guarantor to make any such deduction or withholding or by reason of any such additional payment not being made to the relevant Creditor on the due date for such payment. The Parent Guarantor will deliver to the relevant Creditor evidence satisfactory to such Creditor including all relevant tax receipts that such Tax has been duly remitted to the appropriate authority. Notwithstanding the preceding sentence, the Parent Guarantor shall not be required to pay additional amounts or otherwise indemnify any Creditor for or on account of:

(i) Taxes based on or measured by the overall net income of any Creditor or Taxes in the nature of franchise taxes or taxes for the privilege of doing business imposed by any jurisdiction or any political subdivision or taxing authority therein unless such are imposed as a result of the activities of the Credit Parties within the relevant taxing jurisdiction; or

(ii) Taxes imposed by any jurisdiction or any political subdivision or taxing authority therein on such Creditor that would not have been imposed but for such Creditor's being organized in or conducting business in or maintaining a place of business in the relevant taxing jurisdiction, or engaging in activities or transactions in the relevant taxing jurisdiction that are unrelated to the transactions contemplated by the Credit Agreement, but only to the extent such Taxes are not imposed as a result of the activities of the Credit Parties within the relevant taxing jurisdiction or the legal status of the Credit Parties under the laws of the taxing jurisdiction.

5.3 Delivery of Tax Forms. Section 7.4 of the Credit Agreement (*Delivery of Tax Forms*) is incorporated herein by reference with necessary changes to substitute the Parent Guarantor for the Borrower.

5.4 FATCA Information; FATCA Withholding. Sections 7.5 and 7.6 of the Credit Agreement (*FATCA Information*) and (*FATCA Withholding*), respectively, are incorporated herein by reference with necessary changes to substitute the Parent Guarantor for the Borrower.

6. PRESERVATION OF RIGHTS

(a) The Parent Guarantor hereby consents that from time to time, without notice to or further consent of the Parent Guarantor, the time for the performance and/or observance by the Credit Parties, or any of them, of any of the agreements, covenants or conditions in the Credit Agreement, the Note or the other Transaction Document, or any of them, on the part of the Credit Parties, or any of them, to be performed and/or observed may be waived or the time of performance thereof extended by any of the Creditors and payment of any sums owing or payable under any such document may be extended or any such document may be renewed in whole or in part or modified in any respect or any collateral or arrangement provided for by any such document as security for any obligation contemplated by any such document may be exchanged, surrendered, released or otherwise dealt with as the Creditors may determine, that the time for the making of any payment of any obligation hereby guaranteed may be accelerated in accordance with any agreement between any of the Creditors and the Credit Parties, or any of them, and that any of the acts mentioned in any of said documents may be done and that any document or security therefor may be released in whole or in part without affecting the obligations of the Parent Guarantor hereunder.

(b) The Parent Guarantor hereby waives, to the extent permitted by applicable law: (i) any notice required by law or otherwise to preserve any rights hereunder or under the Credit Agreement, the Notes or any other Transaction Document against the Parent Guarantor or against the Credit Parties, or any of them, including without limitation: (A) acceptance, presentment, demand, protest, or proof of nonperformance of any Obligation, (B) notice of the sale of any Collateral or the transfer the Credit Parties, or any of them, of any interest in any Collateral or the Credit Agreement, the Notes or any other Transaction Document, (C) notice of the acceptance of this Guaranty and of any change in any of the Credit Parties' financial condition, (D) notices of the creation, renewal, extension, or accrual of any Obligation or any of the matters referred to in Section 2 hereof, or any notice of or proof of reliance by any of the Creditors upon this Guaranty or acceptance of this Guaranty (the Obligations, and any of them, shall conclusively be deemed to have been created, contracted, incurred or renewed, extended, amended or waived in reliance upon this Guaranty and all dealings between the Credit Parties or the Parent Guarantor and the Creditors shall be conclusively presumed to have been had or consummated in reliance upon this Guaranty), and (E) notices which may be required by statute, rule of law or otherwise, now or hereafter in effect, to preserve intact any rights of any of the Creditors against the Parent Guarantor; (ii) the prior exercise of any remedy contained in the Credit Agreement, the Notes or any other Transaction Document or otherwise available to the Creditors; (iii) any requirement of diligence on the part of any Person including without limitation diligence in making any claim or commencing suit hereon or on the Credit Agreement, the Notes or any other Transaction Document, and any requirement to mitigate damages or exhaust remedies under the Credit Agreement, the Notes or any other Transaction Document; (iv) the right to interpose all substantive and procedural defense of the law of guaranty, indemnification, suretyship, or other applicable law except the defense of prior payment or prior performance by any of the Credit Parties or the Parent Guarantor of the Obligations; (v) all rights and remedies accorded by applicable laws to guarantors or sureties, including any extension of time conferred by any law now or hereafter in effect; (vi) any right or claim of right to cause a marshaling of any of the Credit Parties' assets or to cause any of the Creditors to proceed against any of the Credit Parties or any collateral held by any of the Creditors at any time or in any particular order; (vii) rights to the enforcement, assertion, or exercise by any of the Creditors of any right, power, privilege, or remedy conferred herein or in the Credit Agreement, the Notes or any other Transaction Document or otherwise; (viii) notices of the sale, transfer or other disposition of any right, title to, or interest in the Credit Agreement, the Notes or any other Transaction Document; and (ix) any other right whatsoever which might otherwise constitute a discharge, release, or defense of the Parent Guarantor hereunder or of any of the Credit Parties under the Credit Agreement, the Notes or any other Transaction Document or which might otherwise limit recourse against the other Credit Parties. No failure to exercise and no delay in exercising, on the part of any of the Creditors, any right, power, or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise thereof, or the exercise of any other power or right. The obligations of the Parent Guarantor hereunder shall not be affected by receipt by any of the Creditors of any proceeds of any security at any time held by any of the Creditors. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.

(c) The Parent Guarantor agrees that so long as any of the Credit Parties remains under any actual or contingent liability under the Credit Agreement, the Notes and the other Transaction Documents any rights which the Parent Guarantor may at any time have by reason of the performance by the Parent Guarantor of its obligations hereunder (a) to be indemnified by any of the Credit Parties and/or (b) to claim any contribution from the Borrower or any other guarantor of the Borrower's obligations under the Credit Agreement, the Notes or the other Transaction Documents and/or (c) to take the benefit (in whole or in part) of any security taken pursuant to this Guaranty or the Credit Agreement, the Notes or any other Transaction Documents by, all or any of the persons to whom the benefit of the Parent Guarantor's obligations are given, shall be exercised by the Parent Guarantor in such manner and upon such terms as the Creditors may require and further agrees to hold any monies at any time received by it as a result of the exercise of any such rights or otherwise for and on behalf of and to the order of the Creditors for application in or towards payment of any sums at any time owed by the Credit Parties under the Credit Agreement, the Notes or the other Transaction Documents.

(d) The Parent Guarantor further agrees that its liabilities hereunder shall be unconditional irrespective of any other circumstance which might otherwise constitute a discharge at law or in equity of a guarantor or surety. The Parent Guarantor further guarantees that all payments made by the Borrower, the Parent Guarantor, the other Credit Parties or any of them, to any of the Creditors on any obligation hereby guaranteed will, when made, be final and agrees that, if any such payment is recovered from, or repaid by, any of the Creditors in whole or in part in any bankruptcy, insolvency or similar proceeding instituted by or against the Borrower, the Parent Guarantor, the other Credit Parties, or any of them, this Guaranty shall continue to be fully applicable to such obligation to the same extent as though the payment so recovered or repaid had never been originally made on such obligation.

(e) The Creditors may enforce the obligations of the Parent Guarantor hereunder without in any way first pursuing or exhausting any other rights or remedies which the Creditors may have against any of the other Credit Parties, or against any other person, firm or corporation, or against any security any of the Creditors may hold.

(f) The Parent Guarantor hereby irrevocably waives all rights of subrogation (whether contractual, under Section 509 of Title 11 of the United States Code entitled "Bankruptcy" as now or hereafter in effect, or any successor thereto (herein called the "Bankruptcy Code"), under common law, or otherwise) to the claims of any of the Creditors against the Credit Parties, or any of them, and all contractual, statutory or common law rights of contribution, reimbursement, indemnification and similar rights and "claims" (as such term is defined in the Bankruptcy Code) against the Credit Parties, or any of them, which arise in connection with, or as a result of, this Guaranty, until such time as the obligations of the Credit Parties under or in connection with the Credit Agreement, the Notes and the other Transaction Documents have been indefeasibly paid in full.

(g) The Parent Guarantor shall not assign, transfer, hypothecate or dispose of any claim that it has or may have against the Credit Parties, or any of them, while any indebtedness of the Credit Parties to any of the Creditors remains unpaid, without the written consent of the Creditors.

(h) Any delay in or failure to exercise any right or remedy of any of the Creditors shall not be deemed a waiver of any obligation of the Parent Guarantor or right of any of the Creditors. This Guaranty may be modified, and the Creditors' rights hereunder waived, only by an agreement in writing signed by the Creditors.

(i) Notice of acceptance by the Creditors of this Guaranty and of the incurring of any or all of the obligations hereby guaranteed is hereby waived by the Parent Guarantor, and this Guaranty and all of the terms and provisions hereof shall immediately be binding upon the Parent Guarantor from the date of execution hereof.

7. BENEFIT OF GUARANTY; ASSIGNMENT

This Guaranty shall inure to the benefit of the Creditors, their successors and assigns, and shall bind the successors and assigns of the Parent Guarantor.

8. WAIVER OF JURY TRIAL; GOVERNING LAW; JURISDICTION

EACH OF THE PARENT GUARANTOR AND, BY ITS ACCEPTANCE HEREOF, THE SECURITY TRUSTEE AND EACH OF THE OTHER CREDITORS, HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY HERETO OR BENEFICIARY HEREOF ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS GUARANTY.

TO THE EXTENT THAT THE PARENT GUARANTOR HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY FROM SUIT, JURISDICTION OF ANY COURT OR ANY LEGAL PROCESS (WHETHER THROUGH ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID OF EXECUTION, EXECUTION OF A JUDGMENT, OR FROM ANY OTHER LEGAL PROCESS OR REMEDY) WITH RESPECT TO ITSELF OR ITS PROPERTY, THE PARENT GUARANTOR HEREBY IRREVOCABLY WAIVES SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER THIS GUARANTY.

THIS GUARANTY AND ALL RIGHTS, OBLIGATIONS AND LIABILITIES ARISING HEREUNDER SHALL BE CONSTRUED ACCORDING TO THE LAWS OF THE STATE OF NEW YORK.

Unless the context otherwise requires, all terms used herein which are defined in the New York Uniform Commercial Code shall have the meanings therein stated.

Any legal action or proceeding against the Parent Guarantor with respect to this Guaranty or the obligations guaranteed hereby may be brought in the courts of the State of New York, United States of America, the United States Federal Courts in such State, or in the courts of any other appropriate jurisdiction, as the Creditors may elect, and the Parent Guarantor hereby irrevocably submits to the jurisdiction of such courts for the purpose of any such action or proceeding. The Parent Guarantor hereby agrees that service of process in any such action or proceeding brought in New York may be made upon it by serving a copy of the summons and other legal process in any such action or proceeding on the Parent Guarantor by mailing or delivering the same by hand to the Parent Guarantor at the address indicated for notices in Section 9 hereof. The service, as herein provided, of such summons or other legal process in any such action or proceeding shall be deemed personal service and accepted by the Parent Guarantor as such, and shall be legal and binding by the Parent Guarantor for all the purposes of any such action or proceeding. In the event that the Parent Guarantor shall not be conveniently available for such service, the Parent Guarantor hereby irrevocably appoints Farkouh, Furman & Faccio, LLP, 460 Park Avenue, New York, NY 10022, Attention: Fred Farkouh as its agent for service of process in respect of the proceeding before such courts (and agrees that service on such agent shall be deemed personal service).

9. NOTICES

Notices and other communications hereunder shall be in writing and may be given or made by facsimile as follows:

If to the Parent Guarantor:

c/o SEACOR Marine Holdings Inc.
7910 Main St. 2nd Floor
Houma, Louisiana 70360
Attention: Jesus Llorca, Chief Financial Officer
Facsimile No.: (985) 876-5444

If to the Facility Agent or Security Trustee:

DNB BANK ASA
New York Branch
200 Park Avenue, 31st Floor
New York, New York 10166
Attn: Credit Middle Office / Loan Services Department
Facsimile No.: (212) 681-4123

or to such other address as any party shall from time to time specify in writing. Any notice sent by facsimile shall be confirmed by letter dispatched as soon as practicable thereafter.

Every notice or demand shall, except so far as otherwise expressly provided by this Guaranty, be deemed to have been received (provided that it is received prior to 2 p.m. New York time), in the case of a facsimile, on the date of dispatch thereof (provided that if the date of dispatch is not a Banking Day in the locality of the party to whom such notice or communication is sent it shall be deemed to have been received on the next following Banking Day in such locality), in the case of a letter, at the time of receipt thereof.

10. CEA ELIGIBLE CONTRACT PARTICIPANT

Notwithstanding anything to the contrary in any Transaction Document, the Parent Guarantor shall not be deemed to guarantee, become jointly and severally obligated for or pledge assets in support of a “swap,” as defined in Section 1(a)(47) of the Commodity Exchange Act (“CEA”), of any Credit Party if at the time that swap is entered into, the Parent Guarantor is not an “eligible contract participant” as defined in Section 1(a)(18) of the CEA.

11. HEADINGS

In this Guaranty, Section headings are inserted for convenience of reference only and shall be ignored in the interpretation hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, this Guaranty has been duly executed by the Parent Guarantor as of the 28th day of September, 2018.

SEACOR MARINE HOLDINGS INC.

By: Jesús Llorca

Name: Jesús Llorca

Title: *Executive Vice President and Chief Financial Officer*

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) AND 15d-14(a), AS AMENDED**

I, John Gellert, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SEACOR Marine Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: November 13, 2018

/s/ John Gellert

Name: John Gellert

Title: *President and Chief Executive Officer
(Principal Executive Officer)*

CERTIFICATION

I, Jesús Llorca, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SEACOR Marine Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: November 13, 2018

/s/ Jesús Llorca

Name: Jesús Llorca

Title: *Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)*

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
AND CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED BY SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Each of the undersigned, the Chief Executive Officer and the Chief Financial Officer of SEACOR Marine Holdings Inc. (the "Company"), hereby certifies, to the best of her/his knowledge and belief, that the Form 10-Q of the Company for the quarterly period ended September 30, 2018 (the "Periodic Report") accompanying this certification fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company. This certification is provided solely for purposes of complying with the provisions of Section 906 of the Sarbanes-Oxley Act and is not intended to be used for any other purpose.

Date: November 13, 2018

/s/ John Gellert

Name: John Gellert

Title: *President and Chief Executive Officer
(Principal Executive Officer)*

Date: November 13, 2018

/s/ Jesús Llorca

Name: Jesús Llorca

Title: *Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)*