

**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, 2019** 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 **1-12289**

SEACOR Holdings Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware **13-3542736**
(State or Other Jurisdiction of (IRS Employer
Incorporation or Organization) Identification No.)

2200 Eller Drive, P.O. Box 13038,
Fort Lauderdale, Florida **33316**
(Address of Principal Executive Offices) (Zip Code)

954-523-2200
(Registrant's Telephone Number, Including Area Code)

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

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.01 per share	CKH	New York Stock Exchange

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 and 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 and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth 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 reporting company
(Do not check if a smaller reporting 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 October 25, 2019 was 20,179,218. The Registrant has no other class of common stock outstanding.

SEACOR HOLDINGS INC.

Table of Contents

Part I.	Financial Information	1
Item 1.	Financial Statements (Unaudited)	1
	Condensed Consolidated Balance Sheets as of September 30, 2019 and December 31, 2018	1
	Condensed Consolidated Statements of Income for the Three and Nine Months Ended September 30, 2019 and 2018	2
	Condensed Consolidated Statements of Comprehensive Income for the Three and Nine Months Ended September 30, 2019 and 2018	3
	Condensed Consolidated Statements of Changes in Equity for the Three and Nine Months Ended September 30, 2019 and 2018	4
	Condensed Consolidated Statements of Cash Flows for the Nine Months Ended September 30, 2019 and 2018	6
	Notes to Condensed Consolidated Financial Statements	7
Item 2.	Management’s Discussion and Analysis of Financial Condition and Results of Operations	24
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	40
Item 4.	Controls and Procedures	40
Part II.	Other Information	41
Item 1.	Legal Proceedings	41
Item 1A.	Risk Factors	41
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	41
Item 3.	Default Upon Senior Securities	41
Item 4.	Mine Safety Disclosures	41
Item 5.	Other Information	41
Item 6.	Exhibits	42

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

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

	September 30, 2019	December 31, 2018
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 76,815	\$ 144,221
Restricted cash and restricted cash equivalents	1,221	2,991
Marketable securities	6,038	30,316
Receivables:		
Trade, net of allowance for doubtful accounts of \$2,961 and \$3,481 in 2019 and 2018, respectively	199,013	171,828
Other	43,449	38,881
Inventories	5,224	4,530
Prepaid expenses and other	6,130	5,382
Total current assets	<u>337,890</u>	<u>398,149</u>
Property and Equipment:		
Historical cost	1,424,907	1,407,329
Accumulated depreciation	(607,727)	(560,819)
Net property and equipment	<u>817,180</u>	<u>846,510</u>
Operating Lease Right-of-Use Assets	153,464	—
Investments, at Equity, and Advances to 50% or Less Owned Companies	154,968	156,886
Construction Reserve Funds	3,908	3,908
Goodwill	32,668	32,708
Intangible Assets, Net	21,884	24,551
Other Assets	8,284	8,312
	<u>\$ 1,530,246</u>	<u>\$ 1,471,024</u>
LIABILITIES AND EQUITY		
Current Liabilities:		
Current portion of long-term debt	\$ 76,426	\$ 8,497
Current portion of long-term operating lease liabilities	36,422	—
Accounts payable and accrued expenses	54,921	59,607
Other current liabilities	67,603	55,659
Total current liabilities	<u>235,372</u>	<u>123,763</u>
Long-Term Debt	241,408	346,128
Long-Term Operating Lease Liabilities	116,866	—
Deferred Income Taxes	103,489	94,420
Deferred Gains and Other Liabilities	20,463	52,871
Total liabilities	<u>717,598</u>	<u>617,182</u>
Equity:		
SEACOR Holdings Inc. stockholders' equity:		
Preferred stock, \$0.01 par value, 10,000,000 shares authorized; none issued nor outstanding	—	—
Common stock, \$0.01 par value, 60,000,000 shares authorized; 40,818,495 and 39,001,924 shares issued in 2019 and 2018, respectively	408	390
Additional paid-in capital	1,659,428	1,596,642
Retained earnings	519,023	474,809
Shares held in treasury of 20,639,277 and 20,671,627 in 2019 and 2018, respectively, at cost	(1,365,594)	(1,366,773)
Accumulated other comprehensive loss, net of tax	(1,400)	(914)
	<u>811,865</u>	<u>704,154</u>
Noncontrolling interests in subsidiaries	783	149,688
Total equity	<u>812,648</u>	<u>853,842</u>
	<u>\$ 1,530,246</u>	<u>\$ 1,471,024</u>

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

SEACOR HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except share data, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Operating Revenues	\$ 200,658	\$ 220,257	\$ 607,205	\$ 621,912
Costs and Expenses:				
Operating	147,386	147,529	437,368	441,474
Administrative and general	24,923	26,083	78,383	76,189
Depreciation and amortization	16,975	18,616	51,120	57,069
	189,284	192,228	566,871	574,732
Gains on Asset Dispositions, Net	1,145	6,018	2,259	13,569
Operating Income	12,519	34,047	42,593	60,749
Other Income (Expense):				
Interest income	2,198	2,450	5,983	6,485
Interest expense	(4,816)	(8,335)	(14,832)	(25,502)
Debt extinguishment losses	(777)	(160)	(2,073)	(5,609)
Marketable security gains (losses), net	144	1,713	16,496	(1,303)
Foreign currency gains (losses), net	(1,877)	(328)	(1,663)	16
Other, net	505	357	(114)	54,951
	(4,623)	(4,303)	3,797	29,038
Income Before Income Tax Expense and Equity in Earnings (Losses) of 50% or Less Owned Companies	7,896	29,744	46,390	89,787
Income Tax Expense	1,417	3,362	7,012	12,934
Income Before Equity in Earnings (Losses) of 50% or Less Owned Companies	6,479	26,382	39,378	76,853
Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax	(618)	821	(3,448)	1,915
Net Income	5,861	27,203	35,930	78,768
Net Income (Loss) Attributable to Noncontrolling Interests in Subsidiaries	(544)	10,136	7,239	15,934
Net Income Attributable to SEACOR Holdings Inc.	\$ 6,405	\$ 17,067	\$ 28,691	\$ 62,834
Basic Earnings Per Common Share of SEACOR Holdings Inc.	\$ 0.33	\$ 0.94	\$ 1.54	\$ 3.48
Diluted Earnings Per Common Share of SEACOR Holdings Inc.	\$ 0.32	\$ 0.88	\$ 1.48	\$ 3.21
Weighted Average Common Shares Outstanding:				
Basic	19,322,423	18,108,388	18,618,613	18,052,274
Diluted	20,738,919	21,192,554	19,984,302	22,508,622

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

SEACOR HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Net Income	\$ 5,861	\$ 27,203	\$ 35,930	\$ 78,768
Other Comprehensive Income (Loss):				
Foreign currency translation gains (losses), net	(405)	(76)	(418)	59
Reclassification of foreign currency translation losses to foreign currency gains (losses), net	—	15	—	15
	(405)	(61)	(418)	74
Income tax benefit (expense)	—	2	(68)	27
	(405)	(59)	(486)	101
Comprehensive Income	5,456	27,144	35,444	78,869
Comprehensive Income (Loss) Attributable to Noncontrolling Interests in Subsidiaries	(544)	10,136	7,239	15,934
Comprehensive Income Attributable to SEACOR Holdings Inc.	\$ 6,000	\$ 17,008	\$ 28,205	\$ 62,935

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

SEACOR HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(in thousands, unaudited)

SEACOR Holdings Inc. Stockholders' Equity							
For the nine months ended September 30, 2019	Common Stock	Additional Paid-In Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Non-Controlling Interests In Subsidiaries	Total Equity
December 31, 2018	\$ 390	\$ 1,596,642	\$ 474,809	\$ (1,366,773)	\$ (914)	\$ 149,688	\$ 853,842
Impact of adoption of accounting principle, net of tax	—	—	15,523	—	—	9,836	25,359
December 31, 2018, As Adjusted	390	1,596,642	490,332	(1,366,773)	(914)	159,524	879,201
Issuance of common stock:							
Employee Stock Purchase Plan	—	—	—	1,695	—	—	1,695
Exercise of stock options	1	5,219	—	—	—	—	5,220
Director stock awards	—	76	—	—	—	—	76
Restricted stock	2	(2)	—	—	—	—	—
Purchase of conversion option in convertible debt, net of tax	—	(115)	—	—	—	—	(115)
Purchase of treasury shares	—	—	—	(516)	—	—	(516)
Amortization of share awards	—	3,794	—	—	—	—	3,794
Purchase of subsidiary shares from noncontrolling interests	15	53,814	—	—	—	(160,818)	(106,989)
Distributions to noncontrolling interests	—	—	—	—	—	(5,162)	(5,162)
Net income	—	—	28,691	—	—	7,239	35,930
Other comprehensive loss	—	—	—	—	(486)	—	(486)
September 30, 2019	<u>\$ 408</u>	<u>\$ 1,659,428</u>	<u>\$ 519,023</u>	<u>\$ (1,365,594)</u>	<u>\$ (1,400)</u>	<u>\$ 783</u>	<u>\$ 812,648</u>

SEACOR Holdings Inc. Stockholders' Equity							
For the three months ended September 30, 2019	Common Stock	Additional Paid-In Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Non-Controlling Interests In Subsidiaries	Total Equity
June 30, 2019	\$ 392	\$ 1,600,838	\$ 512,618	\$ (1,366,432)	\$ (995)	\$ 162,236	\$ 908,657
Issuance of common stock:							
Employee Stock Purchase Plan	—	—	—	838	—	—	838
Exercise of stock options	1	3,485	—	—	—	—	3,486
Director stock awards	—	21	—	—	—	—	21
Purchase of conversion option in convertible debt, net of tax	—	(12)	—	—	—	—	(12)
Amortization of share awards	—	1,282	—	—	—	—	1,282
Purchase of subsidiary shares from noncontrolling interests	15	53,814	—	—	—	(160,818)	(106,989)
Distributions to noncontrolling interests	—	—	—	—	—	(91)	(91)
Net income (loss)	—	—	6,405	—	—	(544)	5,861
Other comprehensive loss	—	—	—	—	(405)	—	(405)
September 30, 2019	<u>\$ 408</u>	<u>\$ 1,659,428</u>	<u>\$ 519,023</u>	<u>\$ (1,365,594)</u>	<u>\$ (1,400)</u>	<u>\$ 783</u>	<u>\$ 812,648</u>

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

SEACOR HOLDINGS INC. □ CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(in thousands, unaudited)

	SEACOR Holdings Inc. Stockholders' Equity						
	Common Stock	Additional Paid-In Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Non- Controlling Interests In Subsidiaries	Total Equity
For the nine months ended September 30, 2018							
December 31, 2017	\$ 387	\$ 1,573,013	\$ 419,128	\$ (1,368,300)	\$ (545)	\$ 129,678	\$ 753,361
Impact of adoption of accounting principle	—	—	(2,467)	—	—	—	(2,467)
December 31, 2017, As Adjusted	387	1,573,013	416,661	(1,368,300)	(545)	129,678	750,894
Issuance of common stock:							
Employee Stock Purchase Plan	—	—	—	1,527	—	—	1,527
Exercise of stock options	1	4,752	—	—	—	—	4,753
Director stock awards	—	106	—	—	—	—	106
Restricted stock	1	(1)	—	—	—	—	—
Net issuance of conversion option on exchange of convertible debt, net of tax	—	12,735	—	—	—	—	12,735
Purchase of conversion option in convertible debt, net of tax	—	(5)	—	—	—	—	(5)
Amortization of share awards	—	2,830	—	—	—	—	2,830
Acquisition of a subsidiary with noncontrolling interests	—	—	—	—	—	96	96
Distributions to noncontrolling interests	—	—	—	—	—	(5,111)	(5,111)
Net income	—	—	62,834	—	—	15,934	78,768
Other comprehensive income	—	—	—	—	101	—	101
September 30, 2018	<u>\$ 389</u>	<u>\$ 1,593,430</u>	<u>\$ 479,495</u>	<u>\$ (1,366,773)</u>	<u>\$ (444)</u>	<u>\$ 140,597</u>	<u>\$ 846,694</u>

	SEACOR Holdings Inc. Stockholders' Equity						
	Common Stock	Additional Paid-In Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Non- Controlling Interests In Subsidiaries	Total Equity
For the three months ended September 30, 2018							
June 30, 2018	\$ 389	\$ 1,592,375	\$ 462,428	\$ (1,367,433)	\$ (385)	\$ 130,462	\$ 817,836
Issuance of common stock:							
Employee Stock Purchase Plan	—	—	—	660	—	—	660
Exercise of stock options	—	40	—	—	—	—	40
Director stock awards	—	33	—	—	—	—	33
Amortization of share awards	—	982	—	—	—	—	982
Distributions to noncontrolling interests	—	—	—	—	—	(1)	(1)
Net income	—	—	17,067	—	—	10,136	27,203
Other comprehensive loss	—	—	—	—	(59)	—	(59)
September 30, 2018	<u>\$ 389</u>	<u>\$ 1,593,430</u>	<u>\$ 479,495</u>	<u>\$ (1,366,773)</u>	<u>\$ (444)</u>	<u>\$ 140,597</u>	<u>\$ 846,694</u>

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

SEACOR HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands, unaudited)

	Nine Months Ended September 30,	
	2019	2018
Net Cash Provided by Operating Activities	\$ 95,255	\$ 35,799
Cash Flows from Investing Activities:		
Purchases of property and equipment	(17,351)	(43,736)
Proceeds from disposition of property and equipment	1,874	15,952
Investments in and advances to 50% or less owned companies	(3,215)	(9,836)
Return of investments and advances from 50% or less owned companies	3,677	8,176
Proceeds on sale of 50% or less owned companies	—	78,015
Payments received on third-party leases and notes receivable, net	1,125	452
Withdrawals from construction reserve funds	—	45,431
Business acquisitions, net of cash acquired	—	310
Net cash provided by (used in) investing activities	(13,890)	94,764
Cash Flows from Financing Activities:		
Payments on long-term debt	(66,685)	(43,967)
Proceeds from long-term debt, net of issue costs	22,803	—
Payments for long-term debt issue costs	—	(2,495)
Purchase of conversion option in convertible debt	(146)	(5)
Common stock acquired for treasury	(516)	—
Proceeds from share award plans	6,915	6,280
Purchase of subsidiary shares from noncontrolling interests	(107,692)	—
Distributions to noncontrolling interests	(5,162)	(5,111)
Net cash used in financing activities	(150,483)	(45,298)
Effects of Exchange Rate Changes on Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents	(58)	61
Net Increase (Decrease) in Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents	(69,176)	85,326
Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents, Beginning of Period	147,212	242,228
Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents, End of Period	78,036	327,554
Restricted Cash and Restricted Cash Equivalents, End of Period	1,221	2,990
Cash and Cash Equivalents, End of Period	\$ 76,815	\$ 324,564

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

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

1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

Unless the context otherwise indicates, any reference in this Quarterly Report on Form 10-Q to the "Company" refers to SEACOR Holdings Inc. and its consolidated subsidiaries and any reference in this Quarterly Report on Form 10-Q to "SEACOR" refers to SEACOR 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, 2018.

The condensed consolidated financial information for the three and nine months ended September 30, 2019 and 2018 has been prepared by the Company and has not been audited by its independent registered certified public accounting firm. The condensed consolidated financial statements include the accounts of SEACOR Holdings Inc. and its consolidated subsidiaries. In the opinion of management, all adjustments (consisting of normal recurring adjustments) have been made to fairly present the Company's financial position as of September 30, 2019, its results of operations for the three and nine months ended September 30, 2019 and 2018, its comprehensive income for the three and nine months ended September 30, 2019 and 2018, its changes in equity for the three and nine months ended September 30, 2019 and 2018, and its cash flows for the nine months ended September 30, 2019 and 2018. 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 financial statements and related notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2018.

Acquisition of Noncontrolling Interest. On August 2, 2019, the Company, through certain subsidiaries, became the sole owner of the SEA-Vista joint venture by acquiring the 49% interest (the "Remaining SEA-Vista Interest") that had been owned by ACP III Tankers, LLC (the "Seller"), an affiliate of Avista Capital Partners. As consideration for the Remaining SEA-Vista Interest, SEACOR issued 1,500,000 shares of Common Stock to the Seller (the "Consideration Shares"), in a noncash transaction, and the Company paid \$107.7 million in cash, inclusive of expenses related to the transaction (see Notes 8 and 9).

Adoption of New Accounting Standards. On January 1, 2019, the Company adopted Financial Accounting Standards Board ("FASB") Topic 842, *Leases* ("Topic 842") using a modified prospective approach and implemented internal controls and systems to enable the preparation of financial information upon adoption. The Company elected the available practical expedients permitted under the guidance including the option to not separate lease and nonlease components in calculating the right-of-use assets and corresponding lease liabilities and to not apply the recognition requirements of Topic 842 to short-term leases (leases that have a duration of twelve months or less at lease inception). Generally, it was not possible for the Company to determine the interest rate implicit in each of its operating leases and therefore used its incremental borrowing rate in calculating operating lease right-of-use assets and lease liabilities. The Company assigned its leases to portfolios based on the remaining term at the time of adoption and applied a single rate to each portfolio of leases as the result was not materially different than using a specific discount rate for each individual lease. The Company included renewal options that were reasonably certain of being exercised in determining the lease term. Upon adoption, the Company recorded operating lease right-of-use assets and lease liabilities of \$174.6 million for certain of its equipment, offices, real property and land leases (see Note 5). In addition, the Company recognized a cumulative-effect adjustment of \$25.4 million, net of tax, to the opening balance of retained earnings primarily for previously deferred gains related to sale-leaseback transactions.

On January 1, 2018, the Company adopted ASU 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory*, which eliminates the deferral of the tax effects of intercompany asset sales other than inventory until the transferred assets are sold to a third party or recovered through use. As a result of the adoption of the standard, the deferred tax charges previously recognized from those sales resulted in a decrease in deferred tax assets and a cumulative adjustment to retained earnings of \$2.5 million in the consolidated balance sheets and statements of changes in equity as of January 1, 2018.

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 to in exchange for those goods or services, which occurs when (or as) the Company satisfies its contractual obligations and transfers control of the promised goods or services to its customers. Costs to obtain or fulfill a contract are expensed as incurred.

Revenue from Contracts with Customers. Ocean Services primarily earns revenues from voyage charters, contracts of affreightment, tariff based port and infrastructure services, unit freight logistics services, and technical ship management

agreements with vessel owners (see Note 13). Ocean Services 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. Voyage charters are contracts to carry cargoes on a single voyage basis for a predetermined price, regardless of time to complete. Contracts of affreightment are contracts for cargoes that are committed on a multi-voyage basis for various periods of time, with minimum and maximum cargo tonnages specified over the period at a fixed or escalating rate per ton. Tariff based port and infrastructure services typically include operating harbor tugs alongside oceangoing vessels to escort them to their berth, assisting with the docking and undocking of these oceangoing vessels and escorting them back out to sea. They are contracted using prevailing port tariff terms on a per-use basis. In the unit freight logistics trade, transportation services typically include transporting shipping containers, rail cars, project cargoes, automobiles and U.S. military vehicles and are generally contracted on a per unit basis for the specified cargo and destination, typically in accordance with a publicly available tariff rate or based on a negotiated rate when moving larger volumes over an extended period. Managed services include technical ship management agreements whereby Ocean Services provides technical ship management services to third-party customers for a predetermined price over a specified period of time, typically a year or more.

Inland Services primarily earns revenues from contracts of affreightment, terminal operations, fleetings operations and repair and maintenance services (see Note 13). Inland Services 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. Contracts of affreightment are contracts whereby customers are charged an established rate per ton to transport cargo from point-to-point. Terminal operations includes tank farms and dry bulk and container handling facilities that are marketed under contractual rates and terms driven by throughput volume. Fleetings operations includes fleetings services whereby barges are held in fleetings areas for an agreed-upon day rate and shifting services whereby harbor boats are used to pick up and drop off barges to assist in assembling tows and to move barges to and from the dock for loading and unloading at predetermined per-shift fees. Other operations primarily include a machine shop specializing in towboat and barge cleaning, repair and maintenance services that are charged on an hourly or a fixed fee basis depending on the scope and nature of the work.

Witt O'Brien's primarily earns revenues from time and material and retainer contracts (see Note 13). Witt O'Brien's 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. Time and material contracts primarily relate to emergency response, debris management or consulting services that Witt O'Brien's performs for a predetermined fee. Retainer contracts, which are nearly all with vessel services operators and oil companies, are contracted based on agreed-upon rates.

The Company's Other business segment includes CLEANCOR Energy Solutions LLC and its subsidiaries (collectively "Cleancor"), which primarily earns revenues from the sale of liquefied natural gas (see Note 13). Under these arrangements, control of the goods are transferred to the customer and performance obligations are satisfied at a point in time, and therefore revenue is recognized upon delivery while any related costs are expensed as incurred.

Contract liabilities from contracts with customers arise when the Company has received consideration prior to performance and are included in other current liabilities in the accompanying condensed consolidated balance sheets. The Company's contract liability activity for the nine months ended September 30 was as follows (in thousands):

	2019	
Balance at beginning of period	\$	968
Previously deferred revenues recognized upon completion of performance obligations during the period		(950)
Net contract liabilities arising during the period		2,723
Balance at end of period	\$	2,741

Lease Revenues. The Company's lease revenues are primarily from time charters, bareboat charters and non-vessel rental arrangements. The Company accounts for these leases as operating leases. The lease terms are included in the charter and rental arrangements, and the determination of whether those arrangements contain a lease generally does not require significant assumptions or judgments. The Company's lease revenues do not include material amounts of variable payments and are recognized ratably over the lease term as services are provided, typically on a per day basis.

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. The non-lease components included in time charter rates are typically crewing, maintenance and insurance for the vessel over the term of the lease. 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 risks of operation. Under non-vessel rental arrangements, the Company provides non-vessel property or equipment to a customer for a set term and the customer

assumes responsibility for all operating expenses and risks of operation. There are no non-lease components for bareboat charters and non-vessel rental arrangements.

Lease revenues are generated from owned equipment as well as equipment that is leased-in from other equipment owners or financial institutions. Lease revenues from equipment that is leased-in are included in sublease income for the Company's lessee disclosures (see Note 5). The Company's leases generally do not provide an option for customers to purchase the leased equipment and lessees do not provide residual value guarantees. The Company expects to derive significant benefits from its equipment following the end of the lease terms.

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 their useful life as set forth in 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, 2019, the estimated useful life (in years) of each of the Company's major categories of new equipment was as follows:

Petroleum and chemical carriers - U.S.-flag	25
Bulk carriers - U.S.-flag	25
Harbor and offshore tugs	25
Ocean liquid tank barges	25
Short-sea container/RORO ⁽¹⁾ vessels	20
Inland river dry-cargo and specialty barges	20
Inland river liquid tank barges	25
Inland river towboats and harbor boats	25
Terminal and fleeting facilities	20

(1) Roll On/Roll Off.

Equipment maintenance and repair costs including the costs of routine overhauls, dry-dockings 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.

As of September 30, 2019, the Company had construction in progress of \$20.9 million that primarily consisted of the construction of and upgrades to inland river towboats and other Inland Services equipment, and is included in historical cost in the accompanying condensed consolidated balance sheets. 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, 2019, capitalized interest totaled \$0.1 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 value and impairment charges are recorded if the carrying value exceeds fair value. The Company performs its testing on an asset or asset group basis. The Company's estimates of undiscounted cash flows are highly subjective and actual results may vary from the Company's estimates due to the uncertainty regarding projected financial performance. 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, 2019 and 2018, the Company did not recognize any impairment charges related to long-lived assets held for use.

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, 2019, the Company did not recognize any impairment charges related to its 50% or less owned companies. During the nine months ended September 30, 2018, the Company recognized an impairment charge of \$0.1 million related to one of its 50% or less owned companies, which is included in equity in earnings (losses) of 50% or less owned companies, net of tax in the accompanying consolidated statements of income.

Income Taxes. During the nine months ended September 30, 2019, the Company's effective income tax rate of 15.1% was lower than the statutory rate primarily due to income subject to tonnage tax, foreign sourced income not subject to U.S. tax, and taxes not provided on income attributable to noncontrolling interests, partially offset by foreign taxes not creditable against U.S. income tax (see Note 6). During the nine months ended September 30, 2018, the Company's effective income tax rate of 14.4% was lower than the statutory rate primarily due to foreign sourced income not subject to U.S. tax partially offset by income taxes in Subpart F income.

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):

	2019	2018
Balance at beginning of period	\$ 43,664	\$ 72,453
Impact of adoption of accounting principle ⁽¹⁾	(29,207)	—
Amortization of deferred gains included in operating expenses as a reduction to rental expense	—	(8,991)
Amortization of deferred gains included in gains on asset dispositions	(2,119)	(6,988)
Reclassification of deferred gains into historical cost on reacquired property and equipment	—	(3,052)
Balance at end of period	<u>\$ 12,338</u>	<u>\$ 53,422</u>

(1) On January 1, 2019, the Company adopted Topic 842 and reduced deferred gains associated with sale-leaseback transactions through a beginning period retained earnings adjustment.

Earnings Per Share. Basic earnings per common share of SEACOR is computed based on the weighted average number of common shares issued and outstanding during the relevant periods. Diluted earnings per common share of SEACOR is computed based on the weighted average number of common shares issued and outstanding plus the effect of potentially dilutive securities through the application of the treasury stock and if-converted methods. Dilutive securities for this purpose assumes restricted stock grants have vested, common shares have been issued pursuant to the exercise of outstanding stock options and common shares have been issued pursuant to the conversion of all outstanding convertible notes.

Computations of basic and diluted earnings per common share of SEACOR were as follows (in thousands, except share data):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	Net Income attributable to SEACOR	Average O/S Shares	Per Share	Net Income Attributable to SEACOR	Average O/S Shares	Per Share
2019						
Basic Weighted Average Common Shares Outstanding	\$ 6,405	19,322,423	\$ 0.33	\$ 28,691	18,618,613	\$ 1.54
Effect of Dilutive Securities:						
Options and Restricted Stock ⁽¹⁾	—	189,395		—	138,588	
Convertible Notes ⁽²⁾	318	1,227,101		955	1,227,101	
Diluted Weighted Average Common Shares Outstanding	\$ 6,723	20,738,919	\$ 0.32	\$ 29,646	19,984,302	\$ 1.48
2018						
Basic Weighted Average Common Shares Outstanding	\$ 17,067	18,108,388	\$ 0.94	\$ 62,834	18,052,274	\$ 3.48
Effect of Dilutive Securities:						
Options and Restricted Stock ⁽³⁾	—	303,285		—	299,405	
Convertible Notes ⁽⁴⁾	1,625	2,780,881		9,495	4,156,943	
Diluted Weighted Average Common Shares Outstanding	\$ 18,692	21,192,554	\$ 0.88	\$ 72,329	22,508,622	\$ 3.21

- (1) For the three and nine months ended September 30, 2019, diluted earnings per common share of SEACOR excluded 557,321 and 723,370, respectively, of certain share awards as the effect of their inclusion in the computation would be anti-dilutive.
- (2) For the three and nine months ended September 30, 2019, diluted earnings per common share of SEACOR excluded 827,566 and 1,027,663, respectively, of common shares issuable pursuant to the Company's 3.0% Convertible Senior Notes and 1,553,780 and 1,553,780, respectively, of common shares issuable pursuant to the Company's 3.25% Convertible Senior Notes as the effect of their inclusion in the computation would be anti-dilutive.
- (3) For the three and nine months ended September 30, 2018, diluted earnings per common share of SEACOR excluded 295,074 and 292,169, respectively, of certain share awards as the effect of their inclusion in the computation would be anti-dilutive.
- (4) For the three months ended September 30, 2018, diluted earnings per common share of SEACOR excluded 1,408,719 of common shares issuable pursuant to the Company's 3.0% Convertible Senior Notes as the effect of their inclusion in the computation would be anti-dilutive.

New Accounting Pronouncements. On June 16, 2016, the FASB issued an amendment to the accounting standards, which replaces the current incurred loss impairment methodology for financial assets measured at amortized cost with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information, including forecasted information, to develop credit loss estimates. The new standard is effective for interim and annual periods beginning after December 15, 2019. Early adoption is permitted for annual periods beginning after December 15, 2018. The Company has not yet determined what impact, if any, the adoption of the new standard will have on its consolidated financial position, results of operations or cash flows.

On January 26, 2017, the FASB issued an amendment to the accounting standards, which simplified wording and removed step two of the goodwill impairment test. A goodwill impairment will now be the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. The FASB also eliminated the requirements for any reporting unit with a zero or negative carrying amount to perform a qualitative assessment and, if it fails that qualitative test, to perform step two of the goodwill test. The new standard is effective for annual or interim goodwill impairment tests in fiscal years beginning after December 15, 2020, with early adoption permitted for interim or annual goodwill impairment tests on testing dates after January 1, 2017. The Company has not yet determined what impact, if any, the adoption of the new standard will have on its consolidated financial position, results of operations or cash flows.

2. EQUIPMENT ACQUISITIONS AND DISPOSITIONS

During the nine months ended September 30, 2019, capital expenditures were \$17.4 million and primarily related to the acquisition of real property, upgrades to inland river towboats and the construction of other Inland Services equipment.

During the nine months ended September 30, 2019, the Company sold one foreign-flag short-sea container/RORO vessel and other equipment for net proceeds of \$1.9 million and gains of \$0.1 million. In addition, the Company recognized previously deferred gains of \$2.1 million.

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

Trailer Bridge. Trailer Bridge is an operator of U.S.-flag deck and RORO barges and provides marine transportation services between Jacksonville, Florida, San Juan, Puerto Rico and Puerto Plata, Dominican Republic. During the nine months ended September 30, 2019, the Company earned revenues of \$3.0 million from the time charter of one U.S.-flag offshore tug to Trailer Bridge.

RF Vessel Holdings. RF Vessel Holdings owns two foreign-flag rail ferries. During the nine months ended September 30, 2019, the Company and its partner each contributed capital of \$2.7 million to RF Vessel Holdings.

KSM. KSM operates four foreign-flag harbor tugs, one foreign-flag ocean liquid tank barge and two foreign-flag specialty vessels in Freeport, Grand Bahama. During the nine months ended September 30, 2019, the Company earned revenues of \$1.0 million from the bareboat charter of two foreign-flag harbor tugs to KSM.

Bunge-SCF Grain. Bunge-SCF Grain operates terminal grain elevators in Illinois. During the nine months ended September 30, 2019, the Company earned revenues of \$0.5 million from the lease of a terminal facility to Bunge-SCF Grain.

SCF Bunge Marine. SCF Bunge Marine provides towing services on the U.S. Inland Waterways, primarily the Mississippi River, Illinois River, Tennessee River and Ohio River. During the nine months ended September 30, 2019, the Company earned revenues of \$4.9 million from the time charter of seven inland river towboats to SCF Bunge Marine.

Other Inland Services. During the nine months ended September 30, 2019, the Company and its partner each received a noncash dividend of one specialty barge valued at \$0.6 million.

VA&E. VA&E primarily focuses on the global origination, trading and merchandising of sugar, pairing producers and buyers and arranging for the transportation and logistics of the product. During the nine months ended September 30, 2019, the Company received capital distributions of \$3.7 million from VA&E, which reduced the Company's noncontrolling interest in VA&E to 23.8%. During the nine months ended September 30, 2019, the Company advanced \$0.5 million to VA&E. As of September 30, 2019, outstanding advances to VA&E were \$8.1 million, inclusive of accrued and unpaid interest.

4. LONG-TERM DEBT

SEACOR's Board of Directors previously approved a securities repurchase plan that authorizes the Company to acquire SEACOR common stock, par value \$0.01 per share ("Common Stock"), 3.0% Convertible Senior Notes, 2.5% Convertible Senior Notes and 3.25% Convertible Senior Notes (collectively the "Securities") through open market purchases, privately negotiated transactions or otherwise, depending on market conditions. On June 5, 2019, SEACOR's Board of Directors increased the Company's repurchase authority for the Securities to \$150.0 million. As of September 30, 2019, the Company's remaining repurchase authority for the Securities was \$131.7 million.

3.0% Convertible Senior Notes. During the nine months ended September 30, 2019, the Company purchased \$55.4 million in principal amount of its 3.0% Convertible Senior Notes for total consideration of \$54.4 million. Consideration of \$54.2 million was allocated to the debt resulting in debt extinguishment losses of \$0.1 million included in the accompanying condensed consolidated statements of income. Consideration of \$0.1 million was allocated to the conversion option embedded in the 3.0% Convertible Senior Notes and is included in the accompanying condensed consolidated statements of changes in equity. The outstanding principal amount of these notes was \$51.9 million as of September 30, 2019. Subsequent to September 30, 2019, the Company purchased an additional \$1.8 million in principal amount of its Convertible Senior Notes for total consideration of \$1.8 million.

SEACOR Revolving Credit Facility. On March 19, 2019, the Company entered into a \$125.0 million credit agreement with a syndicate of lenders (the "SEACOR Revolving Credit Facility") that matures March 19, 2024 and is secured by a pledge over all of SEACOR's assets and certain of its subsidiaries' assets, subject to certain exceptions. The SEACOR Revolving Credit Facility permits the Company to borrow up to \$125.0 million, from time to time as revolving loans, as such amounts may increase or decrease in accordance with the terms of the Credit Agreement. The loans will bear interest at either (i) a Base Rate plus a margin ranging from 0.75% to 2.00% depending on the Company's maximum net funded debt ratio, as determined in accordance with the SEACOR Revolving Credit Facility, or (ii) interest periods of one, two, three or six months at an annual rate equal to London Interbank Offered Rate ("LIBOR") for the corresponding deposits of U.S. dollars, plus a margin ranging from 1.75% to 3.00% based on the Company's maximum net funded debt ratio, as determined in accordance with the SEACOR Revolving Credit Facility. A fee of 0.5% is payable on the unused commitment quarterly. The Company incurred \$2.2 million of issuance costs related to the SEACOR Revolving Credit Facility.

The SEACOR Revolving Credit Facility contains various financial and restrictive covenants including fixed charge coverage ratio, a net funded debt ratio, a collateral coverage ratio and restrictions limiting the Company's ability to pay dividends or make certain investments, as well as other customary covenants, representations and warranties, and events of default as set forth in the agreement. During the nine months ended September 30, 2019, the Company drew \$25.0 million

under the SEACOR Revolving Credit Facility. As of September 30, 2019, the Company had \$100.0 million of remaining borrowing capacity. Subsequent to September 30, 2019, the Company repaid the outstanding balance of \$25.0 million.

SEA-Vista Credit Facility. During the nine months ended September 30, 2019, SEA-Vista repaid \$6.0 million on its Revolving Loan and made scheduled payments of \$2.2 million on its Term A-1 Loan and \$3.8 million on its Term A-2 Loan. As of September 30, 2019, SEA-Vista had \$100.0 million of remaining borrowing capacity under the Revolving Loan.

Other. During the nine months ended September 30, 2019, the Company made scheduled payments on other long-term debt of \$0.5 million.

Letters of Credit. As of September 30, 2019, the Company had outstanding letters of credit totaling \$1.3 million with various expiration dates through 2027.

Guarantees. The Company has guaranteed the payments of amounts owed under certain sale-leaseback transactions, equipment financing and multi-employer pension obligations on behalf of SEACOR Marine. As of September 30, 2019, these guarantees on behalf of SEACOR Marine totaled \$27.0 million and decline as payments are made on the outstanding obligations. The Company earns a fee of 0.5% per annum on these guarantees. During the nine months ended September 30, 2019, the Company earned \$0.1 million in guarantee fees from SEACOR Marine.

5. OPERATING LEASES

Lessee. As of September 30, 2019, the Company leased in two U.S.-flag petroleum and chemical carriers, five U.S.-flag harbor tugs, four U.S.-flag PCTCs, 50 inland river dry-cargo barges, four inland river towboats, six inland river harbor boats and certain facilities and other equipment. The leases generally contain purchase and renewal options or rights of first refusal with respect to the sale or lease of the equipment. As of September 30, 2019, the lease terms of the U.S.-flag petroleum and chemical carriers, which are subject to subleases, have remaining durations of 36 and 83 months. The lease terms of the other vessels, facilities and equipment range in duration from 3 to 198 months.

As of September 30, 2019, future minimum payments for operating leases for the remainder of 2019 and the years ended December 31 were as follows (in thousands):

Remainder of 2019	\$	10,891
2020		41,837
2021		37,649
2022		27,453
2023		15,524
Years subsequent to 2023		40,623
		<u>173,977</u>
Interest component		(20,689)
		<u>153,288</u>
Current portion of long-term operating lease liabilities		(36,422)
Long-term operating lease liabilities	\$	<u><u>116,866</u></u>

For the nine months ended September 30, 2019, the components of lease expense were as follows (in thousands):

Operating lease expense	\$	32,009
Short-term lease expense (lease duration of twelve months or less at lease commencement)		17,136
Sublease income		(24,129)
	\$	<u><u>25,016</u></u>

For the nine months ended September 30, 2019, other information related to operating leases was as follows (in thousands except weighted average data):

Operating cash outflows from operating leases	\$	32,185
Right-of-use assets obtained in exchange for operating lease liabilities	\$	179,746
Weighted average remaining lease term, in years		5.4
Weighted average discount rate		4.8 %

Lessor. As of September 30, 2019, lessor arrangements with remaining terms in excess of one year included the bareboat charter of three U.S.-flag petroleum and chemical carriers, five U.S.-flag ocean liquid tank barges and six foreign-flag harbor tugs, the time charter of four U.S.-flag petroleum and chemical carriers, four U.S.-flag PCTCs, seven inland river towboats and one U.S.-flag offshore tug, and other non-vessel rental arrangements of certain property and equipment. As of September 30, 2019, future minimum lease revenues from these arrangements for the remainder of 2019 and in the years ended December 31 were as follows (in thousands):

	Total Minimum Lease		Net Minimum Lease
	Revenues	Leased-in Obligations ⁽¹⁾	Income
Remainder of 2019	\$ 33,817	\$ (7,995)	\$ 25,822
2020	142,748	(31,595)	111,153
2021	108,740	(29,590)	79,150
2022	54,374	(22,812)	31,562
2023	34,701	(11,315)	23,386
Years subsequent to 2023	87,375	(29,884)	57,491

(1) The total payments to be made under existing non-cancelable leases for the property and equipment subject to these future minimum lease revenues.

As of September 30, 2019, the major classes of owned property and equipment earning lease revenues were as follows (in thousands):

	Historical Cost	Accumulated Depreciation	Net Book Value
Ocean Services:			
Petroleum and chemical carriers - U.S.-flag	\$ 471,049	\$ (196,317)	\$ 274,732
Harbor and offshore tugs - U.S.-flag & foreign-flag	51,129	(16,696)	34,433
Ocean liquid tank barges - U.S.-flag	38,097	(14,649)	23,448
	<u>560,275</u>	<u>(227,662)</u>	<u>332,613</u>
Inland Services:			
Towboats	36,236	(3,086)	33,150
	<u>\$ 596,511</u>	<u>\$ (230,748)</u>	<u>\$ 365,763</u>

6. INCOME TAXES

The following table reconciles the difference between the statutory federal income tax rate and the Company's effective income tax rate for the nine months ended September 30, 2019:

Statutory rate	21.0 %
Income subject to tonnage tax	(3.7)%
Non-deductible expenses	1.0 %
Noncontrolling interests	(3.3)%
Foreign earnings not subject to U.S. income tax	(3.5)%
Foreign taxes not creditable against U.S. income tax	2.1 %
Subpart F income	0.9 %
State taxes	0.6 %
	<u>15.1 %</u>

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.

As of September 30, 2019, the Company's financial assets and liabilities that are measured at fair value on a recurring basis were as follows (in thousands):

	Level 1	Level 2	Level 3
ASSETS			
Cash, cash equivalents, restricted cash and restricted cash equivalents	\$ 78,036	\$ —	\$ —
Marketable securities ⁽¹⁾	6,038	—	—
Construction reserve funds	3,908	—	—

(1) Marketable security gains (losses), net include unrealized losses of \$0.1 million for the three months ended September 30, 2019 related to marketable security positions held by the Company as of September 30, 2019. Marketable security gains (losses), net include unrealized gains of \$0.3 million for the nine months ended September 30, 2019 related to marketable security positions held by the Company as of September 30, 2019.

As of September 30, 2019, the estimated fair values of the Company's other financial assets and liabilities were as follows (in thousands):

	Carrying Amount	Estimated Fair Value		
		Level 1	Level 2	Level 3
ASSETS				
Notes receivable from third parties (included in other receivables and other assets)	\$ 1,112	\$ —	\$ 1,112	\$ —
Investments, at cost, in 50% or less owned companies (included in other assets)	4,300	<i>see below</i>		
LIABILITIES				
Long-term debt, including current portion ⁽¹⁾	\$ 317,834	\$ —	\$ 334,623	\$ —

(1) The estimated fair value includes the embedded conversion options on the Company's 3.0% Convertible Senior Notes, 2.5% Convertible Senior Notes and 3.25% Convertible Senior Notes.

The fair value of the Company's long-term debt and notes receivable from third parties was estimated based upon quoted market prices or by using discounted cash flow analyses 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.

8. EQUITY TRANSACTIONS

Stock Repurchases. SEACOR's Board of Directors previously approved a securities repurchase plan that authorizes the Company to acquire its Securities through open market purchases, privately negotiated transactions or otherwise, depending on market conditions (see Note 4).

During the nine months ended September 30, 2019, the Company acquired 3,912 shares of Common Stock for treasury for an aggregate purchase price of \$0.1 million. As of September 30, 2019, the Company's repurchase authority for the Securities was \$131.7 million.

During the nine months ended September 30, 2019, the Company acquired 8,121 shares of Common Stock for treasury for an aggregate purchase price of \$0.4 million from its employees to cover their tax withholding obligations related to the vesting of equity awards. These shares were purchased in accordance with the terms of the Company's Share Incentive Plans and not pursuant to the repurchase authorizations granted by SEACOR's Board of Directors.

Stock Issuances. On August 2, 2019, the Company acquired the Remaining SEA-Vista Interest (See Note 1). As part of the consideration for the Remaining SEA-Vista Interest, the Company issued the Consideration Shares in a private placement exempt from registration under the Securities Act of 1933, as amended.

In connection with the issuance of the Consideration Shares, the Seller agreed to certain restrictions on its ability to dispose of the Consideration Shares pursuant to a Lock-Up Agreement, dated August 2, 2019, between the Company and the Seller (the “Lock-Up Agreement”). Pursuant to the Lock-Up Agreement, the Seller is prohibited from distributing the Consideration Shares to its limited partners prior to November 1, 2019 and from otherwise transferring or disposing of the Consideration Shares in any other manner on or prior to February 2, 2020. Any share distributed to the Seller’s limited partners would cease to be subjected to the Lock-Up Agreement. After February 2, 2020, one-third of the Consideration Shares cease to be subject to such restrictions, with another one-third of the Consideration Shares ceasing to be subject to such restrictions after August 2, 2020, and the final one-third of the Consideration Shares ceasing to be subject to such restrictions after February 2, 2021. The lock-up restrictions are subject to customary exceptions detailed in the Lock-Up Agreement. Additionally, for so long as the Seller beneficially owns shares of Common Stock representing 5% or more of the outstanding shares of Common Stock, the Lock-Up Agreement imposes certain standstill obligations on the Seller, including a restriction on its ability to acquire additional shares of Common Stock or to influence management of the Company.

9. NONCONTROLLING INTERESTS IN SUBSIDIARIES

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

	Noncontrolling Interests	September 30, 2019	December 31, 2018
Ocean Services:			
SEA-Vista	49%	\$ —	\$ 148,665
Inland Services:			
Other	3.0 % – 51.8%	779	862
Other	5.0%	4	161
		<u>\$ 783</u>	<u>\$ 149,688</u>

SEA-Vista. SEA-Vista owns and operates the Company’s fleet of U.S.-flag petroleum and chemical carriers used in the U.S. coastwise trade of crude oil, petroleum and specialty chemical products. On August 2, 2019, the Company acquired the Remaining SEA-Vista Interest (See Note 1). During the seven months ended July 31, 2019, the net income of SEA-Vista was \$14.8 million, of which \$7.2 million was attributable to noncontrolling interests. During the nine months ended September 30, 2018, the net income of SEA-Vista was \$32.6 million, of which \$16.0 million was attributable to noncontrolling interests.

10. MULTI-EMPLOYER AND DEFINED BENEFIT PENSION PLANS

AMOPP. During the nine months ended September 30, 2019, the Company received notification from the AMOPP that the Company’s withdrawal liability as of September 30, 2018, the latest period for which an actuarial valuation is available, would have been \$28.1 million. That liability may change in future years based on various factors, primarily employee census. As of September 30, 2019, the Company has no intention to withdraw from the AMOPP and no deficit amounts have been invoiced. Depending upon the results of the future actuarial valuations and the ten-year rehabilitation plan, it is possible that the AMOPP will experience further funding deficits, requiring the Company to recognize additional payroll related operating expenses in the periods invoices are received or contribution levels are increased.

11. SHARE BASED COMPENSATION

During the nine months ended September 30, 2019, transactions in connection with the Company’s share based compensation plans were as follows:

Director stock awards granted	1,625
Employee Stock Purchase Plan (“ESPP”) shares issued	44,383
Restricted stock awards granted	149,950
Stock Option Activities:	
Outstanding as of December 31, 2018	1,467,391
Granted	127,460
Exercised	(164,996)
Expired	(7,463)
Outstanding as of September 30, 2019	1,422,392
Shares available for future grants and ESPP purchases as of September 30, 2019	568,263

12. COMMITMENTS AND CONTINGENCIES

As of September 30, 2019, the Company's capital commitments by year of expected payment were as follows (in thousands):

	Remainder of 2019	2020	Total
Ocean Services	\$ 383	\$ 6,857	\$ 7,240
Inland Services	10,276	2,673	12,949
Other	1,156	—	1,156
	<u>\$ 11,815</u>	<u>\$ 9,530</u>	<u>\$ 21,345</u>

Ocean Services' capital commitments included the Company's interest in two foreign-flag rail ferries. Inland Services' capital commitments included two inland river towboats, other equipment and vessel and terminal improvements. Subsequent to September 30, 2019, the Company committed to purchase additional equipment for \$0.3 million.

During 2012, the Company sold National Response Corporation ("NRC"), NRC Environmental Services Inc., SEACOR Response Ltd., and certain other subsidiaries to J.F. Lehman & Company, a private equity firm (the "SES Business Transaction").

On December 15, 2010, O'Brien's Response Management L.L.C. ("ORM") and NRC were named as defendants in several "master complaints" filed in the overall multi-district litigation relating to the *Deepwater Horizon* oil spill response and clean-up in the Gulf of Mexico (the "DWH Response"), which is currently pending in the U.S. District Court for the Eastern District of Louisiana (the "MDL"). The "B3" master complaint naming ORM and NRC asserted various claims on behalf of a putative class against multiple defendants concerning the clean-up activities generally and the use of dispersants specifically. Both prior to and following the filing of the aforementioned "B3" master complaint, individual civil actions naming the Company, ORM, and/or NRC alleging B3 exposure-based injuries and/or damages were consolidated with the MDL and stayed pursuant to court order. On February 16, 2016, all but eleven "B3" claims against ORM and NRC were dismissed with prejudice (the "B3 Dismissal Order"). On August 2, 2016, the Court granted an omnibus motion for summary judgment as it concerns ORM and NRC in its entirety, dismissing the remaining eleven plaintiffs' claims against ORM and NRC with prejudice (the "Remaining Eleven Plaintiffs' Dismissal Order"). The deadline to appeal both of these orders has expired. The last remaining claim against the Company in connection with the "B3" master complaint was dismissed with prejudice, by an order of the Court granted on July 25, 2019.

On February 18, 2011, Triton Asset Leasing GmbH, Transocean Holdings LLC, Transocean Offshore Deepwater Drilling Inc., and Transocean Deepwater Inc. (collectively "Transocean") named ORM and NRC as third-party defendants in a Rule 14(c) Third-Party Complaint in Transocean's own Limitation of Liability Act action, which is part of the overall MDL, tendering to ORM and NRC the claims in the "B3" master complaint that have already been asserted against ORM and NRC. Various contribution and indemnity cross-claims and counterclaims involving ORM and NRC were subsequently filed. The Company believes that the potential exposure, if any, resulting therefrom has been reduced as a result of the various developments in the MDL, including the B3 Dismissal Order and Remaining Eleven Plaintiffs' Dismissal Order, and does not expect that these matters will have a material effect on its consolidated financial position, results of operations or cash flows.

Separately, on March 2, 2012, the Court announced that BP Exploration and Production Inc. ("BPXP") and BP America Production Company ("BP America," and with BPXP, "BP") and the Plaintiffs had reached an agreement on the terms of two proposed class action settlements that will resolve, among other things, Plaintiffs' economic loss and property damage claims and clean-up related claims against BP. The Company, ORM, and NRC had no involvement in negotiating or agreeing to the terms of either settlement, nor are they parties or signatories thereto. The BP settlement pertaining to personal injury claims (the "Medical Settlement") purported to resolve the "B3" claims asserted against BP and also established a right for class members to pursue individual claims against BP (but not ORM or NRC) for "later-manifested physical conditions," defined in the Medical Settlement to be physical conditions that were "first diagnosed" after April 16, 2012 and which are claimed to have resulted from exposure during the DWH Response. The back-end litigation-option ("BELO") provision of the Medical Settlement has specifically-delineated procedures and limitations, should any "B3" class member seek to invoke their BELO right. For example, there are limitations on the claims and defenses that can be asserted, as well as on the issues, elements, and proofs that may be litigated at any trial and the potential recovery for any Plaintiff. Notwithstanding that the Company, ORM, and NRC are listed on the Medical Settlement's release as to claims asserted by Plaintiffs, the Medical Settlement still permits BP to seek indemnity from any party, to the extent BP has a valid indemnity right. The Medical Settlement was approved by the Court on January 11, 2013 and made effective on February 12, 2014. As of mid-October 2019, BP has tendered approximately 2,360 claims pursuant to the Medical Settlement's BELO provision for indemnity to ORM and approximately 230 of such claims to NRC. Recently, 327 of the claims that were tendered by BP to ORM and 25 of the claims tendered to

NRC have been dismissed with prejudice. ORM and NRC have rejected all of BP's indemnity demands relating to the Medical Settlement's BELO provision and on February 14, 2019 commenced a legal action against BPXP and BP America with respect to same. That action, captioned *O'Brien's Response Management, L.L.C. et al. v. BP Exploration & Production Inc. et al.*, Case No. 2:19-CV-01418-CJB-JCW (E.D. La.) (the "Declaratory Judgment Action"), seeks declaratory relief that neither ORM nor NRC have any indemnity obligation to BP with respect to the exposure-based claims expressly contemplated by the Medical Settlement's BELO provision, nor any contribution, in light of BP's own actions and conduct over the past nine years (including its complete failure to even seek indemnity) and the resultant prejudice to ORM and NRC; that any indemnity or contribution rights BP may have once had with respect to these personal injury and exposure claims were extinguished once the Medical Settlement was approved by the MDL Court in 2013; and that the immunity already afforded to ORM and NRC via the B3 Dismissal Order and the Remaining Eleven Plaintiffs' Dismissal Order operates to bar any indemnity or contribution claims against them by BP. BP answered the Complaint in the Declaratory Judgment Action on May 7, 2019 and also asserted three counterclaims against ORM and NRC. ORM and NRC moved to dismiss the majority of BP's counterclaims on June 18, 2019 and that motion was denied without prejudice based on the Court's order for the parties to participate in early mediation per BP's request. Mediation proceedings occurred on September 5, 2019, and the parties exchanged information and dialogue in advance of those proceedings. BP asserted four additional counterclaims against ORM and NRC, as well as two claims against ORM's insurer (Navigators), on October 16, 2019, which ORM and NRC plan to move to dismiss. An in-court status conference on the progress of mediation is scheduled for November 6, 2019.

BP has also similarly tendered personal injury claims to ORM and NRC that are being pursued by Plaintiffs who opted out of the Medical Settlement and who are thus proceeding with their "B3" claims in their ordinary course (as opposed to pursuant to the Medical Settlement's BELO provision). ORM and NRC have also rejected these demands.

Generally, the Company, ORM, and NRC believe that BP's indemnity demands with respect to any "B3" claims, including those involving Medical Settlement class members invoking BELO rights and those involving Medical Settlement opt-out Plaintiffs, are untimely and improper, and intend to vigorously defend their interests. Moreover, ORM has contractual indemnity coverage for the above-referenced claims through its separate agreements with sub-contractors that worked for ORM during the DWH Response and have preserved their rights in that regard while the Declaratory Judgment Action is pending. Overall, however, the Company believes that both of BP's settlements have reduced the potential exposure in connection with the various cases relating to the DWH Response. The Company is unable to estimate the potential exposure, if any, resulting from these claims, but does not expect that they will have a material effect on its consolidated financial position, results of operations or cash flows.

In the ordinary course of the Company's business, it may agree to indemnify its counterparty to an agreement. If the indemnified party makes a successful claim for indemnification, the Company would be required to reimburse that party in accordance with the terms of the indemnification agreement. Indemnification agreements generally, but not always, are subject to threshold amounts, specified claim periods and other restrictions and limitations.

In connection with the SES Business Transaction, the Company remains contingently liable for work performed in connection with the DWH Response. Pursuant to the agreement governing the sale, the Company's potential liability to the purchaser may not exceed the consideration received by the Company for the SES Business Transaction. The Company is currently indemnified under contractual agreements with BP for the potential "B3" liabilities relating to the DWH Response; this indemnification is unrelated to, and thus not impacted by, the indemnification BP has demanded and discussed above.

In the ordinary 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.

13. SEGMENT INFORMATION

Accounting standards require public business enterprises to report information about each of their operating business segments that exceed certain quantitative thresholds or meet certain other reporting requirements. Operating business segments have been defined as components of an enterprise about which separate financial information is available and is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company's basis of measurement of segment profit or loss is as previously defined in the Company's Annual report on Form 10-K for the year ended December 31, 2018. Accounting standards also require companies to disaggregate revenues from contracts with customers into categories to depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The following tables summarize the operating results, capital expenditures, assets and disaggregated revenues of the Company's reportable segments.

	Ocean Services \$'000	Inland Services \$'000	Witt O'Brien's \$'000	Other \$'000	Corporate and Eliminations \$'000	Total \$'000
For the three months ended September 30, 2019						
Operating Revenues:						
External customers	102,661	72,020	24,342	1,635	—	200,658
Intersegment	—	—	3	—	(3)	—
	<u>102,661</u>	<u>72,020</u>	<u>24,345</u>	<u>1,635</u>	<u>(3)</u>	<u>200,658</u>
Costs and Expenses:						
Operating	66,888	62,775	16,323	1,404	(4)	147,386
Administrative and general	9,404	3,327	5,718	846	5,628	24,923
Depreciation and amortization	10,191	5,694	210	501	379	16,975
	<u>86,483</u>	<u>71,796</u>	<u>22,251</u>	<u>2,751</u>	<u>6,003</u>	<u>189,284</u>
Gains (Losses) on Asset Dispositions, Net	804	330	10	34	(33)	1,145
Operating Income (Loss)	<u>16,982</u>	<u>554</u>	<u>2,104</u>	<u>(1,082)</u>	<u>(6,039)</u>	<u>12,519</u>
Other Income (Expense):						
Foreign currency losses, net	(104)	(1,729)	—	—	(44)	(1,877)
Other, net	505	—	(1)	—	1	505
Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax	(242)	(1,084)	764	(56)	—	(618)
Segment Profit (Loss)	<u>17,141</u>	<u>(2,259)</u>	<u>2,867</u>	<u>(1,138)</u>		
Other Income (Expense) not included in Segment Profit (Loss)						(3,251)
Less Equity Losses included in Segment Profit (Loss)						618
Income Before Taxes and Equity Losses						<u>7,896</u>

	Ocean Services \$'000	Inland Services \$'000	Witt O'Brien's \$'000	Other \$'000	Corporate and Eliminations \$'000	Total \$'000
For the nine months ended September 30, 2019						
Operating Revenues:						
External customers	321,614	199,077	80,932	5,582	—	607,205
Intersegment	—	—	109	—	(109)	—
	<u>321,614</u>	<u>199,077</u>	<u>81,041</u>	<u>5,582</u>	<u>(109)</u>	<u>607,205</u>
Costs and Expenses:						
Operating	208,050	171,506	53,786	4,129	(103)	437,368
Administrative and general	29,025	9,816	18,951	2,522	18,069	78,383
Depreciation and amortization	30,758	17,118	625	1,483	1,136	51,120
	<u>267,833</u>	<u>198,440</u>	<u>73,362</u>	<u>8,134</u>	<u>19,102</u>	<u>566,871</u>
Gains (Losses) on Asset Dispositions, Net	1,170	1,080	10	32	(33)	2,259
Operating Income (Loss)	<u>54,951</u>	<u>1,717</u>	<u>7,689</u>	<u>(2,520)</u>	<u>(19,244)</u>	<u>42,593</u>
Other Income (Expense):						
Foreign currency losses, net	(150)	(1,461)	—	—	(52)	(1,663)
Other, net	(118)	—	(6)	—	10	(114)
Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax	569	(4,174)	569	(412)	—	(3,448)
Segment Profit (Loss)	<u>55,252</u>	<u>(3,918)</u>	<u>8,252</u>	<u>(2,932)</u>		
Other Income (Expense) not included in Segment Profit (Loss)						5,574
Less Equity Losses included in Segment Profit (Loss)						<u>3,448</u>
Income Before Taxes and Equity Losses						<u>46,390</u>
Capital Expenditures	<u>866</u>	<u>15,408</u>	<u>47</u>	<u>1,030</u>	<u>—</u>	<u>17,351</u>
As of September 30, 2019						
Property and Equipment:						
Historical cost	928,321	457,263	1,274	7,928	30,121	1,424,907
Accumulated depreciation	(370,679)	(210,629)	(1,106)	(1,951)	(23,362)	(607,727)
Net property and equipment	<u>557,642</u>	<u>246,634</u>	<u>168</u>	<u>5,977</u>	<u>6,759</u>	<u>817,180</u>
Operating Lease Right-of-Use Assets	115,840	33,059	3,442	—	1,123	153,464
Investments, at Equity, and Advances to 50% or Less Owned Companies	77,203	55,777	904	21,084	—	154,968
Inventories	2,056	2,729	193	246	—	5,224
Goodwill	1,852	2,310	28,506	—	—	32,668
Intangible Assets	7,969	7,870	6,045	—	—	21,884
Other current and long-term assets, excluding cash and near cash assets ⁽¹⁾	65,069	73,818	104,206	3,377	10,406	256,876
Segment Assets	<u>827,631</u>	<u>422,197</u>	<u>143,464</u>	<u>30,684</u>		
Cash and near cash assets ⁽¹⁾						87,982
Total Assets						<u>1,530,246</u>

(1) Cash and near cash assets includes cash, cash equivalents, restricted cash, restricted cash equivalents, marketable securities and construction reserve funds.

	Ocean Services \$'000	Inland Services \$'000	Witt O'Brien's \$'000	Other \$'000	Corporate and Eliminations \$'000	Total \$'000
For the nine months ended September 30, 2019						
Revenues from Contracts with Customers:						
Voyage charters	37,722	—	—	—	—	37,722
Contracts of affreightment	17,835	149,841	—	—	—	167,676
Tariff	60,877	—	—	—	—	60,877
Unit freight	46,230	—	—	—	—	46,230
Terminal operations	—	12,998	—	—	—	12,998
Fleeting operations	—	13,146	—	—	—	13,146
Logistics Services	—	11,574	—	—	—	11,574
Time and material contracts	—	—	69,977	—	—	69,977
Retainer contracts	—	—	7,392	—	—	7,392
Product sales ⁽¹⁾	—	—	—	4,104	—	4,104
Other	2,888	3,539	3,672	794	(109)	10,784
Lease Revenues:						
Time charter, bareboat charter and rental income	156,062	7,979	—	684	—	164,725
	<u>321,614</u>	<u>199,077</u>	<u>81,041</u>	<u>5,582</u>	<u>(109)</u>	<u>607,205</u>

(1) Cost of goods sold related to product sales was \$ 3.5 million.

	Ocean Services \$'000	Inland Services \$'000	Witt O'Brien's \$'000	Other \$'000	Corporate and Eliminations \$'000	Total \$'000
For the three months ended September 30, 2018						
Operating Revenues:						
External customers	109,939	78,845	30,259	1,214	—	220,257
Intersegment	—	—	8	—	(8)	—
	<u>109,939</u>	<u>78,845</u>	<u>30,267</u>	<u>1,214</u>	<u>(8)</u>	<u>220,257</u>
Costs and Expenses:						
Operating	64,683	65,667	16,240	957	(18)	147,529
Administrative and general	9,170	3,230	7,389	606	5,688	26,083
Depreciation and amortization	11,298	6,197	492	202	427	18,616
	<u>85,151</u>	<u>75,094</u>	<u>24,121</u>	<u>1,765</u>	<u>6,097</u>	<u>192,228</u>
Gains on Asset Dispositions	5,505	513	—	—	—	6,018
Operating Income (Loss)	<u>30,293</u>	<u>4,264</u>	<u>6,146</u>	<u>(551)</u>	<u>(6,105)</u>	<u>34,047</u>
Other Income (Expense):						
Foreign currency losses, net	(24)	(282)	(12)	—	(10)	(328)
Other, net	(96)	—	—	452	1	357
Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax	2,073	(1,245)	(13)	6	—	821
Segment Profit (Loss)	<u>32,246</u>	<u>2,737</u>	<u>6,121</u>	<u>(93)</u>		
Other Income (Expense) not included in Segment Profit (Loss)						(4,332)
Less Equity Earnings included in Segment Profit (Loss)						(821)
Income Before Taxes and Equity Earnings						<u>29,744</u>

	Ocean Services \$'000	Inland Services \$'000	Witt O'Brien's \$'000	Other \$'000	Corporate and Eliminations \$'000	Total \$'000
For the nine months ended September 30, 2018						
Operating Revenues:						
External customers	317,478	208,175	93,960	2,299	—	621,912
Intersegment	—	—	47	—	(47)	—
	<u>317,478</u>	<u>208,175</u>	<u>94,007</u>	<u>2,299</u>	<u>(47)</u>	<u>621,912</u>
Costs and Expenses:						
Operating	205,060	176,209	58,945	1,349	(89)	441,474
Administrative and general	30,047	9,758	17,896	1,290	17,198	76,189
Depreciation and amortization	35,563	18,674	1,284	264	1,284	57,069
	<u>270,670</u>	<u>204,641</u>	<u>78,125</u>	<u>2,903</u>	<u>18,393</u>	<u>574,732</u>
Gains on Asset Dispositions	7,391	6,178	—	—	—	13,569
Operating Income (Loss)	<u>54,199</u>	<u>9,712</u>	<u>15,882</u>	<u>(604)</u>	<u>(18,440)</u>	<u>60,749</u>
Other Income (Expense):						
Foreign currency gains (losses), net	(151)	238	(27)	1	(45)	16
Other, net	585	14	—	54,354	(2)	54,951
Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax	<u>3,655</u>	<u>(3,115)</u>	<u>90</u>	<u>1,285</u>	<u>—</u>	<u>1,915</u>
Segment Profit	<u>58,288</u>	<u>6,849</u>	<u>15,945</u>	<u>55,036</u>		
Other Income (Expense) not included in Segment Profit						(25,929)
Less Equity Earnings included in Segment Profit						(1,915)
Income Before Taxes and Equity Earnings						<u>89,787</u>
Capital Expenditures	<u>38,786</u>	<u>4,075</u>	<u>—</u>	<u>747</u>	<u>128</u>	<u>43,736</u>
As of September 30, 2018						
Property and Equipment:						
Historical cost	929,825	437,510	1,227	5,192	30,132	1,403,886
Accumulated depreciation	(331,625)	(190,493)	(1,007)	(265)	(21,789)	(545,179)
Net property and equipment	<u>598,200</u>	<u>247,017</u>	<u>220</u>	<u>4,927</u>	<u>8,343</u>	<u>858,707</u>
Investments, at Equity, and Advances to 50% or Less Owned Companies	62,999	61,304	345	24,536	—	149,184
Inventories	2,509	2,258	214	158	—	5,139
Goodwill	1,852	2,409	28,506	—	—	32,767
Intangible Assets	9,297	9,365	7,062	—	—	25,724
Other current and long-term assets, excluding cash and near cash assets ⁽¹⁾	54,416	78,461	63,578	2,177	12,807	211,439
Segment Assets	<u>729,273</u>	<u>400,814</u>	<u>99,925</u>	<u>31,798</u>		<u>374,907</u>
Cash and near cash assets ⁽¹⁾						<u>374,907</u>
Total Assets						<u>1,657,867</u>

(1) Cash and near cash assets includes cash, cash equivalents, restricted cash, restricted cash equivalents, marketable securities and construction reserve funds.

	Ocean Services \$'000	Inland Services \$'000	Witt O'Brien's \$'000	Other \$'000	Corporate and Eliminations \$'000	Total \$'000
For the nine months ended September 30, 2018						
Revenues from Contracts with Customers:						
Voyage charters	66,496	—	—	—	—	66,496
Contracts of affreightment	9,101	158,134	—	—	—	167,235
Tariff	53,777	—	—	—	—	53,777
Unit freight	43,384	—	—	—	—	43,384
Terminal operations	—	16,784	—	—	—	16,784
Fleeting operations	—	13,464	—	—	—	13,464
Logistics Services	—	10,506	—	—	—	10,506
Time and material contracts	—	—	84,896	—	—	84,896
Retainer contracts	—	—	7,456	—	—	7,456
Product sales ⁽¹⁾	—	—	—	1,618	—	1,618
Other	2,414	3,751	1,655	425	(47)	8,198
Lease Revenues:						
Time charter, bareboat charter and rental income	142,306	5,536	—	256	—	148,098
	<u>317,478</u>	<u>208,175</u>	<u>94,007</u>	<u>2,299</u>	<u>(47)</u>	<u>621,912</u>

(1) Cost of goods sold related to product sales was \$ 1.2 million.

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 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. Forward-looking statements are inherently uncertain and subject to a variety of assumptions, risks and uncertainties that could cause actual results to differ materially from those anticipated or expected by management of the Company. 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 risks relating to 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, increased government legislation and regulation of the Company's businesses that could increase the cost of operations, increased competition if the Jones Act is repealed, liability, legal fees and costs in connection with the provision of emergency response services, 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 in foreign and domestic oil and gas exploration and production activity, safety record requirements related to Ocean Services, decreased demand for Ocean Services due to construction of additional refined petroleum product, natural gas or crude oil pipelines or due to decreased demand for refined petroleum products, crude oil or chemical products or a change in existing methods of delivery, compliance with U.S. and foreign government laws and regulations, including environmental laws and regulations and economic sanctions, the dependence of Ocean Services and Inland Services 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 Shipping Acts on the amount of foreign ownership of the Company's Common Stock, operational risks of Ocean Services and Inland Services, effects of adverse weather conditions and seasonality, the level of grain export volume, the effect of fuel prices on barge towing costs, variability in freight rates for inland river barges, the effect of international economic and political factors on Inland Services' operations, the ability to realize anticipated benefits from acquisitions and other strategic transactions, adequacy of insurance coverage, the attraction and retention of qualified personnel by the Company, changes in U.S. and international trade policies 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. Given these factors, 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's operations are divided into three main business segments – Ocean Transportation & Logistics Services ("Ocean Services"), Inland Transportation & Logistics Services ("Inland Services") and Witt O'Brien's. The Company also has activities that are referred to and described under Other that primarily includes CLEANCOR Energy Solutions LLC and its subsidiaries (collectively "Cleancor"), lending and leasing activities and noncontrolling investments in various other businesses.

Recent Developments

On August 2, 2019, the Company, through certain subsidiaries, became the sole owner of the SEA-Vista joint venture by acquiring the 49% interest (the "Remaining SEA-Vista Interest") that had been owned by ACP III Tankers, LLC, ("Seller") an affiliate of Avista Capital Partners. As consideration for the Remaining SEA-Vista Interest, SEACOR issued 1,500,000 shares of its SEACOR common stock, par value \$0.01 per share ("Common Stock") to the Seller and the Company paid \$107.7 million in cash, inclusive of expenses related to the transaction.

In connection with the issuance of the Consideration Shares, the Seller agreed to certain restrictions on its ability to dispose of the Consideration Shares pursuant to a Lock-Up Agreement, dated August 2, 2019, between the Company and the Seller (the “Lock-Up Agreement”). Pursuant to the Lock-Up Agreement, the Seller is prohibited from distributing the Consideration Shares to its limited partners prior to November 1, 2019 and from otherwise transferring or disposing of the Consideration Shares in any other manner on or prior to February 2, 2020. Any share distributed to the Seller’s limited partners would cease to be subject to the Lock-Up Agreement. After February 2, 2020, one-third of the Consideration Shares cease to be subject to such restrictions, with another one-third of the Consideration Shares ceasing to be subject to such restrictions after August 2, 2020, and the final one-third of the Consideration Shares ceasing to be subject to such restrictions after February 2, 2021. The lock-up restrictions are subject to customary exceptions detailed in the Lock-Up Agreement. Additionally, for so long as the Seller beneficially owns shares of Common Stock representing 5% or more of the outstanding shares of Common Stock, the Lock-Up Agreement imposes certain standstill obligations on the Seller, including a restriction on its ability to acquire additional shares of Common Stock or to influence management of the Company.

Consolidated Results of Operations

The sections below provide an analysis of the Company’s operations by business segment for the three months (“Current Year Quarter”) and nine months (“Current Nine Months”) ended September 30, 2019 compared with the three months (“Prior Year Quarter”) and nine months (“Prior Nine Months”) ended September 30, 2018. See “Item 1. Financial Statements—Note 13. Segment Information” included in Part I of this Quarterly Report on Form 10-Q for consolidating segment tables for each period presented. Capitalized terms used and not specifically defined herein have the meaning given to those terms used in the Company’s Annual Report on Form 10-K for the year ended December 31, 2018.

Ocean Transportation & Logistics Services

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2019		2018		2019		2018	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Operating Revenues:								
United States	81,995	80	88,365	80	262,655	82	257,938	81
Foreign	20,666	20	21,574	20	58,959	18	59,540	19
	102,661	100	109,939	100	321,614	100	317,478	100
Costs and Expenses:								
Operating:								
Personnel	23,857	23	23,124	21	70,768	22	69,007	22
Repairs and maintenance	4,717	5	5,584	5	16,937	5	17,185	5
Dry-docking	6,093	6	1,888	2	12,296	4	11,484	4
Insurance and loss reserves	2,383	2	1,691	2	6,226	2	5,225	2
Fuel, lubes and supplies	7,633	7	9,067	8	25,403	8	27,690	9
Leased-in equipment	10,693	11	8,452	8	33,819	11	30,965	10
Other	11,512	11	14,877	13	42,601	13	43,504	13
	66,888	65	64,683	59	208,050	65	205,060	65
Administrative and general	9,404	9	9,170	8	29,025	9	30,047	9
Depreciation and amortization	10,191	10	11,298	10	30,758	9	35,563	11
	86,483	84	85,151	77	267,833	83	270,670	85
Gains on Asset Dispositions, Net	804	1	5,505	5	1,170	—	7,391	2
Operating Income	16,982	17	30,293	28	54,951	17	54,199	17
Other Income (Expense):								
Foreign currency losses, net	(104)	—	(24)	—	(150)	—	(151)	—
Other, net	505	—	(96)	—	(118)	—	585	—
Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax	(242)	—	2,073	1	569	—	3,655	1
Segment Profit ⁽¹⁾	17,141	17	32,246	29	55,252	17	58,288	18

(1) Includes amounts attributable to both SEACOR and noncontrolling interests. See "Item 1. Financial Statements—Note 9. Noncontrolling Interests in Subsidiaries" included in Part I of this Quarterly Report on Form 10-Q.

Operating Revenues by Service Line. The table below sets forth, for the periods indicated, operating revenues by service line.

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2019		2018		2019		2018	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Operating Revenues:								
Bulk Transportation Services:								
Petroleum and chemical:								
Time charter	24,549	24	27,293	25	80,705	25	76,510	24
Bareboat charter	7,075	7	9,252	8	21,475	6	27,453	8
Voyage charter	2,803	3	4,443	4	4,135	1	11,833	4
Dry bulk:								
Contracts of affreightment	7,211	7	1,236	1	17,836	5	9,101	3
Voyage charter	2,173	2	9,542	9	6,115	2	18,751	6
Port & Infrastructure Services:								
Tariff	18,915	18	17,237	16	60,877	19	53,777	17
Time charter	1,857	2	1,233	1	5,032	2	3,755	1
Bareboat charter	1,664	2	1,877	1	5,034	2	5,555	2
Logistics Services:								
Time charter ⁽¹⁾	14,534	14	10,692	10	43,815	14	29,033	9
Voyage charter	6,994	7	11,253	10	27,472	9	35,912	11
Unit freight	13,919	13	14,964	14	46,230	14	43,384	14
Managed Services	967	1	917	1	2,888	1	2,414	1
	<u>102,661</u>	<u>100</u>	<u>109,939</u>	<u>100</u>	<u>321,614</u>	<u>100</u>	<u>317,478</u>	<u>100</u>

(1) Includes MSP revenues of \$4.3 million and \$12.0 million for the three and nine months ended September 30, 2019 and \$4.8 million and \$14.8 million for the three and nine months ended September 30, 2018, respectively.

Current Year Quarter compared with Prior Year Quarter

Operating Revenues. Operating revenues were \$7.3 million lower.

Operating revenues from bulk transportation services were \$8.0 million lower. Operating revenues from petroleum and chemical transportation services were \$6.6 million lower primarily due to the return of one previously leased-in U.S.-flag petroleum and chemical carrier in January 2019, out-of-service time for the regulatory dry-docking of one U.S.-flag petroleum and chemical carrier, a decrease in the time charter rate for another U.S.-flag petroleum and chemical carrier and lower spot market activity. Operating revenues from dry bulk transportation services were \$1.4 million lower primarily due to lower activity.

Operating revenues from port and infrastructure services were \$2.1 million higher primarily due to higher port traffic.

Operating revenues from logistics services were \$1.5 million lower primarily due to lower military and commercial cargo activity, partially offset by an increase in shipping demand following the impact of Hurricane *Dorian* in the Bahamas. The changes in time charter and voyage charter revenues were primarily the result of changes in contract status for military cargo activity.

Operating Expenses. Operating expenses were \$2.2 million higher primarily due to higher regulatory dry-docking costs and higher leased-in equipment expenses. Leased-in equipment expense in the Prior Year Quarter was lower primarily due to the amortization of previously deferred gains. These increases were partially offset by lower voyage costs for dry bulk transportation and logistics services as a consequence of the decreased revenues discussed above.

Depreciation and Amortization. Depreciation and amortization expenses were \$1.1 million lower primarily due to the U.S.-flag bulk carriers being fully depreciated during 2018.

Gains on Asset Dispositions, Net. During the Current Year Quarter, the Company recognized \$0.8 million of previously deferred gains following the repayment of a note receivable related to the sale of one harbor tug. During the Prior Year Quarter, the Company recognized previously deferred gains of \$5.5 million due to a change in the lease duration for one U.S.-flag petroleum and chemical carrier.

Operating Income. Excluding gains on asset dispositions, net, operating income as a percentage of operating revenues was 16% in the Current Year Quarter compared with 23% in the Prior Year Quarter. The decrease was primarily due to lower operating revenues, higher dry-docking activity and leased-in equipment costs, partially offset by lower voyage costs.

Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax. The Company recognized equity in losses of 50% or less owned companies, net of tax, of \$0.2 million in the Current Year Quarter compared with equity in earnings of 50% or less owned companies, net of tax, of \$2.1 million in the Prior Year Quarter. The decrease was primarily due to lower earnings from Trailer Bridge associated with increased capacity in the Puerto Rico liner trade.

Current Nine Months compared with Prior Nine Months

Operating Revenues. Operating revenues were \$4.1 million higher.

Operating revenues from bulk transportation services were \$13.4 million lower. Operating revenues from petroleum and chemical transportation services were \$9.5 million lower primarily due to the return of one previously leased-in U.S.-flag petroleum and chemical carrier in January 2019, the scrapping of another U.S.-flag petroleum and chemical carrier in the Prior Nine Months, more out-of-service time for regulatory dry-dockings and repairs, a decrease in the time charter rate for one U.S.-flag petroleum and chemical carrier, and lower spot market activity. Operating revenues from dry bulk transportation services were \$3.9 million lower primarily due to lower activity.

Operating revenues from port and infrastructure services were \$7.9 million higher primarily due to higher port traffic.

Operating revenues from logistics services were \$9.2 million higher primarily due to higher military cargo activity and an increase in shipping demand following the impact of Hurricane *Dorian* in the Bahamas. The changes in time charter and voyage charter revenues were primarily the result of changes in contract status for military cargo activity.

Operating Expenses. Operating expenses were \$3.0 million higher primarily due to higher personnel expenses primarily due to pre-negotiated rate increases under the terms of certain collective bargaining agreements, higher overall regulatory dry-docking costs and higher leased-in equipment expenses. Leased-in equipment expense in the Prior Nine Months was lower primarily due to the amortization of previously deferred gains. These increases were partially offset by lower voyage costs for bulk transportation services primarily due to the decreased revenues for dry bulk carriers discussed above and a change in contract status from voyage charter to time charter in the fourth quarter of 2018 for one U.S.-flag petroleum and chemical carrier.

Administrative and General. Administrative and general expenses were \$1.0 million lower primarily due to lower legal and professional fees.

Depreciation and Amortization. Depreciation and amortization expenses were \$4.8 million lower primarily due to the U.S.-flag bulk carriers being fully depreciated during 2018.

Gains on Asset Dispositions, Net. During the Current Nine Months, the Company recognized \$1.2 million of previously deferred gains following the repayment of notes receivable related to the sale of one harbor tug and real property. During the Prior Nine Months, the Company sold one U.S.-flag petroleum and chemical carrier, one U.S.-flag harbor tug and other equipment for net proceeds of \$5.1 million and gains of \$1.9 million. In addition, the Company recognized previously deferred gains of \$5.5 million due to a change in the lease duration for one U.S.-flag petroleum and chemical carrier.

Operating Income. Excluding gains on asset dispositions, net, operating income as a percentage of operating revenues was 17% in the Current Nine Months compared with 15% in the Prior Nine Months. The improvement was primarily due to, lower depreciation and amortization expenses.

Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax. The Company recognized equity in earnings of 50% or less owned companies, net of tax, of \$0.6 million in the Current Nine Months compared with \$3.7 million in the Prior Nine Months. The decrease was primarily due to lower earnings from Trailer Bridge associated with increased capacity in the Puerto Rico liner trade. Equity in earnings (losses) of 50% or less owned companies, net of tax, included losses in the Prior Nine Months from the Company's rail ferry joint ventures (RF Vessel Holdings and Golfo de Mexico) as a consequence of out-of-service time and associated dry-docking costs and repair and maintenance expenses for the rail ferries.

Fleet Count

The composition of Ocean Services' fleet as of September 30 was as follows:

	Owned	Leased-in	Joint Ventured	Total
2019				
Bulk Transportation Services:				
Petroleum and chemical carriers - U.S.-flag	7	2	—	9
Bulk carriers - U.S.-flag	2	—	—	2
Port & Infrastructure Services:				
Harbor tugs - U.S.-flag	19	5	—	24
Harbor tugs - Foreign-flag	6	—	2	8
Offshore tugs - U.S.-flag	1	—	—	1
Ocean liquid tank barges - U.S.-flag	5	—	—	5
Ocean liquid tank barges - Foreign-flag	—	—	1	1
Specialty vessels - Foreign-flag ⁽¹⁾	—	—	2	2
Logistics Services:				
PCTC ⁽²⁾ - U.S.-flag	—	4	—	4
Short-sea container/RORO ⁽³⁾ vessels - Foreign-flag	8	—	—	8
RORO ⁽³⁾ & deck barges - U.S.-flag	—	—	7	7
Rail ferries - Foreign-flag	—	—	2	2
	48	11	14	73
2018				
Bulk Transportation Services:				
Petroleum and chemical carriers - U.S.-flag	7	3	—	10
Bulk carriers - U.S.-flag	2	—	—	2
Port & Infrastructure Services:				
Harbor tugs - U.S.-flag	19	5	—	24
Harbor tugs - Foreign-flag	6	—	2	8
Offshore tugs - U.S.-flag	1	—	—	1
Ocean liquid tank barges - U.S.-flag	5	—	—	5
Ocean liquid tank barges - Foreign-flag	—	—	1	1
Logistics Services:				
PCTC ⁽²⁾ - U.S.-flag	—	4	—	4
Short-sea container/RORO ⁽³⁾ vessels - Foreign-flag	9	—	—	9
RORO ⁽³⁾ & deck barges - U.S.-flag	—	—	7	7
Rail ferries - Foreign-flag	—	—	2	2
	49	12	12	73

- (1) One line handling and one crew transport vessel.
(2) Pure Car/Truck Carrier.
(3) Roll On/Roll Off.

Inland Transportation & Logistics Services

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2019		2018		2019		2018	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Operating Revenues:								
United States	69,736	97	76,367	97	191,941	96	200,247	96
Foreign	2,284	3	2,478	3	7,136	4	7,928	4
	<u>72,020</u>	<u>100</u>	<u>78,845</u>	<u>100</u>	<u>199,077</u>	<u>100</u>	<u>208,175</u>	<u>100</u>
Costs and Expenses:								
Operating:								
Barge logistics	41,985	58	45,549	58	112,151	56	127,135	61
Personnel	4,990	7	4,220	5	13,767	7	13,271	7
Repairs and maintenance	1,921	3	1,554	2	4,759	2	4,310	2
Insurance and loss reserves	822	1	712	1	2,897	1	1,954	1
Fuel, lubes and supplies	1,724	2	1,950	2	5,408	3	5,783	3
Leased-in equipment	3,472	5	2,980	4	10,590	5	7,000	3
Other	4,530	6	4,614	6	12,838	7	12,473	6
Net barge pool earnings attributable to third parties	3,331	5	4,088	5	9,096	5	4,283	2
	<u>62,775</u>	<u>87</u>	<u>65,667</u>	<u>83</u>	<u>171,506</u>	<u>86</u>	<u>176,209</u>	<u>85</u>
Administrative and general	3,327	5	3,230	4	9,816	5	9,758	4
Depreciation and amortization	5,694	8	6,197	8	17,118	9	18,674	9
	<u>71,796</u>	<u>100</u>	<u>75,094</u>	<u>95</u>	<u>198,440</u>	<u>100</u>	<u>204,641</u>	<u>98</u>
Gains on Asset Dispositions	330	1	513	—	1,080	1	6,178	3
Operating Income	<u>554</u>	<u>1</u>	<u>4,264</u>	<u>5</u>	<u>1,717</u>	<u>1</u>	<u>9,712</u>	<u>5</u>
Other Income:								
Foreign currency gains (losses), net	(1,729)	(2)	(282)	—	(1,461)	(1)	238	—
Other, net	—	—	—	—	—	—	14	—
Equity in Losses of 50% or Less Owned Companies, Net of Tax	(1,084)	(2)	(1,245)	(2)	(4,174)	(2)	(3,115)	(2)
Segment Profit (Loss) ⁽¹⁾	<u>(2,259)</u>	<u>(3)</u>	<u>2,737</u>	<u>3</u>	<u>(3,918)</u>	<u>(2)</u>	<u>6,849</u>	<u>3</u>

(1) Includes amounts attributable to both SEACOR and noncontrolling interests. See "Item 1. Financial Statements—Note 9. Noncontrolling Interests in Subsidiaries" included in Part I of this Quarterly Report on Form 10-Q.

Operating Revenues by Service Line. The table below sets forth, for the periods indicated, operating revenues by service line.

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2019		2018		2019		2018	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Operating Revenues:								
Bulk Transportation Services:								
Dry-cargo barge pools ⁽¹⁾	52,762	73	59,354	75	142,705	72	150,206	72
Charter-out of dry-cargo barges	—	—	—	—	—	—	5	—
International liquid tank barge operations	2,285	3	2,477	3	7,136	3	7,928	4
Boat, specialty barge and other operations	1,745	2	915	1	5,084	2	2,690	1
Port & Infrastructure Services:								
Terminal operations	4,722	7	5,298	7	13,980	7	17,947	9
Fleeting operations	5,895	8	5,209	7	15,235	8	15,330	7
Machine shop and shipyard	670	1	842	1	1,924	1	2,157	1
Logistics Services	3,461	5	4,292	5	11,574	6	10,506	5
Managed Services	480	1	458	1	1,439	1	1,406	1
	<u>72,020</u>	<u>100</u>	<u>78,845</u>	<u>100</u>	<u>199,077</u>	<u>100</u>	<u>208,175</u>	<u>100</u>

(1) Operating revenues for the three and nine months ended September 30, 2019, includes \$22.8 million and \$61.6 million, respectively, attributable to third-party barge owners participating in dry-cargo barge pools managed by the Company. Operating revenues for the three and nine months ended September 30, 2018, includes \$25.4 million and \$63.2 million, respectively, attributable to third-party barge owners participating in dry-cargo barge pools managed by the Company.

Operating Revenues. Operating revenues were \$6.8 million lower in the Current Year Quarter compared with the Prior Year Quarter and \$9.1 million lower in the Current Nine Months compared with the Prior Nine Months. Operating revenues in the Current Year Quarter and Current Nine Months were impacted by prolonged flooding throughout the U.S. Inland Waterways resulting in a severe disruption in bulk transportation and port and infrastructure services.

Operating revenues from bulk transportation services were \$6.0 million lower in the Current Year Quarter compared with the Prior Year Quarter and \$5.9 million lower in the Current Nine Months compared with the Prior Nine Months. Operating revenues for the dry-cargo barge pools were \$6.6 million lower in the Current Year Quarter compared with the Prior Year Quarter and \$7.5 million lower in the Current Nine Months compared with the Prior Nine Months primarily due to the severe disruption to bulk transportation services from flooding and weaker export demand due to the placement of tariffs on certain goods. Operating revenues from boat, specialty barge and other operations were \$0.8 million higher in the Current Year Quarter compared with the Prior Year Quarter and \$2.4 million higher in the Current Nine Months compared with the Prior Nine Months primarily due to the adoption of the new lease accounting standard.

Operating revenues from port and infrastructure services were \$0.1 million lower in the Current Year Quarter compared with the Prior Year Quarter and \$4.3 million lower in the Current Nine Months compared with the Prior Nine Months. Prolonged flooding and a 45-day closure of the St. Louis harbor in the Current Nine Months restricted activity for the Company's terminal operations. Volumes handled by the Company's terminals in the St. Louis area were approximately 16% lower in the Current Year Quarter compared with the Prior Year Quarter and approximately 26% lower in the Current Nine Months compared with the Prior Nine Months.

Operating revenues from logistics services were \$0.8 million lower in the Current Year Quarter compared with the Prior Year Quarter and \$1.1 million higher in the Current Nine Months compared with the Prior Nine Months. Operating revenues in the Current Year Quarter were lower primarily due to a decrease in container movements as a result of the placement of tariffs on certain goods. Operating revenues in the Current Nine Months were higher primarily due to an increase in container movements.

Operating Expenses. Operating expenses were \$2.9 million lower in the Current Year Quarter compared with the Prior Year Quarter and \$4.7 million lower in the Current Nine Months compared with the Prior Nine Months.

Barge logistics expenses were \$3.6 million lower in the Current Year Quarter compared with the Prior Year Quarter and \$15.0 million lower in the Current Nine Months compared with the Prior Nine Months primarily due to lower towing and switching costs as a consequence of the severe disruption to bulk transportation services caused by flooding. Personnel costs were \$0.8 million higher in the Current Year Quarter compared with the Prior Year Quarter and \$0.5 million higher in the

Current Nine Months compared with the Prior Nine Months primarily due to an increase in outside labor and overtime necessary to complete repairs and cleaning of the Company's terminal locations damaged by flooding. Insurance and loss reserves were \$0.1 million higher in the Current Year Quarter compared with the Prior Year Quarter and \$0.9 million higher in the Current Nine Months compared with the Prior Nine Months primarily due to higher insurance claims deductibles. Leased-in equipment expenses were \$0.5 million higher in the Current Year Quarter compared with the Prior Year Quarter and \$3.6 million higher in the Current Nine Months compared with the Prior Nine Months primarily due to the adoption of the new lease accounting standard.

Depreciation and Amortization. Depreciation and amortization expenses were \$0.5 million lower in the Current Year Quarter compared with the Prior Year Quarter and \$1.6 million lower in the Current Nine Months compared with the Prior Nine Months primarily due to certain liquid terminal assets being fully depreciated during 2018.

Gains on Asset Dispositions. During the Current Year Quarter and Prior Year Quarter, the Company recognized previously deferred gains of \$0.3 million and \$0.5 million, respectively. During the Current Nine Months, the Company recognized previously deferred gains of \$1.0 million. During the Prior Nine Months, the Company sold 32 dry-cargo barges, two specialty barges and other equipment for net proceeds of \$10.9 million and gains of \$4.7 million. In addition, the Company recognized previously deferred gains of \$1.5 million.

Operating Income. Excluding gains on asset dispositions, operating income as a percentage of operating revenues was 0% in the Current Year Quarter compared with 5% in the Prior Year Quarter and 0% in the Current Nine Months compared with 2% in the Prior Nine Months. Operating results continued to be negatively impacted by the prolonged flooding throughout the U.S. Inland Waterways resulting in a severe disruption to bulk transportation and port and infrastructure services and the placement of tariffs on certain goods.

Foreign currency gains (losses), net. Foreign currency gains (losses), net in all periods were primarily due to movements in the exchange rate of the Colombian peso in relation to the U.S. dollar underlying certain of the Company's intercompany lease obligations.

Equity in Losses of 50% or Less Owned Companies, Net of Tax. Equity in losses of 50% or less owned companies, net of tax, were \$1.1 million higher in the Current Nine Months compared with the Prior Nine Months. Equity earnings from SCF Bunge Marine, the Company's joint venture that operates towboats on the U.S. Inland Waterways, were \$1.4 million lower during the Current Nine Months compared to the Prior Nine Months primarily due to the continued flooding resulting in poor operating conditions, tow size restrictions and periodic river and harbor closures.

Fleet Count

The composition of Inland Services' fleet as of September 30 was as follows:

	Owned	Leased-in	Joint Ventured	Pooled	Total
2019					
Bulk Transportation Services:					
Dry-cargo barges	586	48	258	482	1,374
Liquid tank barges	20	—	—	—	20
Specialty barges	5	—	—	—	5
Towboats:					
4,000 hp - 6,600 hp	3	4	11	—	18
3,300 hp - 3,900 hp	1	—	2	—	3
Less than 3,300 hp	2	—	—	—	2
Port & Infrastructure Services:					
Harbor boats:					
1,100 hp - 2,000 hp	12	6	—	—	18
Less than 1,100 hp	6	—	—	—	6
Logistics Services:					
Dry-cargo barges	25	2	—	6	33
	<u>660</u>	<u>60</u>	<u>271</u>	<u>488</u>	<u>1,479</u>
2018					
Bulk Transportation Services:					
Dry-cargo barges	585	48	258	481	1,372
Liquid tank barges	20	—	—	—	20
Specialty barges	5	—	—	—	5
Towboats:					
4,000 hp - 6,600 hp	3	4	11	—	18
3,300 hp - 3,900 hp	1	—	2	—	3
Less than 3,300 hp	2	—	—	—	2
Port & Infrastructure Services:					
Harbor boats:					
1,100 hp - 2,000 hp	12	6	—	—	18
Less than 1,100 hp	6	—	—	—	6
Logistics Services:					
Dry-cargo barges	26	2	—	7	35
	<u>660</u>	<u>60</u>	<u>271</u>	<u>488</u>	<u>1,479</u>

Witt O'Brien's

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2019		2018		2019		2018	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Operating Revenues:								
United States	22,640	93	29,388	97	78,458	97	92,132	98
Foreign	1,705	7	879	3	2,583	3	1,875	2
	24,345	100	30,267	100	81,041	100	94,007	100
Costs and Expenses:								
Operating	16,323	67	16,240	54	53,786	67	58,945	63
Administrative and general	5,718	23	7,389	24	18,951	23	17,896	19
Depreciation and amortization	210	1	492	2	625	1	1,284	1
	22,251	91	24,121	80	73,362	91	78,125	83
Gains on Asset Dispositions	10	—	—	—	10	—	—	—
Operating Income	2,104	9	6,146	20	7,689	9	15,882	17
Other Income:								
Foreign currency losses, net	—	—	(12)	—	—	—	(27)	—
Other, net	(1)	—	—	—	(6)	—	—	—
Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax	764	3	(13)	—	569	1	90	—
Segment Profit	2,867	12	6,121	20	8,252	10	15,945	17

Operating Revenues. Operating revenues were \$5.9 million lower in the Current Year Quarter compared with the Prior Year Quarter and \$13.0 million lower in the Current Nine Months compared with the Prior Nine Months primarily due to the successful completion of major task orders related to long-term recovery programs in Texas and the U.S. Virgin Islands, and the conclusion of disaster response work for multiple city and county governments.

Operating Expenses. Operating expenses were \$5.2 million lower in the Current Nine Months compared with the Prior Nine Months primarily due to the completion of major recovery program task orders.

Administrative and General. Administrative and general expenses were \$1.7 million lower in the Current Year Quarter compared with the Prior Year Quarter primarily due to the successful completion of major task orders as discussed above and \$1.1 million higher in the Current Nine Months compared with the Prior Nine Months primarily due to a bad debt charge in the second quarter of 2019 and higher administrative and general expenses necessary to support the significant growth following the 2017 hurricanes and development of a broader range of post-disaster services.

Depreciation and Amortization. Depreciation and amortization expenses were \$0.3 million lower in the Current Year Quarter compared with the Prior Year Quarter and \$0.7 million lower in the Current Nine Months compared with the Prior Nine Months as a result of certain intangible assets being fully depreciated during 2018.

Operating Income. Operating income as a percentage of operating revenues was 9% in the Current Year Quarter compared with 20% in the Prior Year Quarter primarily due to reduced operating revenues and 9% in the Current Nine Months compared with 17% in the Prior Nine Months primarily due to reduced operating revenues and higher administrative and general expenses.

Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax. Equity in earnings (losses) of 50% or less owned companies, net of tax, were \$0.8 million higher in the Current Year Quarter compared with the Prior Year Quarter and \$0.5 million higher in the Current Nine Months compared with the Prior Nine Months due to improved operating results in the Company's Brazilian joint venture.

Other

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2019		2018		2019		2018	
	\$'000	%	\$'000	%	\$'000	%	\$'000	%
Operating Revenues:								
United States	1,635	100	1,214	100	5,582	100	2,156	94
Foreign	—	—	—	—	—	—	143	6
	1,635	100	1,214	100	5,582	100	2,299	100
Costs and Expenses:								
Operating	1,404	86	957	79	4,129	74	1,349	59
Administrative and general	846	52	606	50	2,522	45	1,290	56
Depreciation and amortization	501	30	202	16	1,483	27	264	11
	2,751	168	1,765	145	8,134	146	2,903	126
Gains on Asset Dispositions	34	2	—	—	32	1	—	—
Operating Loss	(1,082)	(66)	(551)	(45)	(2,520)	(45)	(604)	(26)
Other Income:								
Foreign currency gains, net	—	—	—	—	—	—	1	—
Other, net ⁽¹⁾	—	—	452	37	—	—	54,354	n/m
Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax								
	(56)	(4)	6	—	(412)	(7)	1,285	56
Segment Profit (Loss) ⁽¹⁾⁽²⁾	(1,138)	(70)	(93)	(8)	(2,932)	(53)	55,036	n/m

(1) The balance as a percentage of operating revenues is not meaningful (“n/m”).

(2) Includes amounts attributable to both SEACOR and noncontrolling interests. See “Item 1. Financial Statements—Note 9. Noncontrolling Interests in Subsidiaries” included in Part I of this Quarterly Report on Form 10-Q.

Operating Activities. Operating results primarily consist of the business activities of Cleancor, which the Company acquired on June 1, 2018. Operating results in the Current Year Quarter and Current Nine Months were lower as a consequence of re-certification costs for certain equipment and the addition of personnel and equipment following an expansion of Cleancor's fleet and services.

Other, net. Other, net in the Prior Nine Months primarily includes a gain of \$53.9 million on the sale of the Company's 34.2% interest in Hawker Pacific on April 30, 2018. Other, net in the Prior Year Quarter primarily includes further gains on the sale of Hawker Pacific following the release of certain escrow amounts and the partial recovery of a note receivable previously reserved.

Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax. The Company's 50% or less owned companies primarily consist of general aviation services businesses in Asia, including Hawker Pacific prior to its sale in 2018, and an agricultural commodity trading and logistics business.

Corporate and Eliminations

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Corporate Expenses	(6,021)	(6,136)	(19,254)	(18,534)
Eliminations	(18)	31	10	94
Operating Loss	(6,039)	(6,105)	(19,244)	(18,440)
Other Income (Expense):				
Foreign currency losses, net	(44)	(10)	(52)	(45)
Other, net	1	1	10	(2)

Corporate Expenses. Corporate expenses were higher in the Current Nine Months primarily due to the expiration of the transition services agreement with SEACOR Marine Holdings Inc.

Other Income (Expense) not included in Segment Profit (Loss)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Interest income	2,198	2,450	5,983	6,485
Interest expense	(4,816)	(8,335)	(14,832)	(25,502)
Debt extinguishment losses	(777)	(160)	(2,073)	(5,609)
Marketable security gains (losses), net	144	1,713	16,496	(1,303)
	<u>(3,251)</u>	<u>(4,332)</u>	<u>5,574</u>	<u>(25,929)</u>

Interest expense. Interest expense in the Current Year Quarter and Current Nine Months was lower compared with the Prior Year Quarter and Prior Nine Months primarily due to the redemption of the 7.375% Senior Notes in October 2018, purchases of the 3.0% Convertible Senior Notes and a reduction of the outstanding balances under the SEA-Vista Credit Facility, partially offset by interest on the 3.25% Convertible Senior Notes issued in May 2018.

Debt extinguishment losses. Debt extinguishment losses in the Current Year Quarter and Current Nine Months are the result of the purchase of \$18.2 million and \$55.4 million in principal amount, respectively, of the Company's 3.0% Convertible Senior Notes for \$18.1 million and \$54.4 million, respectively. Debt extinguishment losses in the Prior Year Quarter are the result of the purchase of \$4.0 million in principal amount of the Company's 7.375% Senior Notes for \$4.1 million. Debt extinguishment losses in the Prior Nine Months are primarily related to the exchange of \$117.8 million of the Company's outstanding 3.0% Convertible Senior Notes due 2028 for a like principal amount of new 3.25% Convertible Senior Notes due 2030.

Marketable security gains (losses), net. Marketable security gains (losses), net in all periods are primarily related to the Company's investment in Dorian LPG Ltd., which the Company sold.

Income Taxes

During the nine months ended September 30, 2019, the Company's effective income tax rate of 15.1% was lower than the statutory rate primarily due to income subject to tonnage tax, foreign sourced income not subject to U.S. tax, and taxes not provided on income attributable to noncontrolling interests partially offset by foreign taxes not creditable against U.S. income tax. During the nine months ended September 30, 2018, the Company's effective income tax rate of 14.4% was lower than the statutory rate primarily due to foreign sourced income not subject to U.S. tax partially offset by income taxes in Subpart F income.

Liquidity and Capital Resources
General

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

As of September 30, 2019, the Company's capital commitments by year of expected payment were as follows (in thousands):

	Remainder of		Total
	2019	2020	
Ocean Services	\$ 383	\$ 6,857	\$ 7,240
Inland Services	10,276	2,673	12,949
Other	1,156	—	1,156
	<u>\$ 11,815</u>	<u>\$ 9,530</u>	<u>\$ 21,345</u>

Subsequent to September 30, 2019, the Company committed to purchase additional equipment for \$0.3 million.

As of September 30, 2019, the Company had outstanding debt of \$317.8 million, net of discounts and issuance costs, and letters of credit totaling \$1.3 million with various expiration dates through 2027. In addition, as of September 30, 2019, the Company guaranteed payments on behalf of SEACOR Marine totaling \$27.0 million, under certain sale-leaseback transactions, equipment financing and multi-employer pension obligations. These guarantees continue to be contingent obligations of the Company because the beneficiary of the guarantees did not release the Company from its obligations in connection with the spin-off of SEACOR Marine and decline as payments are made by SEACOR Marine on the underlying obligations. The Company earns a fee from SEACOR Marine of 0.5% per annum on the amount of the obligations under these guarantees.

As of September 30, 2019, the holders of the Company's 3.0% Convertible Senior Notes (\$51.9 million outstanding), 2.5% Convertible Senior Notes (\$64.5 million outstanding) and 3.25% Convertible Senior Notes (\$117.8 million outstanding) may require the Company to repurchase the notes on November 19, 2020, December 19, 2022 and May 15, 2025, respectively. The Company's long-term debt maturities, assuming the holders of the aforementioned convertible senior notes require the Company to repurchase the notes on those dates, are as follows (in thousands):

Remainder of 2019	\$	2,050
2020		126,518
2021		500
2022		64,958
2023		368
Years subsequent to 2023		148,781
	\$	343,175

SEACOR's Board of Directors previously approved a securities repurchase plan that authorizes the Company to acquire its Common Stock, 3.0% Convertible Senior Notes, 2.5% Convertible Senior Notes and 3.25% Convertible Senior Notes, (collectively the "Securities") through open market purchases, privately negotiated transactions or otherwise, depending on market conditions. On June 5, 2019, SEACOR's Board of Directors increased the Company's repurchase authority for the Securities to \$150.0 million. As of September 30, 2019, the Company's remaining repurchase authority for the Securities was \$131.7 million.

As of September 30, 2019, the Company held balances of cash, cash equivalents, restricted cash, restricted cash equivalents, marketable securities and construction reserve funds totaling \$88.0 million. As of September 30, 2019, construction reserve funds of \$3.9 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 qualifying equipment. Additionally, the Company had \$200.0 million available under its revolving credit facilities. Subsequent to September 30, 2019, the Company repaid \$25.0 million under its revolving credit facilities and purchased an additional \$1.8 million in principal amount of its 3.0% Convertible Senior Notes for total consideration of \$1.8 million.

Summary of Cash Flows

	Nine Months Ended September 30,	
	2019	2018
	\$'000	\$'000
Cash Flows provided by Operating Activities	95,255	35,799
Cash Flows provided by (used in) Investing Activities	(13,890)	94,764
Cash Flows used in Financing Activities	(150,483)	(45,298)
Effects of Exchange Rate Changes on Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents	(58)	61
Net Increase (Decrease) in Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents	(69,176)	85,326

Operating Activities

Cash flows provided by operating activities increased by \$59.5 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,	
	2019	2018
	\$'000	\$'000
Operating income before depreciation, amortization and gains on asset dispositions, net	91,454	104,249
Changes in operating assets and liabilities, excluding operating leases, before interest and income taxes	(40,840)	(37,713)
Purchases of marketable securities	(5,752)	—
Proceeds from sale of marketable securities	46,526	13
Dividends received from 50% or less owned companies	100	4,197
Interest paid, excluding capitalized interest ⁽¹⁾	(8,407)	(14,708)
Income taxes refunded (paid), net	1,460	(23,477)
Other	10,714	3,238
Total cash flows provided by operating activities	95,255	35,799

(1) During the Current Nine Months and Prior Nine Months, interest paid and capitalized in property and equipment was \$0.1 million and \$0.2 million, respectively.

Operating income before depreciation, amortization and gains on asset dispositions, net was \$12.8 million lower in the Current Nine Months compared with the Prior Nine Months. See “Consolidated Results of Operations” included above for a discussion of the results of each of the Company’s business segments.

Proceeds from the sale of marketable securities in the Current Nine Months was primarily due to the sale of all of the Company's investment in Dorian LPG Ltd.

Investing Activities

During the Current Nine Months, net cash used in investing activities was \$13.9 million primarily as follows:

- Capital expenditures were \$17.4 million related to the acquisition of real property, upgrades to inland river towboats and the construction of other Inland Services equipment.
- The Company sold one foreign-flag short-sea container/RORO vessel and other equipment for net proceeds of \$1.9 million.
- The Company made investments in and advances to 50% or less owned companies of \$3.2 million including \$2.7 million to RF Vessel Holdings and \$0.5 million to VA&E.
- The Company received a capital distribution of \$3.7 million from its 50% or less owned company VA&E.
- The Company received net payments on third-party leases and notes receivables of \$1.1 million.

During the Prior Nine Months, net cash provided by investing activities was \$94.8 million primarily as follows:

- Capital expenditures were \$43.7 million. Equipment deliveries included five U.S.-flag harbor tugs and two foreign-flag short-sea container/RORO vessels.
- The Company sold one U.S.-flag petroleum and chemical carrier, one U.S.-flag harbor tug, 32 inland river dry-cargo barges, two inland river specialty barges and other equipment for net proceeds of \$16.0 million.
- Construction reserve fund account transactions included withdrawals of \$45.4 million.
- The Company made investments in and advances to 50% or less owned companies of \$9.8 million including \$5.4 million to VA&E, \$2.1 million to Golfo de Mexico; \$1.0 million to KSM and \$0.9 million to RF Vessel Holdings.
- The Company received \$8.2 million from its 50% or less owned companies, including \$5.4 million from VA&E and \$2.4 million from SCFCo.
- On April 30, 2018, the Company sold its interest in Hawker Pacific for \$78.0 million.

Financing Activities

During the Current Nine Months, net cash used in financing activities was \$150.5 million. The Company:

- purchased \$55.4 million in principal amount of its 3.0% Convertible Senior Notes for total consideration of \$54.4 million, of which \$54.2 million was allocated to the debt and \$0.1 million was allocated to the conversion option embedded in the 3.0% Convertible Senior Notes.
- borrowed \$25.0 million under the SEACOR Revolving Credit Facility and incurred issuance costs of \$2.2 million;
- repaid \$12.0 million under the SEA-Vista Credit Facility;
- made other scheduled payments on long-term debt of \$0.5 million;
- made distributions to noncontrolling interests of \$5.2 million;
- acquired 3,912 shares of Common Stock for treasury for an aggregate purchase price of \$0.1 million;
- acquired 8,121 shares of Common Stock for treasury for an aggregate purchase price of \$0.4 million from its employees to cover their tax withholding obligations related to the vesting of equity awards. These shares were purchased in accordance with the terms of the Company's Share Incentive Plans and not pursuant to the repurchase authorizations granted by SEACOR's Board of Directors;
- received \$6.9 million from share award plans; and
- became the sole owner of the SEA-Vista joint venture on August 2, 2019 by acquiring the Remaining SEA-Vista Interest for \$107.7 million in cash, inclusive of expenses related to the transaction.

During the Prior Nine Months, net cash used in financing activities was \$45.3 million. The Company:

- purchased \$5.7 million in principal amount of its 7.375% Senior Notes for \$5.9 million;
- purchased \$0.3 million in principal amount of its 3.0% Convertible Senior Notes for \$0.3 million;
- repaid \$23.6 million under the SEA-Vista Credit Facility;
- repaid the outstanding balance of \$12.2 million on the ISH Term Loan;
- repaid the remaining outstanding debt balance of \$1.4 million assumed in the ISH acquisition;
- made other scheduled payments on long-term debt of \$0.5 million;
- incurred costs of \$2.5 million related to the exchange of \$117.8 million aggregate principal amount of the Company's outstanding 3.0% Convertible Senior Notes due 2028 for a like principal amount of new 3.25% Convertible Senior Notes due 2030;
- made distributions to noncontrolling interests of \$5.1 million; and
- received \$6.3 million from share award plans.

Short and Long-Term Liquidity Requirements

The Company anticipates it will continue to generate positive cash flows from operations and that these cash flows will be adequate to meet the Company's working capital requirements. In support of the Company's capital expenditure program and debt service requirements, the Company believes that a combination of cash balances on hand, cash generated from operating activities, funding available under the Company's revolving credit facilities and existing subsidiary financing arrangements as well as access to the credit and capital markets will provide sufficient liquidity to meet its obligations. 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 liquidity and 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" contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2018. There has been no material change in the Company's off-balance sheet arrangements during the Current Nine Months. In addition, the Company has issued letters of credit or guaranteed the payments of amounts owed under certain sale-leaseback transactions, equipment

financing and multi-employer pension obligations on behalf of SEACOR Marine. As of September 30, 2019, guarantees on behalf of SEACOR Marine totaled \$27.0 million and will decline as payments are made on the outstanding obligations.

Contractual Obligations and Commercial Commitments

For a discussion of the Company's contractual obligations and commercial commitments, refer to "Liquidity and Capital Resources" contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2018. There has been no material change in the Company's contractual obligations and commercial commitments during the Current Nine Months.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For a discussion of the Company's exposure to market risk, refer to Item 7A. "Quantitative and Qualitative Disclosures About Market Risk" contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2018. 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, 2019. 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, 2019.

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 furnishes 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 were no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15 and 15d-15 under the Exchange Act) that occurred during the three months ended September 30, 2019 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 fiscal year ended December 31, 2018, see Note 12. "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 Item 1A. "Risk Factors" contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2018. 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

(c) This table provides information with respect to purchases by the Company of shares of its Common Stock during the Current Year Quarter:

Period	Total Number Of Shares Purchased⁽¹⁾	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Value of Securities that may Yet be Purchased under the Plans or Programs⁽¹⁾⁽²⁾
July 1 – 31, 2019	—	\$ —	—	\$ 149,726,806
August 1 – 31, 2019	—	\$ —	—	\$ 145,499,619
September 1 – 30, 2019	—	\$ —	—	\$ 131,731,444

(1) SEACOR's Board of Directors previously approved a securities repurchase plan that authorizes the Company to acquire its Common Stock, 3.0% Convertible Senior Notes, 2.5% Convertible Senior Notes and 3.25% Convertible Senior Notes (collectively the "Securities") through open market purchases, privately negotiated transactions or otherwise, depending on market conditions. During the Current Year Quarter, the Company purchased \$18.2 million in principal amount of its 3.0% Convertible Senior Notes for \$18.1 million thereby reducing repurchase authority under the plan. From time to time, SEACOR's Board of Directors have increased the authority, most recently to \$150.0 million on June 5, 2019.

(2) On September 26, 2019, the Company executed an agreement to purchase the 3.0% Convertible Senior Notes in compliance with the requirements of Rule 10b5-1(c)(1)(i) and 10b-18 for the period from October 1, 2019 through October 24, 2019. Subsequent to September 30, 2019, the Company purchased \$1.8 million in principal amount of its 3.0% Convertible Senior Notes for total consideration of \$1.8 million.

ITEM 3. DEFAULT UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

10.1*	Purchase and Sale Agreement, dated as of August 2, 2019 among SEACOR Holdings Inc., as Parent, SEACOR Tankers II LLC, as Buyer, and ACP III Tankers, LLC, as Seller.
102.*	Registration Rights Agreement, dated as of August 2, 2019 among SEACOR Holdings Inc. and ACP III Tankers, LLC.
10.3*	Lock-Up Agreement, dated as of August 2, 2019 among SEACOR Holdings Inc., and ACP III Tankers, LLC, as Seller.
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.
32.1*	Certification by the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification by the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following financial statements from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, formatted in Inline XBRL: (i) Consolidated Statements of Cash Flows, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive Income, (iv) Consolidated Balance Sheets, and (v) Notes to Consolidated Financial Statements, tagged as blocks of text and including detailed tags.
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, formatted in Inline XBRL (included as Exhibit 101).

* Filed herewith.

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: October 28, 2019	SEACOR Holdings Inc. (Registrant)
	By: <u>/s/ CHARLES FABRIKANT</u>
	Charles Fabrikant, <i>Executive Chairman of the Board and Chief Executive Officer</i> (Principal Executive Officer)
DATE: October 28, 2019	
	By: <u>/s/ BRUCE WEINS</u>
	Bruce Weins, <i>Senior Vice President</i> <i>and Chief Financial Officer</i> (Principal Financial Officer)

PURCHASE AND SALE AGREEMENT

This PURCHASE AND SALE AGREEMENT (this “Agreement”), dated as of August 2, 2019, is made by and among SEACOR Holdings Inc., a Delaware corporation (“Parent”), SEACOR Tankers II LLC, a Delaware limited liability company and wholly-owned subsidiary of Parent (“Purchaser”) and ACP III Tankers, LLC, a Delaware limited liability company (“Seller”). Each of Parent, Purchaser and Seller may be referred to herein as a “Party” or collectively, the “Parties.”

WHEREAS, Seller owns (i) 15% of the limited liability company interests of SEA-Vista III LLC, a Delaware limited liability company (“SEA-Vista III”), (ii) 20% of the limited liability company interests of SEA-Vista II LLC, a Delaware limited liability company (“SEA-Vista II”), and (iii) 25% of the limited liability company interests of SEA-Vista I LLC, a Delaware limited liability company (together with SEA-Vista III and SEA-Vista II, the “SEA-Vista Entities”) (such limited liability company interests are collectively referred to herein as the “Acquired Interests”);

WHEREAS, Seller desires to sell the Acquired Interests to Purchaser, and Purchaser desires to purchase the Acquired Interests from Seller, upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, as consideration for the purchase of the Acquired Interests, (i) Parent shall issue to Seller one million five hundred thousand (1,500,000) shares of common stock, par value \$0.01 per share, of Parent (the “Consideration Shares”) in a private placement pursuant to Section 4(a)(2) of the Securities Act and (ii) Purchaser shall pay to Seller an amount in cash equal to one hundred three million dollars (\$103,000,000.00) plus the Expense Amount (as hereinafter defined) (collectively, the “Cash Consideration”);

WHEREAS, contemporaneously with the execution of this Agreement, Parent and Seller are entering into (i) a registration rights agreement with respect to the Consideration Shares (the “Registration Rights Agreement”) and (ii) an agreement providing for restrictions on certain actions by Seller with respect to the Consideration Shares to Seller (the “Lock-Up Agreement”) and, collectively with this Agreement and the Registration Rights Agreement, the “Transaction Agreements”);

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I. □ □ TERMS OF PURCHASE AND SALE OF THE ACQUIRED INTERESTS

Section 1.01 Sale and Purchase of the Acquired Interests. Subject to the terms and conditions set forth herein, at the Closing:

(a) Seller shall sell, transfer, convey, assign and deliver to Purchaser, and Purchaser shall purchase, acquire, and accept from Seller, the Acquired Interests, free and clear of any and all Liens and other debts whatsoever other than any Liens pursuant to the LLC Agreements (as hereinafter defined) and restrictions on transfer under the Securities Act; and

(b) As consideration for the purchase of the Acquired Interests,

(i) Parent shall deliver to American Stock Transfer, as transfer agent of Parent (“AST”), an instruction letter directing AST to record the Consideration Shares in the name of Seller in book entry credits as of the date hereof (the “Closing Date”) with Parent requesting that AST deliver a statement to Seller (with copy to Parent) confirming such book entry credits as promptly as practicable after the Closing Date, and

(i) Purchaser shall pay or cause to be paid the Cash Consideration to Seller by wire transfer of immediately available funds to an account specified by Seller in writing to Purchaser prior to the Closing Date.

Section 1.02 Closing.

(a) Closing Date and Location. The closing of the sale and purchase of the Acquired Interests (the “Closing”) will take place at the offices of Milbank LLP, 55 Hudson Yards, New York, New York 10001, on the Closing Date. Each party hereby agrees that at the Closing, subject to the terms and conditions of this Agreement, such party will complete and perform its respective obligations with respect thereto; provided, however, that no party is required to be physically present at the Closing and may deliver documents and proceeds to be exchanged, disbursed or delivered pursuant to customary escrow arrangements.

(b) Closing Deliverables. Subject to the other terms and conditions of this Agreement, each of the following documents shall be delivered by the applicable party or parties at the Closing:

(i) the Registration Rights Agreement, duly executed by the parties thereto;

(ii) the Lock-Up Agreement, duly executed by the parties thereto;

(iii) evidence that all necessary corporate, limited liability company, member, and other action has been taken by the Seller to authorize the execution, delivery, and performance of this Agreement;

(iv) evidence that all necessary corporate, limited liability company, member, and other action has been taken by the Parent and the Purchaser to authorize the execution, delivery, and performance of this Agreement;

(v) a copy of the instruction letter to AST referenced in Section 1.01(b)(i) delivered by Parent to Seller;

- (vi) a copy of the letter from AST indicating that the Consideration Shares have been issued;
- (vii) a non foreign person affidavit dated as of the Closing Date, delivered by Seller (or if Seller is a disregarded entity for U.S. federal income tax purposes, its regarded owner) to Purchaser, meeting the requirements of Section 1445 and Section 1446(f) of the Code and the Treasury Regulations or IRS guidance issued thereunder; and
- (viii) such documents reasonably requested by any party to be delivered in connection with the consummation of the transactions contemplated by this Agreement.

ARTICLE II. REPRESENTATIONS AND WARRANTIES OF PARENT

Parent hereby represents and warrants to Seller as follows:

Section 2.01. Authorization, Validity, and Enforceability. Parent is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Parent has the corporate power and authority to enter into, deliver and perform each Transaction Agreement and has taken all necessary corporate action to authorize the execution, delivery and performance of each Transaction Agreement. Each Transaction Agreement constitutes (assuming due authorization, execution and delivery by each other party thereto) a valid and legally binding obligation of Parent, enforceable against Parent in accordance with its terms.

Section 2.02. Consideration Shares. Following delivery of the Acquired Interests in accordance with the terms of this Agreement and the issuance of the Consideration Shares as contemplated by Section 1.01(b)(i), the Consideration Shares will be duly authorized, validly issued, fully paid and non-assessable and the Consideration Shares will be free of any Liens other than restrictions on transfer under U.S. federal and state securities laws, and as provided in this Agreement and the other Transaction Agreements.

Section 2.03. No Conflicts. The execution, delivery and performance of each Transaction Agreement will not conflict with, violate, breach, or result in a default under any of Parent's or any material subsidiary's organizational or governing documents or any material Requirement of Law or any material agreement, instrument or other undertaking to which Parent or its subsidiaries is a party or by which it is bound.

Section 2.04. SEC Documents. Parent has made available to Seller (including, for purposes of compliance with this representation, pursuant to the SEC's "EDGAR" system) a true and complete copy of each report, schedule, form, prospectus, registration statement, definitive proxy statement and other document (including exhibits and other information incorporated by reference therein) filed by Parent with the SEC since December 31, 2018 and prior to the date of this Agreement (the "Parent SEC Documents"), which are all the documents

(other than preliminary material) that Parent was required to file with the SEC since December 31, 2018 and prior to the date of this Agreement. As of their respective dates, each of the Parent SEC Documents, as amended, complied as to form in all material respects with the applicable requirements of the Securities Act of 1933, as amended (the "Securities Act"), and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as the case may be, and the rules and regulations of the SEC thereunder applicable to such Parent SEC Documents, and none of the Parent SEC Documents contained, as of the date so filed or, if amended prior to the date of this Agreement, as of the date of such amendment with respect to those disclosures that are amended, any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The financial statements of Parent included in the Parent SEC Documents, including all notes and schedules thereto, complied in all material respects, as of the date so filed or if amended prior to the date of this Agreement, as of the date of such amendment, with the rules and regulations of the SEC with respect thereto, were prepared in accordance with United States generally accepted accounting principles ("GAAP") applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto or, in the case of the unaudited statements, as permitted by Rule 10-01 of Regulation S-X of the SEC) and fairly present in all material respects in accordance with applicable requirements of GAAP (subject, in the case of the unaudited statements, to normal year-end audit adjustments) the financial position of Parent and its consolidated subsidiaries as of their respective dates and the results of operations and the cash flows of Parent and its consolidated subsidiaries for the periods presented therein.

Section 2.05. No Brokers. None of Parent, Purchaser or their respective Affiliates has employed any brokers, finders, or investment bankers with respect to the sale and purchase of the Acquired Interests and the consummation of the transactions contemplated by this Agreement so as to give rise to any claim against Seller for any brokerage, finder's or investment banker's commission, fee or similar compensation.

Section 2.06. Investment Company. Parent is not and will not be registered or required to be registered as an "investment company" or a company "controlled by" an entity required to register as an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

Section 2.07. Investment Company Acknowledgement. Each of Parent and Purchaser understands that Seller is not and will not be registered or required to be registered as an "investment company" or a company "controlled by" an entity required to register as an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

Section 2.08. Form S-3. As of the date of this Agreement, Parent is eligible to register the resale of the Consideration Shares under Form S-3 promulgated under the Securities Act.

Section 2.09. Disclaimer of Other Representations and Warranties. Except as expressly set forth in this Article II, Parent makes no representation or warranty, express or implied, at law or in equity, in respect of Parent or its subsidiaries, or any of their respective

assets, liabilities or operations, and any such other representations or warranties are hereby expressly disclaimed.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to Seller as follows:

Section 3.01. Authorization, Validity, and Enforceability. Purchaser is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. Purchaser has the limited liability company power and authority to enter into, deliver and perform each Transaction Agreement and has taken all necessary limited liability company action to authorize the execution, delivery and performance of each Transaction Agreement. Each Transaction Agreement constitutes (assuming due authorization, execution and delivery by each other party thereto) a valid and legally binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms.

Section 3.02. No Conflicts. The execution, delivery and performance of each Transaction Agreement will not conflict with, violate, breach, or result in a default under any of Purchaser's or any material subsidiary's organizational or governing documents or any material Requirement of Law or any material agreement, instrument or other undertaking to which Purchaser or its subsidiaries is a party or by which it is bound.

Section 3.03. Investment Company. Purchaser is not and will not be registered or required to be registered as an "investment company" or a company "controlled by" an entity required to register as an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

Section 3.04 Disclaimer of Other Representations and Warranties. Except as expressly set forth in this Article III, Purchaser makes no representation or warranty, express or implied, at law or in equity, in respect of Purchaser or its subsidiaries, or any of their respective assets, liabilities or operations, and any such other representations or warranties are hereby expressly disclaimed.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Parent and Purchaser as follows:

Section 4.01. Authorization, Validity, and Enforceability. Seller is a limited liability company organized under the laws of the State of Delaware. Seller has the limited liability company power and authority to enter into, deliver and perform each Transaction Agreement and has taken all necessary limited liability company action to authorize the execution, delivery and performance of each Transaction Agreement. Each Transaction

Agreement constitutes (assuming due authorization, execution and delivery by each other party thereto) a valid and legally binding obligation of Seller, enforceable against Seller in accordance with its terms.

Section 4.02. No Conflicts. The execution, delivery and performance of each Transaction Agreement will not conflict with, violate, breach, or result in a default under any of Seller's or any material subsidiary's organizational or governing documents or any material Requirement of Law or any material agreement, instrument or other undertaking to which Seller is a party or by which Seller is bound.

Section 4.03. Acquired Interests.

(a) Seller is the record and beneficial owner of the Acquired Interests and has full power to sell, assign and deliver the Acquired Interests to Purchaser. The Acquired Interests are free and clear of all Liens and any debts whatsoever, other than any Liens pursuant to the LLC Agreements and restrictions on transfer under the Securities Act. Seller is not a party to any option, warrant, right (including preemptive right or redemption right), contract, call, put or other agreement or commitment providing for the disposition or acquisition of any interest in the Acquired Interests, other than the LLC Agreements and those arising under the Securities Act.

(b) Other than RBC Capital Markets, LLC, none of Seller and its Affiliates has employed any brokers, finders, or investment bankers with respect to the sale and purchase of the Acquired Interests and the consummation of the transactions contemplated by this Agreement so as to give rise to any claim against Purchaser for any brokerage, finder's or investment banker's commission, fee or similar compensation.

Section 4.04. No Registration. Seller understands that:

(a) the offer and sale of the Consideration Shares hereunder is not being registered under the Securities Act, and is being made privately by Parent, Purchaser and Seller pursuant to the private placement exemption from the registration requirements provided in Section 4(a)(2) of the Securities Act;

(b) Parent and Purchaser are not and will not be registered or required to be registered as an "investment company" or a company "controlled by" an entity required to register as an "investment company" within the meaning of the Investment Company Act of 1940, as amended; and

(c) in connection with the foregoing, Parent and Purchaser are relying upon the representations, warranties and covenants of Seller contained in this Agreement.

Section 4.05. Investor Representations. Seller represents and warrants that Seller:

(a) is an "accredited investor" (within the meaning of Rule 501(a) under Regulation D under the Securities Act);

(b) is a sophisticated investor and is acquiring the Consideration Shares with a full understanding of all of the terms, conditions and risks thereof, and Seller is capable of assuming and willing to assume those risks and neither Parent nor Purchaser nor any of their respective Affiliates is acting as a fiduciary or financial or investment adviser for Seller;

(c) has, prior to Seller's agreement to acquire the Consideration Shares, consulted with its own advisors and has had the opportunity to ask questions of and receive answers from Purchaser, Parent and their respective officers, and Seller has made its own investment decisions based upon its own judgment and upon any advice from such advisers as Seller has deemed necessary and not upon any view expressed by Purchaser, Parent, or any other Person;

(d) is familiar with the business and financial condition and operations of Parent, and Seller has had access to such information concerning Parent and the Consideration Shares (including, without limitation, the reports filed by Parent with the Commission pursuant to the Securities Act and the Exchange Act) as it deems necessary to enable Seller to make an informed investment decision concerning the acquisition of the Consideration Shares; and

(e) is acquiring the Consideration Shares for Seller's own account or the account of its Affiliates (all of whom such Seller hereby represents and warrants are "accredited investors" within the meaning of Rule 501(a) of Regulation D promulgated by the Commission pursuant to the Securities Act), not as a nominee or agent, and with no intention of distributing the Consideration Shares or any part thereof in violation of any Requirement of Law, and Seller has no present intention of selling or granting any participation in or otherwise distributing the same in any transaction in violation of the securities laws of the United States or any other jurisdiction. If Seller or its Affiliates should in the future decide to dispose of any of the Consideration Shares, Seller understands and agrees (a) that it may do so only in compliance with the Securities Act and applicable state and other jurisdiction securities law, as then in effect, including a sale contemplated by any registration statement pursuant to which such securities are being offered, or pursuant to an exemption from the Securities Act, and (b) that stop-transfer instructions to that effect will be in effect with respect to such securities.

Section 4.06. Investment Company. Seller is not and will not be registered or required to be registered as an "investment company" or a company "controlled by" an entity required to register as an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

Section 4.07. Disclaimer of Other Representations and Warranties. Except as expressly set forth in this Article IV, Seller makes no representation or warranty, express or implied, at law or in equity, in respect of Seller, or any of its assets, liabilities or operations, and any such other representations or warranties are hereby expressly disclaimed.

ARTICLE V COVENANTS

Section 5.01. Legends. Seller understands that the Consideration Shares sold pursuant to this Agreement will be imprinted with:

(a) a legend in substantially the following form (the “Restrictive Legend”):

“THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. THE SECURITIES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE STATE AND FEDERAL SECURITIES LAWS AND THE SECURITIES LAWS OF OTHER JURISDICTIONS, AND IN THE CASE OF A TRANSACTION EXEMPT FROM REGISTRATION, UNLESS PURCHASER HAS RECEIVED AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO IT THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT AND SUCH OTHER APPLICABLE LAWS.”; and

(b) a legend in substantially the following form (the “Lock-Up Legend”):

“THE SECURITIES EVIDENCED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF THAT CERTAIN LOCK-UP AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, AS MAY BE SUBSEQUENTLY AMENDED, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.”

Section 5.02. Removal of Legends. At any time after the six month anniversary of the final issuance of the Consideration Shares and prior to the first anniversary of the Closing Date, Parent shall use commercially reasonable efforts to cause the Restrictive Legend to be removed from the Consideration Shares in connection with any sale of such shares (a) under a registration statement filed under the Securities Act, (b) pursuant to Rule 144 under the Securities Act or (c) in connection with a registered offering of the Consideration Shares. After the first anniversary of the Closing Date, Parent shall use reasonable best efforts to cause the Restrictive Legend to be removed from all Consideration Shares that are held by any Person other than an Affiliate of Parent. To the extent Considerations Shares cease to be Locked-Up Securities (as defined in the Lock-Up Agreement, and such Consideration Shares being referred to as the “Released Consideration Shares”), Parent shall use reasonable best efforts to cause the Lock-Up Legend to be removed from all Released Consideration Shares.

Section 5.03. Publicity. None of the Parties shall publicly refer to another Party with respect to the Transaction Agreements or the transactions contemplated thereby without such Party’s prior written consent unless required by any Requirement of Law or by the rules of a national securities exchange (in which case, to the extent legally permitted and time permitting, they shall give each other reasonable notice and opportunity to comment on such reference as reasonably practicable under the circumstances of such requirement); provided that a Party may

make any public statement without another Party's prior written consent so long as such statement is substantially similar to previous press releases, public disclosures or public statements made jointly by the Parties or approved by such other Party. Subject to the foregoing sentence, the Parties will coordinate any and all press releases and other public relations matters with respect to the transactions contemplated hereby or by the other Transaction Agreements in consultation with each other, and will cooperate with each other on such matters.

Section 5.04. Post-Closing Access; Preservation of Records. From and after the Closing, Purchaser, Parent and their Affiliates shall make, or cause to be made, upon reasonable prior notice, available to Seller and its Affiliates all books, records, Tax Returns and documents of the SEA-Vista Entities (and the reasonable assistance of employees responsible for such books, records and documents) during regular business hours as may be reasonably necessary for (i) investigating, settling, preparing for the defense or prosecution of, defending or prosecuting any Action, (ii) preparing reports to equityholders and Governmental Authorities or (iii) such other purposes for which access to such documents is determined by Seller to be reasonably necessary, including preparing and delivering any accounting or other statement provided for under this Agreement or otherwise, preparing Tax Returns, pursuing tax refunds or responding to or disputing any tax audit, or the determination of any matter relating to the rights and obligations of Seller or any of their Affiliates under any Transaction Agreements; provided that, notwithstanding the foregoing, Purchaser, Parent and their Affiliates shall not be required to provide or cause to be provided access to or disclose or cause to be disclosed information where such access or disclosure would jeopardize the attorney-client privilege, contravene any Requirement of Law or contravene any confidentiality undertaking existing as of the date hereof. Purchaser and Parent shall cause each SEA-Vista Entity to maintain and preserve all Pre-Closing Tax Returns, books, records and other documents for seven (7) years after the Closing Date.

Section 5.05. Release.

(a) Except for the express obligations, representations, warranties and agreements of each Party, respectively, under this Agreement and the other Transaction Agreements, for and in consideration of the Acquired Interests (in the case of Purchaser and Parent) and the Cash Consideration and Consideration Shares (in the case of Seller), effective as of the Closing, each Party, on behalf of itself and its equityholders, subsidiaries, Affiliates, Representatives, direct and indirect parent companies, managers, officers and directors, and each of their respective successors and assigns (each a “Releasor”), hereby absolutely and unconditionally releases, acquits and forever discharges, to the fullest extent permitted by Requirement of Law, the other Party and its past, present and future equityholders, subsidiaries, Affiliates, and each of its, its subsidiaries’ and Affiliates’ present and former Representatives, equityholders and control persons, and each of the respective heirs, executors, administrators, successors and assigns of any of the foregoing (each, a “Releasee”) of, from and against any and all Actions, causes of action, claims, demands, Damages, judgments, liabilities (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether direct or indirect, and whether due or to become due), debts, dues and suits of every kind, nature and description whatsoever, whether known or unknown, both in law and in equity, in each case solely to the extent arising out of or resulting from the other Party’s or such Releasee’s ownership and/or operation of the SEA-Vista Entities or the assets, business, operations, conduct, services, products and/or employees (including former employees) of any of the SEA-Vista Entities or their Affiliates, related to any period of time before the Closing (each, a “Released Claim”). Each Releasor agrees not to, and agrees to cause its respective equityholders, subsidiaries, Affiliates, Representatives, direct and indirect parent companies and each of their respective successors and assigns, not to, assert any Released Claim against the Releasees.

(b) Notwithstanding anything to the contrary in Section 5.05(a), the liabilities acquitted, remised, discharged and released pursuant to Section 5.05(a) shall not include (i) any rights of a Party under this Agreement and the other Transaction Agreements and (ii) rights of a Releasor to reimbursement of business expenses incurred in the ordinary course of business in accordance with Section 8.3 and Section 8.12 of the applicable LLC Agreement.

(c) Each Party represents and warrants that as of the date of this Agreement, neither such Party nor any Releasor acting for or on behalf of such party has filed any claims, complaints, charges, or lawsuits against any Releasee for or with respect to a matter, claim, or incident that occurred or arose out of one or more occurrences that took place on or prior to the date of this Agreement. Each Party further represents and warrants that it has made no assignment, sale, delivery, transfer or conveyance of any rights such Party has asserted or may have against any Releasee with respect to any Released Claim.

Section 5.06. No Recourse Against Non-Party Affiliates. All claims, obligations, liabilities (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether direct or indirect, and whether due or to become due), or causes of action (whether in contract or in tort, in equity or at law, or granted by statute) that may be based upon, in respect of, arise under, out or by reason of, be connected with, or relate in any manner to this Agreement or any other Transaction Agreement, or the negotiation, execution, or performance of this Agreement or any other Transaction Agreement (including any representation or warranty made in, in connection with, or as an inducement to, this Agreement or any other Transaction Agreement), may be made only against (and are those solely of) the entities that are expressly identified as parties in the preamble to this Agreement or that execute any other Transaction Agreement (each, a “Contracting Party”). No Person who is not a Contracting Party, including any past, present or future Representative, incorporator, stockholder or Affiliate of such Contracting Party or Affiliate of any of the foregoing (the “Non-Party Affiliates”), shall have any liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether direct or indirect, and whether due or to become due and whether in contract or in tort, in equity or at law, or granted by statute) for any claims, causes of action, obligations, or liabilities arising under, out of, in connection with, or related in any manner to this Agreement or any other Transaction Agreement or based on, in respect of, or by reason of this Agreement or any other Transaction Agreement or in its negotiation, execution, performance, or breach; and, to the maximum extent permitted by Requirement of Law, each Contracting Party hereby waives and releases all such liabilities, claims, causes of action and obligations against any such Non-Party Affiliates. Without limiting

the generality of the foregoing, to the maximum extent permitted by Requirement of Law, (a) each Contracting Party hereby waives and releases any and all rights, claims, demands, or causes of action that may otherwise be available in equity or at law, or granted by statute, to avoid or disregard the entity form of a Contracting Party or otherwise impose liability of a Contracting Party on any Non-Party Affiliate, whether granted by statute or based on theories of equity, agency, control, instrumentality, alter ego, domination, sham, single business enterprise, piercing the veil, unfairness, undercapitalization, or otherwise; and (b) each Contracting Party disclaims any reliance upon any Non-Party Affiliates with respect to the performance of this Agreement or any other Transaction Agreement or any representation or warranty made in, in connection with, or as an inducement to this Agreement or any other Transaction Agreement.

ARTICLE VI □ MISCELLANEOUS

Section 6.01. No Waivers; Cumulative Remedies. No failure by a party to exercise and no delay in exercising any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by Requirement of Law.

Section 6.02. Governing Law; Jurisdiction. This Agreement shall be governed in all respects, including as to validity, interpretation and effect, and the rights and liabilities of the parties hereto determined in accordance with the law of the State of New York, without giving effect to the principles or rules of conflict of laws, to the extent such principles or rules are not mandatorily applicable by statute and would permit or require the application of the Requirements of Laws of another jurisdiction. The state or federal courts located within the County of New York, New York shall have exclusive jurisdiction over any and all disputes between the parties hereto, whether in law or equity, arising out of or relating to this Agreement and the agreements, instruments and documents contemplated hereby and the parties hereby irrevocably consent to and agree to submit to the exclusive jurisdiction of such courts. Each party to this Agreement hereby waives, and agrees not to assert, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof or in respect of any such transaction, that it is not subject to such jurisdiction.

Section 6.03. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY AND FOR ANY COUNTERCLAIM THEREIN.

Section 6.04. Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by facsimile/

email and portable document format), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

Section 6.05. Severability. Any provision including any phrase sentence, clause, section or subsection of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 6.06. Amendment. This Agreement may not be changed, amended or terminated, in whole or in part, except by a writing executed by each of the parties hereto.

Section 6.07. Entire Agreement. The Transaction Agreements and the documents referred to therein embody the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersede all prior and contemporaneous agreements and understandings, oral or written, relative to said subject matter. Each of the parties acknowledges that in entering into this Agreement it has not relied upon and shall have no right or remedy in respect of any statement, representation, assurance of warranty (whether or not made negligently) other than as is expressly set out in this Agreement.

Section 6.08. Notices. Any notice required or permitted to be given under this Agreement shall be given in writing and may be delivered via registered or certified mail, by hand, email, facsimile or overnight courier to the addresses set forth on the signature page of this Agreement or such other address, facsimile number or email address as such party may hereinafter specify for the purpose of notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt.

Section 6.09. Expenses. Except as otherwise expressly provided herein, all costs and expenses, including, without limitation, fees and disbursements of legal counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

Section 6.10. Successors and Assigns; No Third Party Beneficiaries. This Agreement shall be binding upon and inure to the benefit of the parties, and their respective heirs, successors and permitted assigns; provided that except as permitted below, this Agreement shall not be assignable or otherwise transferable by any party without the prior written consent of the other party. Upon any such permitted assignment, the references in this Agreement to Seller shall also apply to any such assignee unless the context otherwise requires. No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the parties and their respective successors and assigns.

Section 6.11. Further Assurances. In connection with this Agreement and the transactions contemplated hereby, each party shall execute and deliver any additional documents and instruments and perform any additional acts that may be necessary or appropriate to effectuate and perform the provisions of this Agreement and the intentions of the parties, as explained herein.

Section 6.12. Tax Treatment. Each Party shall cause each of the SEA-Vista Entities to allocate all items of income, gain, loss, deduction and credit allocable to the limited liability company interests in the respective SEA-Vista Entities between Seller and Purchaser based on the “interim closing method” under Section 706 of the Code and the Treasury Regulations thereunder. Parent and Purchaser will timely provide Seller with any reasonable documentation, including an Internal Revenue Service Schedule K-1 for each of the SEA-Vista Entities, necessary in order for Seller to timely file any Tax Returns due with respect to the Acquired Interests.

ARTICLE VII □ DEFINITIONS; RULES OF CONSTRUCTION

Section 7.01. Certain Defined Terms. Capitalized terms used in this Agreement shall have the following respective meanings (unless otherwise defined therein).

“Acquired Interests” has the meaning set forth in the Recitals.

“Action” means any action, suit, arbitration, complaint, audit, proceeding or other similar proceeding or notice, including any civil, criminal, administrative or appellate proceeding or investigation conducted by or before any court or other Governmental Authority.

“Affiliate” means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, the Person in question. As used herein, the term “control” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise. For the purposes of this Agreement, when Seller is the applicable Person, “Affiliate” shall include each member of the Seller.

“Agreement” has the meaning set forth in the Preamble.

“AST” has the meaning set forth in Section 1.01(b)(i).

“Business Day” means any day, except Saturday, Sunday or any other day on which commercial banks in New York, New York are authorized or required by Requirement of Law to be closed for business.

“Cash Consideration” has the meaning set forth in the Recitals.

“Closing” has the meaning set forth in Section 1.02(a).

“Closing Date” has the meaning set forth in Section 1.01(b)(i).

“Code” means the Internal Revenue Code of 1986, as amended.

“Commission” means the United States Securities and Exchange Commission.

“Consideration Shares” has the meaning set forth in the Recitals.

“Contracting Party” has the meaning set forth in Section 5.06.

“Damages” means all losses, claims, damages, payments, costs and expenses (including costs and expenses of Actions), amounts paid in connection with any assessments, judgments or settlements relating thereto, and out-of-pocket expenses and reasonable attorneys’ fees and expenses reasonably incurred in defending against any such Actions.

“Exchange Act” has the meaning set forth in Section 2.04.

“Expense Amount” means two million nine hundred ninety eight thousand, eighty one dollars and seventy nine cents (\$2,998,081.79).

“GAAP” has the meaning set forth in Section 2.04.

“Governmental Authority” means any foreign, federal, state or local agency, authority, board, bureau, court, instrumentality or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers.

“Lien” means any of the following, whether fixed or contingent: mechanics/materialman’s or similar lien, whether statutory or otherwise, maritime lien, lien of any other kind, charge of any kind, claim, community property interest, condition, equitable interest, hypothecation, easement, judgment, rightofway, encroachment, tax lien, mortgage, deed of trust, option, pledge, security interest, right of first refusal or restriction of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership.

“LLC Agreements” means (i) that certain Limited Liability Company Agreement of SEA-Vista I, LLC, dated as May 2, 2014, by and between Seller and SEA-Vista II, LLC, (ii) that certain Limited Liability Company Agreement of SEA-Vista II, LLC dated May 2, 2014, by and between Seller and SEA-Vista III, LLC and (iii) that certain Limited Liability Company Agreement of SEA-Vista III, dated as of May 2, 2014 by and between Seller and SEACOR Tankers Inc.

“Lock-Up Agreement” has the meaning set forth in the Recitals.

“Lock-Up Legend” has the meaning set forth in Section 5.01(b).

“Non-Party Affiliates” has the meaning set forth in Section 5.06.

“Parent SEC Documents” has the meaning set forth in Section 2.04.

“Party” has the meaning set forth in the Recitals.

“Person” means any individual, corporation, company, voluntary association, partnership, limited liability company, joint venture, trust, unincorporated organization or government (or any agency, instrumentality or political subdivision thereof).

“Pre-Closing Tax Period” means any tax period ending on or before the Closing Date and the portion of any Straddle Period ending on the Closing Date.

“Pre-Closing Tax Returns” means each Tax Return of the SEA-Vista Entities for any Pre-Closing Tax Period that is filed or required to be filed after the Closing Date.

“Purchaser” has the meaning set forth in the Preamble.

“Registration Rights Agreement” has the meaning set forth in the Recitals.

“Released Claim” has the meaning set forth in Section 5.05(a).

“Released Consideration Shares” has the meaning set forth in Section 5.02.

“Releasee” has the meaning set forth in Section 5.05(a).

“Releasor” has the meaning set forth in Section 5.05(a).

“Representatives” means, with respect to any Person, such Person’s directors, managers, members, officers, employees, agents, partners, attorneys, consultants, advisors, members or other Persons acting on behalf of such Person.

“Requirement of Law” means, as to any Person, any generally applicable law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Restrictive Legend” has the meaning set forth in Section 5.01(a).

“SEA-Vista Entities” has the meaning set forth in the Recitals.

“SEA-Vista II” has the meaning set forth in the Recitals.

“SEA-Vista III” has the meaning set forth in the Recitals.

“SEC” means the U.S. Securities and Exchange Commission.

“Securities Act” has the meaning set forth in Section 2.04.

“Seller” has the meaning set forth in the Preamble.

“Straddle Period” means any tax period that begins on or before the Closing Date and ends after the Closing Date.

“Tax Return” means any return, declaration, report, claim for refund, or information return or statement relating to taxes, including any schedule or attachment thereto, and including any amendment thereof, required to be filed with any Governmental Authority.

“Transaction Agreements” has the meaning set forth in the Recitals.

“Treasury Regulations” means the regulations promulgated under the Code, as such regulations may be amended from time to time.

Section 7.02. Rules of Construction. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified, (b) meanings specified in this Agreement shall be applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders, as the context requires, (c) the word “include” shall be deemed to be followed by the words “without limitation” or words of like import, (d) any reference to any Requirement of Law herein shall, unless otherwise specified, refer to such Requirement of Law as amended, modified or supplemented from time to time and (e) any reference to “days” means calendar days unless Business Days are expressly specified. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. The parties have participated jointly in negotiating and drafting this Agreement. In the event that an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the day and year first above written.

SEACOR HOLDINGS INC.

By: /s/ William C. Long

Name: William C. Long

Title Executive Vice President, Chief Legal Officer and Corporate Secretary

Address for Notices:

SEACOR Holdings Inc.
2200 Eller Drive, P.O. Box 13038
Fort Lauderdale, FL 33316
Attention: William C. Long
blong@ckor.com

SEACOR TANKERS II LLC

By: /s/ Lisa Manekin

Name: Lisa Manekin

Title Vice President and Secretary

Address for Notices:

SEACOR Holdings Inc.
2200 Eller Drive, P.O. Box 13038
Fort Lauderdale, FL 33316
Attention: William C. Long
blong@ckor.com

ACP III TANKERS LLC

By: /s/Ben Silbert
Name: Ben Silbert
Title Authorized Signatory

Address for Notices:

c/o Avista Capital
65 E 55th St
18th Floor
New York, NY 10022

[Signature Page to Purchase and Sale Agreement]

CONFIDENTIAL

REGISTRATION RIGHTS AGREEMENT

by and among

SEACOR Holdings Inc.

and

ACP III Tankers, LLC

August 2, 2019

REGISTRATION RIGHTS AGREEMENT

This REGISTRATION RIGHTS AGREEMENT (this "Agreement") is made and entered into as of August 2, 2019, by and among SEACOR Holdings Inc., a Delaware corporation (the "Company") and ACP III Tankers, LLC, a Delaware limited liability company ("ACP III Tankers").

RECITALS

WHEREAS, this Agreement is made in connection with the closing of the issuance and sale of the Securities (as defined below) pursuant to the Purchase and Sale Agreement, dated as of the date hereof, by and among the Company, SEACOR Tankers II LLC, a Delaware limited liability company and wholly-owned subsidiary of Parent and ACP III Tankers (the "Purchase and Sale Agreement"); and

WHEREAS, the Company has agreed to provide the registration and other rights set forth in this Agreement for the benefit of ACP III Tankers pursuant to the Purchase and Sale Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party hereto, the parties hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.1 Definitions. Capitalized terms used herein without definition shall have the meanings given to them in the Purchase and Sale Agreement, except that the terms set forth below are used herein as so defined:

"ACP III Tankers" has the meaning specified therefor in the introductory paragraph of this Agreement.

"Affiliate" has the meaning ascribed to it, on the date hereof, under Rule 405 of the Securities Act.

"Agreement" has the meaning specified therefor in the introductory paragraph.

"Automatic Shelf Registration Statement" means a registration statement that shall become effective upon filing with the SEC pursuant to Rule 462(e) (or any successor or similar provision adopted by the SEC then in effect) under the Securities Act.

"Beneficially Own" has the meaning ascribed to it in Section 13(d) of the Exchange Act. "Beneficial Ownership" has a correlative meaning.

"Board" means the Board of Directors of the Company.

"Closing Date" means the date of this Agreement

"Common Stock" means the common stock, par value \$0.01 per share, of the Company, and any class or classes of stock resulting from any reclassification or reclassifications thereof and which have no preference in respect of dividends or of amounts payable in the event of any liquidation, dissolution or winding up of the Company.

“Company” has the meaning specified therefor in the introductory paragraph of this Agreement and includes any successor thereto.

“FINRA” shall mean the Financial Industry Regulatory Authority, Inc.

“Holder” means ACP III Tankers and its Affiliates, when such Person is a holder or owner of any Registrable Securities.

“Included Registrable Securities” has the meaning specified therefor in Section 2.2(a) of this Agreement.

“Launch Date” has the meaning specified therefor in Section 2.2(b) of this Agreement.

“Losses” has the meaning specified therefor in Section 2.8(a) of this Agreement.

“Managing Underwriter” means, with respect to any Underwritten Offering or Overnight Underwritten Offering, the book running lead manager of such Underwritten Offering or Overnight Underwritten Offering, as designated by the Company.

“Opt-Out Notice” has the meaning specified therefor in Section 2.2(a) of this Agreement.

“Overnight Underwritten Offering” has the meaning specified therefor in Section 2.2(b) of this Agreement.

“Parity Holders” has the meaning specified therefor in Section 2.2(c) of this Agreement.

“Person” means any natural person, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, foundation, unincorporated organization or government or other agency or political subdivision thereof.

“Piggyback Offering” has the meaning specified therefor in Section 2.2(a) of this Agreement.

“Purchase and Sale Agreement” has the meaning specified therefor in the recitals of this Agreement.

“Registrable Securities” means the Securities, upon original issuance thereof, or any shares or other securities issued in respect of such Registrable Securities because of or in connection with any stock dividend, stock distribution, stock split, purchase in any rights offering or in connection with any exchange for or replacement of such Registrable Securities or any combination of shares, recapitalization, merger or consolidation, or any other equity securities issued pursuant to any other pro rata distribution with respect to the Common Stock or other Registrable Securities, until such time as such securities cease to be Registrable Securities pursuant to Section 1.2 hereof.

“Registration Expenses” has the meaning specified therefor in Section 2.7(a) of this Agreement.

“Rule 144” means Rule 144 promulgated under the Securities Act or any similar rule or regulation hereafter adopted by the SEC having substantially the same effect as such rule.

“SEC” means the U.S. Securities and Exchange Commission (or any successor agency).

“Securities” means the 1,500,000 shares of Common Stock issued pursuant to the Purchase and Sale Agreement.

“Selling Expenses” means all underwriting discounts, selling commissions or similar fees or arrangements or stock transfer taxes allocable to the sale of the Registrable Securities, and fees and disbursements of counsel to the Selling Holders, other than those fees and disbursements of counsel required to be paid by the Company pursuant to Section 2.7(a) of this Agreement.

“Selling Holder” means a Holder who is selling Registrable Securities pursuant to a registration statement.

“Underwritten Offering” means an offering in which Common Stock is sold to an underwriter on a firm commitment basis for reoffering to the public or an offering that is a “bought deal” or a “broker-facilitated” transaction with one or more investment banks. As used in this Agreement, a “broker-facilitated transaction” is a transaction in which the broker requests an opinion of counsel, comfort letter and/or due diligence information because of such broker’s internal policies and procedures related to such transaction and such broker having potential liability as an “underwriter” under Section 2(a)(11) of the Securities Act.

“Underwritten Offering Filing” has the meaning specified therefor in Section 2.2(a) of this Agreement.

“Votes” means votes entitled to be cast generally in the election of members of the Board.

“Voting Power” means, as of any time, the ratio, expressed as a percentage, of (1) the Votes represented by the Voting Securities with respect to which the Voting Power is being determined to (2) the aggregate Votes represented by all then outstanding Voting Securities.

“Voting Securities” means, together, (1) the Common Stock and (2) any shares of any class of capital stock of the Company other than the Common Stock that are entitled to vote generally in the election of members of the Board.

Section 1.2 Registrable Securities. Any Registrable Security will cease to be a Registrable Security when (a) a registration statement covering such Registrable Security becomes or has been declared effective by the SEC and such Registrable Security has been sold, distributed or otherwise disposed of pursuant to such effective registration statement; (b) such Registrable Security has been disposed of pursuant to any section of Rule 144 under circumstances in which all of the applicable conditions of such Rule (then in effect) are met; or (c) such Registrable Security is otherwise held by any Person other than ACP III Tankers or one of its Affiliates.

ARTICLE II REGISTRATION RIGHTS

Section 2.1 Demand Registration.

(a) Demand Registration. The Company shall use its reasonable best efforts to effect and facilitate the registration of all Registrable Securities, as promptly as practicable after October 1, 2019, on an appropriate form under the Securities Act (and on an Automatic Shelf Registration Statement, if then available to the Company, or if an Automatic Shelf Registration Statement is not then available to

the Company, on Form S-3, or if Form S-3 is not then available to the Company, on Form S-1 or such other form of registration statement as is then available to the Company) as shall permit the disposition of such Registrable Securities in accordance with the intended method or methods of disposition requested by the Holders; *provided, however*, that if at the time of the proposed registration of the Registrable Securities the Company (i) is a Well-Known Seasoned Issuer (as defined in Rule 405 of the Securities Act Act) and (ii) shall have an effective Automatic Shelf Registration Statement on file with the SEC (an “Effective WKSI Shelf”), the Company may satisfy its obligation under this Section 2.1(a) by filing a supplement to the prospectus included in the Effective WKSI Shelf provided, further however, that the Company shall not be obligated to effect any registration under the Securities Act except in accordance with the following provisions:

(i) the Company shall not be obligated to file more than two (2) registration statements in total pursuant to this Section 2.1(a);

(ii) with respect to the registration pursuant to this Section 2.1(a) or any Underwritten Offering (other than a broker-facilitated transaction and subject to the provisions of Section 2.2(c)) pursuant to such registration statement filed pursuant hereto, the Company may include in such registration or offering any equity securities other than Registrable Securities.

Subject to Section 2.1(b), the Company will cause the registration statement filed pursuant to this Section 2.1(a) (or the registration statement utilized to comply with its obligations under this Section 2.1(a)) to be continuously effective under the Securities Act from and after the date it is first declared or becomes effective until all Registrable Securities covered by the registration statement have been distributed in the manner set forth and as contemplated in the registration statement or there are no longer any Registrable Securities outstanding.

(b) Delay Rights. Notwithstanding anything to the contrary contained herein, the Company may, upon written notice to ACP III Tankers, delay the filing of a registration statement filed under Section 2.1(a) or, suspend the use of any prospectus which is a part of a registration statement filed under Section 2.1(a) (in which event the Selling Holders shall discontinue sales of the Registrable Securities pursuant to such registration statement but such Selling Holder may settle any contracted sales of Registrable Securities) if the Company notifies ACP III Tankers in writing that the Company is in possession of material non-public information, is pursuing bona fide transaction that has not been publicly announced or has experienced some other material non-public event and the Company determines in good faith that any required disclosure in the registration statement or prospectus under the Securities Act of such information, transaction or event would not be in the best interest of the Company; *provided, however*, in no event shall (A) such filing of the registration statement filed under Section 2.1(a) be delayed under this Section 2.1(b) or (B) such Selling Holders be suspended under this Section 2.1(b) from selling Registrable Securities pursuant to such registration statement and related prospectus, in either case for a period that exceeds sixty (60) days (or a longer period of time with the prior written consent of the Holders of at least a majority of the outstanding Registrable Securities, which consent may be granted or withheld in the Holders’ sole discretion) or one hundred twenty (120) days in aggregate in any one-year period for both clauses (A) and (B). Upon notice by the Company to ACP III Tankers of any determination to delay the filing of a registration statement filed under Section 2.1(a) or suspend the use of any prospectus which is a part of a registration statement filed under Section 2.1(a), Holders shall keep the fact of any such delay or suspension strictly confidential and shall not use

or disclose such notice or information to any Person other than such Holder's legal counsel or as required by law. Upon disclosure of such information or the termination of the condition described above, the Company shall provide prompt notice to ACP III Tankers and shall promptly terminate any suspension of sales it has put into effect and shall take such other actions to permit registered sales of Registrable Securities as contemplated in this Agreement.

(c) Rescission of Demand Registration. A requested registration under Section 2.1(a) may be rescinded by written notice to the Company by the Selling Holders holding a majority of the Registrable Securities to be included in such registration under the following circumstances:

(i) if such registration statement is rescinded prior to the filing date, such rescinded registration shall not count as a registration statement initiated pursuant to Section 2.1(a); and

(ii) if such registration statement is rescinded after the filing date but prior to its effective date, such rescinded registration shall not count as a registration statement initiated pursuant to Section 2.1(a) if the Selling Holders (x) have reimbursed the Company for all Registration Expenses incurred by the Company in connection with such rescinded registration or (y)(1) reasonably believed that the registration statement contained an untrue statement of material fact or omitted to state a material fact required to be stated therein or necessary to make the statements made therein not misleading, in the light of the circumstances then existing, (2) notified the Company of such fact and requested that the Company correct such alleged misstatement or omission and (3) the Company has refused to correct such alleged misstatement or omission; *provided, however*, that, notwithstanding anything herein to the contrary, a registration shall not count as a registration statement initiated pursuant to Section 2.1(a) unless it becomes effective and the Selling Holders are able to sell at least seventy-five percent (75%) of the Registrable Securities sought to be included in such registration statement.

Section 2.2 Piggyback Rights.

(a) Participation. Except as provided in Section 2.2(b), if at any time on or after February 2, 2020, the Company proposes to file (i) a shelf registration statement, (ii) a prospectus supplement to an effective shelf registration statement, and Holders could be included without the filing of a post-effective amendment thereto (other than a post-effective amendment that is immediately effective), or (iii) a registration statement, other than the registration statements contemplated by Section 2.1(a) of this Agreement, in the case of each of clause (i), (ii) or (iii), for the sale of Common Stock in an Underwritten Offering or Overnight Underwritten Offering (in each case, other than in a broker-facilitated transaction) for its own account and/or another Person, then as soon as practicable but not less than five (5) Business Days (or two (2) Business Day in the case of an Overnight Underwritten Offering) prior to the filing of (A) any preliminary prospectus supplement relating to such Underwritten Offering pursuant to Rule 424(b) under the Securities Act, (B) the prospectus supplement relating to such Underwritten Offering pursuant to Rule 424(b) under the Securities Act (if no preliminary prospectus supplement is used) or (C) such registration statement, as the case may be (an "Underwritten Offering Filing"), the Company shall give notice (including, but not limited to, notification by electronic mail) of such proposed Underwritten Offering (a "Piggyback Offering") to the Holders and such notice shall offer the Holders the opportunity to include in such Underwritten Offering such number of the Registrable Securities (the "Included Registrable Securities") as the Holders may request in writing; *provided, however*, that if the Company has been advised by the Managing Underwriter, and the

Company has advised the Selling Holders in writing, that the inclusion of Registrable Securities for sale for the benefit of the Selling Holders will have an adverse effect on the price, timing or distribution of the Common Stock in the Underwritten Offering, then the amount of Registrable Securities to be offered for the accounts of Selling Holders shall be determined based on the provisions of Section 2.2(c) of this Agreement. The notice required to be provided in this Section 2.2(a) to the Holders shall be provided on a Business Day pursuant to Section 3.1 hereof. The Holders shall then have three (3) Business Days (or one (1) Business Day in the case of an Overnight Underwritten Offering) to request inclusion of Registrable Securities in the Underwritten Offering. If no request for inclusion from the Holders is received within such period, the Holders and their Affiliates shall have no further right to participate in such Underwritten Offering. If, at any time after giving written notice of its intention to undertake an Underwritten Offering and prior to the closing of such Underwritten Offering, the Company shall determine for any reason not to undertake or to delay such Underwritten Offering, the Company may, at its election, give written notice of such determination to the Selling Holders and, (x) in the case of a determination not to undertake such Underwritten Offering, shall be relieved of its obligation to sell any Included Registrable Securities in connection with such terminated Underwritten Offering, and (y) in the case of a determination to delay such Underwritten Offering, shall be permitted to delay offering any Included Registrable Securities for the same period as the delay in the Underwritten Offering. A Selling Holder shall have the right to withdraw its request for inclusion of such Selling Holder's Registrable Securities in such offering by giving written notice to the Company of such withdrawal up to two (2) Business Days prior to such offering. Notwithstanding the foregoing, a Holder may deliver written notice (an "Opt-Out Notice") to the Company requesting that such Holder not receive notice from the Company of any proposed Underwritten Offering; *provided, however*, that such Holder may later revoke any such Opt-Out Notice in writing not less than one (1) Business Day prior to such offering.

(b) Overnight Underwritten Offering Piggyback Rights. If, at any time on or after February 2, 2020, the Company proposes to file an Underwritten Offering Filing and such Underwritten Offering is expected to be launched (the "Launch Date") after the close of trading on one (1) trading day and priced before the open of trading on the next succeeding trading day (such execution format, an "Overnight Underwritten Offering"), then no later than one (1) Business Day after the Company engages a Managing Underwriter for the proposed Overnight Underwritten Offering, the Company shall notify (including, but not limited to, notice by electronic mail) the Holders of the pendency of the Overnight Underwritten Offering and such notice shall offer the Holders the opportunity to include in such Overnight Underwritten Offering such number of Registrable Securities as any Holder may request in writing within one (1) Business Day after the Holders receive such notice. Notwithstanding the foregoing, if the Company has been advised by the Managing Underwriter that the inclusion of Registrable Securities in the Overnight Underwritten Offering for the accounts of the Selling Holders is likely to have an adverse effect on the price, timing or distribution of the Common Stock, then the amount of Registrable Securities to be included in the Overnight Underwritten Offering for the accounts of Selling Holders shall be determined based on the provisions of Section 2.2(c) of this Agreement. If, at any time after giving written notice of its intention to execute an Overnight Underwritten Offering and prior to the closing of such Overnight Underwritten Offering, the Company determines for any reason not to undertake or to delay such Overnight Underwritten Offering, the Company shall give written notice of such determination to the Selling Holders and, (i) in the case of a determination not to undertake such Overnight Underwritten Offering, shall be relieved of its obligation to sell any Registrable Securities held by the Selling Holders in connection with such abandoned or delayed Overnight Underwritten Offering, and (ii) in the case of a determination to delay such Overnight Underwritten Offering, shall be permitted to delay offering any Registrable Securities held by the

Selling Holders for the same period as the delay of the Overnight Underwritten Offering. Each Selling Holder shall have the right to withdraw its request for inclusion of such Selling Holder's Registrable Securities in such Overnight Underwritten Offering by giving written notice to the Company of such withdrawal at least one (1) Business Day prior to the expected Launch Date. Notwithstanding the foregoing, a Holder may deliver an Opt-Out Notice to the Company requesting that such Holder not receive notice from the Company of any proposed Overnight Underwritten Offering.

(c) Priority of Rights. In connection with an Underwritten Offering and Overnight Underwritten Offering contemplated by Section 2.2(a) and Section 2.2(b), respectively, if the Managing Underwriter or Underwriters of any such Underwritten Offering or Overnight Underwritten Offering, as the case may be, advises the Company, and the Company advises the Selling Holders in writing, that the total amount of Common Stock that the Selling Holders and any other Persons intend to include in such Underwritten Offering or Overnight Underwritten Offering exceeds the number that can be sold in such Underwritten Offering or Overnight Underwritten Offering without being likely to have an adverse effect on the price, timing or distribution of the Common Stock offered or the market for the Common Stock, then the Common Stock to be included in such Underwritten Offering or Overnight Underwritten Offering shall include the number of Registrable Securities that such Managing Underwriter or Underwriters advises the Company can be sold without having such adverse effect, with such number to be allocated (i) first, to the Company or such other Person as has requested such registration, filing or offering, as the case may be, and (ii) second, pro rata among all Selling Holders and other holders of any other shares of Common Stock having rights of registration on parity with the Registrable Securities ("Parity Holders") who have requested participation in such Underwritten Offering or Overnight Underwritten Offering. The pro rata allocations for each such Selling Holder shall be the product of (A) the aggregate number of Registrable Securities and shares of Common Stock proposed to be sold by all Selling Holders and Parity Holders, respectively, participating in the Underwritten Offering or Overnight Underwritten Offering (for the avoidance of doubt, after giving effect to the allocation to the Company pursuant to clause (i) of the preceding sentence) multiplied by (B) the fraction derived by dividing (x) the number of Registrable Securities owned at such time by such Selling Holder by (y) the aggregate number of Registrable Securities and shares of Common Stock owned at such time by all Selling Holders and Parity Holders, respectively, participating in the Underwritten Offering or Overnight Underwritten Offering.

(d) At-the-Market Offerings. Notwithstanding anything in this Section 2.2 to the contrary, no Holder shall have any right to include any securities in any offering by the Company of securities executed pursuant to any "at the market" program that the Company may have in effect from time to time on or after the date of this Agreement.

Section 2.3 Underwritten Offering. In the event that the Selling Holders holding a majority of the Registrable Securities included in a registration under Section 2.1(a) elect from time to time to dispose of Registrable Securities under such registration statement, pursuant to an Underwritten Offering or Overnight Underwritten Offering, the Company will retain Underwriters selected by the Selling Holders holding a majority of the Registrable Securities, and reasonably acceptable to the Company, including entering into an underwriting agreement with the Managing Underwriter or Underwriters that contains such representations, covenants, indemnities and other rights and obligations as are customary in underwriting agreements for firm commitment offerings of securities, which shall include, among other provisions, indemnities to the effect and to the extent provided in Section 2.8, and will take all reasonable actions as are requested by the Managing Underwriter in order to expedite or facilitate the

registration and disposition of the Registrable Securities. The Company management shall participate in a roadshow or similar marketing effort on behalf of any such Holder or Holders; *provided, however*, that the Company management shall not be required to participate in more than two (2) roadshows or similar marketing efforts. In no event may the Holders request more than two (2) Underwritten Offerings or Overnight Underwritten Offerings; *provided, however*, that the Holders may request up to two (2) additional non-marketed broker-facilitated transactions. No Selling Holder may participate in such Underwritten Offering or Overnight Underwritten Offering unless such Selling Holder agrees to sell its Registrable Securities on the basis provided in such underwriting agreement and completes and executes all questionnaires, powers of attorney, indemnities and other documents reasonably and customarily required under the terms of such underwriting agreement. No Selling Holder shall be required to make any representations or warranties to or agreements with the Company or the Underwriters other than representations, warranties or agreements regarding such Selling Holder and its ownership of the securities being registered on its behalf and its intended method of distribution and any other representations required by law. If a Selling Holder disapproves of the terms of an underwriting, such Selling Holder may elect to withdraw therefrom by notice to the Company and the Managing Underwriter; *provided, however*, that such notice of withdrawal must be made at a time prior to one (1) Business Day prior to the time of pricing of such offering in order to be effective. No such withdrawal or abandonment shall affect the Company's obligation to pay Registration Expenses. With respect to any Underwritten Offering, if the Managing Underwriter or Underwriters of any Underwritten Offering or Overnight Underwritten Offering, as the case may be, advises the Company, and the Company advises the Selling Holders in writing, that the total amount of securities that the Selling Holders and any other Persons intend to include in such Underwritten Offering or Overnight Underwritten Offering exceeds the number that can be sold in such Underwritten Offering or Overnight Underwritten Offering without being likely to have an adverse effect on the price, timing or distribution of the securities offered or the market for such securities, then the securities to be included in such Underwritten Offering or Overnight Underwritten Offering shall include the number of securities that such Managing Underwriter or Underwriters advises the Company can be sold without having such adverse effect, with such number to be allocated: (x) first, to the Registrable Securities held by all Selling Holders, pro rata based upon the number of Registrable Securities owned by each such Selling Holder at the time of such offering; (y) second, to the securities to be offered and sold by or on behalf of the Company; and (z) third, to the securities that do not constitute Registrable Securities or securities to be offered or sold by or on behalf of the Company. The Company's obligations under this Section 2.3 to effect an Underwritten Offering or Overnight Underwritten Offering (in each case, other than a broker-facilitated transaction) shall be conditioned on gross proceeds from such Underwritten Offering or Overnight Underwritten Offering reasonably being expected to exceed \$25 million.

Section 2.4 Registration Procedures. In connection with its obligations under this Article II, the Company (or the applicable Selling Holder in the case of Section 2.4(q)), will use its reasonable best effort to:

(a) prepare and file with the SEC, and cause to be declared or become effective as soon as reasonably practicable, each registration statement contemplated by this Agreement with respect to all Registrable Securities as provided herein, make all required filings with FINRA; upon the occurrence of any event that would cause any registration statement or the prospectus contained therein to contain a

material misstatement or omission, the Company shall file an appropriate amendment to the registration statement, a supplement to the prospectus, or a report filed with the SEC pursuant to Section 13(a), 14 or 15(d) of the Exchange Act, correcting any such misstatement or omission, and the Company shall use reasonable best efforts to cause such amendment to be declared or become effective and the prospectus to become usable for their intended purposes as soon as reasonably practicable thereafter;

(b) (i) prepare and file with the SEC such amendments and supplements to each registration statement and the prospectus used in connection therewith as may be necessary to cause the registration statement to be effective and as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by the registration statement; and (ii) if a prospectus supplement will be used in connection with the marketing of an Underwritten Offering or Overnight Underwritten Offering from a registration statement contemplated by this Agreement and the Managing Underwriter at any time shall notify each Selling Holder that, in the reasonable judgment of such Managing Underwriter, inclusion of detailed information to be used in such prospectus supplement is of material importance to the success of the Underwritten Offering or Overnight Underwritten Offering of such Registrable Securities, or if such information is required by applicable law (including the rules and regulation of the SEC), include such information in a prospectus supplement; *provided, that*, before filing any registration statement, prospectus or any amendments or supplements thereto the Company shall provide reasonable advance notice thereof to each Selling Holder and, if requested, furnish a reasonable opportunity to review copies of all such documents (including copies of any documents to be incorporated by reference therein and all exhibits thereto) proposed to be filed (in each case at least three (3) Business Days prior to such filing or in the case of documents filed in connection with an Overnight Underwritten Offering at least one (1) Business Day), and the Company shall not file any such registration statement or prospectus or any amendments or supplements thereto in respect of which the a Selling Holder has provided or must provide information for the inclusion therein without the Selling Holder being afforded an opportunity to review such documentation if the Holders of a majority of the Registrable Securities covered by such registration statement, or the Managing Underwriter or Managing Underwriters, if any, or any of their respective counsel shall reasonably object in writing on a timely basis;

(c) furnish to each Selling Holder (i) as far in advance as reasonably practicable before filing any registration statement contemplated by this Agreement or any prospectus or prospectus supplement to be used in connection therewith or any supplement or amendment thereto, upon request, copies of reasonably complete drafts of all such documents proposed to be filed (including furnishing or making available exhibits and each document incorporated by reference therein to the extent then required by the rules and regulations of the SEC), and provide each Selling Holder the opportunity to object to any information pertaining to a Selling Holder and its plan of distribution that is contained therein and make the corrections reasonably requested by a Selling Holder with respect to such information prior to filing the registration statement or any prospectus or prospectus supplement to be used in connection therewith or supplement or amendment thereto, and (ii) such number of copies of the registration statement and the prospectus included therein and any supplements and amendments thereto as the Selling Holders may reasonably request in order to facilitate the public sale or other disposition of the Registrable Securities covered by the registration statement;

(d) if applicable, use its reasonable best efforts to register or qualify the Registrable Securities covered by any registration statement contemplated by this Agreement under the securities or blue sky laws of such jurisdictions as a Selling Holder or, in the case of an Underwritten Offering or Overnight Underwritten Offering, the Managing Underwriter, shall reasonably request, *provided that* the

Company will not be required to qualify generally to transact business in any jurisdiction where it is not then required to so qualify or to take any action which would subject it to general service of process or taxation in any such jurisdiction where it is not then so subject;

(e) promptly notify each Selling Holder and each underwriter of Registrable Securities, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of (i) the filing of any registration statement contemplated by this Agreement or any prospectus or prospectus supplement to be used in connection therewith, or any amendment or supplement thereto, and, with respect to such registration statement or any post-effective amendment thereto contemplated by this Agreement, when the same has become effective; and (ii) any written comments from the SEC with respect to any filing referred to in clause (i) and any written request by the SEC for amendments or supplements to any registration statement contemplated by this Agreement or any prospectus or prospectus supplement thereto;

(f) promptly notify each Selling Holder and each underwriter of Registrable Securities, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of (i) the happening of any event as a result of which the prospectus or prospectus supplement contained in any registration statement contemplated by this Agreement or any post-effective amendment thereto, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading, in the light of the circumstances under which they were made; (ii) the issuance or threat of issuance by the SEC of any stop order suspending the effectiveness of any registration statement contemplated by this Agreement, or the initiation of any proceedings for that purpose; or (iii) the receipt by the Company of any notification with respect to the suspension of the qualification of any Registrable Securities for sale under the applicable securities or blue sky laws of any jurisdiction. Following the provision of such notice, the Company agrees to as promptly as practicable amend or supplement the prospectus or prospectus supplement or take other appropriate action so that the prospectus or prospectus supplement does not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, in the light of the circumstances then existing, and to take such other action as is necessary to remove a stop order, suspension, threat thereof or proceedings related thereto;

(g) furnish to each Selling Holder copies of any and all transmittal letters or other correspondence with the SEC or any other governmental agency or self-regulatory body or other body having jurisdiction (including any domestic or foreign securities exchange) relating to such offering of Registrable Securities;

(h) in the case of an Underwritten Offering or Overnight Underwritten Offering, use its reasonable best efforts to furnish, or cause to be furnished, upon request and addressed to the underwriters and to the Selling Holders, (i) an opinion of counsel for the Company, dated the effective date of the applicable registration statement or the date of any amendment or supplement thereto, and a letter of like kind dated the date of the closing under the underwriting agreement, and (ii) a "comfort letter," dated the effective date of the applicable registration statement or the date of any amendment or supplement thereto and a letter of like kind dated the date of the closing under the underwriting agreement, in each case, signed by the independent public accountants, and each of the opinion and the "comfort letter" shall be in customary form and cover substantially the same matters with respect to such

registration statement (and the prospectus and any prospectus supplement included therein) as are customarily covered in opinions of issuer's counsel and in accountants' letters delivered to the underwriters in firm commitment offerings of securities, and such other matters as such underwriters or a Selling Holder may reasonably request;

(i) otherwise use its reasonable best efforts to comply with all applicable rules and regulations of the SEC, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve (12) months, but not more than eighteen (18) months, beginning with the first full calendar month after the effective date of such registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 promulgated thereunder;

(j) make available to the appropriate representatives of the Managing Underwriter and the Selling Holders access to such information and the Company personnel as is reasonable and customary to enable such parties to establish a due diligence defense under the Securities Act; *provided* that the Company need not disclose any information to any such representative unless and until such representative has entered into a confidentiality agreement with the Company;

(k) use its reasonable best efforts to cause all Registrable Securities registered pursuant to this Agreement to be listed on each securities exchange or nationally recognized quotation system on which similar securities issued by the Company are then listed or quoted;

(l) use its reasonable best efforts to cause the Registrable Securities to be registered with or approved by such other governmental agencies or authorities as may be necessary by virtue of the business and operations of the Company to enable the Selling Holders to consummate the disposition of such Registrable Securities;

(m) use its reasonable best efforts to provide a transfer agent and registrar for all Registrable Securities covered by such registration statement not later than the effective date of such registration statement;

(n) enter into customary agreements and take such other actions as are reasonably requested by the Selling Holders or the underwriters, if any, in order to expedite or facilitate the disposition of such Registrable Securities and entry of such Registrable Securities in book-entry with The Depository Trust Company (including, making appropriate officers of the Company available to participate in any "road show" presentations before analysts and other customary marketing activities (including one on one meetings with prospective purchasers of the Registrable Securities));

(o) use its reasonable best efforts to cause the Registrable Securities to be initially represented by direct registration with the Company's transfer agent and provide a CUSIP number for all Registrable Securities; and, in connection therewith, if reasonably required by the Company's transfer agent, the Company shall promptly deliver any authorizations, certificates and directions required by the transfer agent which authorize and direct the transfer agent to issue such Registrable Securities without legend upon sale by the holder of such shares of Registrable Securities under a shelf registration statement or any other registration statement contemplated by this Agreement;

(p) each Selling Holder, upon receipt of notice from the Company of the happening of any event of the kind described in subsection (f) of this Section 2.4, shall forthwith discontinue

disposition of the Registrable Securities until such Selling Holder's receipt of the copies of the supplemented or amended prospectus contemplated by subsection (f) of this Section 2.4 or until it is advised in writing by the Company that the use of the prospectus may be resumed, and has received copies of any additional or supplemental filings incorporated by reference in the prospectus, and, if so directed by the Company, such Selling Holder will, or will request the Managing Underwriter or Underwriters, if any, to deliver to the Company (at the Company's expense) all copies in their possession or control, other than permanent file copies then in such Selling Holder's possession, of the prospectus covering such Registrable Securities current at the time of receipt of such notice;

(q) if requested by a Selling Holder, (i) as soon as practicable incorporate in a prospectus supplement or post-effective amendment such information as a Selling Holder reasonably requests to be included therein relating to the sale and distribution of Registrable Securities, including information with respect to such Holder or any subsequent Holder, the number of Registrable Securities being offered or sold, the purchase price being paid therefor and any other terms of the offering of the Registrable Securities to be sold in such offering; (ii) as soon as practicable make all required filings of such prospectus supplement or post-effective amendment after being notified of the matters to be incorporated in such prospectus supplement or post-effective amendment; and (iii) as soon as practicable, supplement or make amendments to the registration statement; and

(r) use its reasonable best efforts to take all other steps reasonably necessary to effect the registration of the Registrable Securities contemplated hereby.

Section 2.5 Cooperation by Holders. The Company shall have no obligation to include in any registration statement contemplated by this Agreement Registrable Securities of a Holder who has failed to timely furnish such information which, in the opinion of counsel to the Company, is reasonably required to be furnished or confirmed in order for the registration statement or prospectus supplement thereto, as applicable, to comply with the Securities Act.

Section 2.6 Restrictions on Public Sale by Holders of Registrable Securities. Each Holder of Registrable Securities participating in an Underwritten Offering or Overnight Underwritten Offering of equity securities by the Company agrees, if requested by such Managing Underwriter or Underwriters with respect to such Underwritten Offering or Overnight Underwritten Offering such Holder is participating in, not to effect any public sale or distribution of the Registrable Securities for a period of up to ninety (90) days following completion of such Underwritten Offering or Overnight Underwritten Offering, as applicable, *provided* that (i) the Company gives written notice to the Holders of the date of the commencement and termination of such period with respect to any such Underwritten Offering or Overnight Underwritten Offering and (ii) the duration of the foregoing restrictions shall be no longer than the duration of the shortest restriction generally imposed by the underwriters of such public sale or distribution on the Company or on the officers or directors or any other shareholder of the Company on whom a restriction is imposed; *provided further*, that this Section 2.6 shall not apply to a Holder that holds less than \$10 million of Registrable Securities, which value shall be determined by multiplying the number of Registrable Securities owned by the volume weighted average closing price of Common Stock (as reported by The New York Stock Exchange or, if The New York Stock Exchange is not the Company's primary securities exchange or market, such primary securities exchange or market) for the ten (10) trading days immediately preceding the date on which the determination is made; *provided further*, it is understood and agreed that ACP III Tankers has agreed to additional restrictions on its

ability to effect a public sale or distribution of the Registrable Securities as set forth in that certain lock-up agreement, dated as of the date hereof, between the Company and ACP III Tankers.

Section 2.7 Expenses.

(a) Certain Definitions. “Registration Expenses” means all expenses incident to the Company’s performance under or compliance with this Agreement to effect the registration of Registrable Securities on any registration statement, prospectus or prospectus supplement or amendment or supplement contemplated by this Agreement, an Underwritten Offering or Overnight Underwritten Offering covered under this Agreement, and/or the disposition of such securities, including, without limitation, all registration, filing, securities exchange listing fees, all registration, filing, qualification and other fees and expenses of complying with securities or blue sky laws, fees of FINRA and fees of transfer agents and registrars, all word processing, duplicating and printing expenses, and the fees and disbursements of (x) one counsel to the Holders and (y) counsel and independent public accountants for the Company, including the expenses of any legal opinions or letters, special audits or “comfort letters” required by or incident to such performance and compliance.

(b) Expenses. The Company will pay all Registration Expenses as determined in good faith, including, in the case of an Underwritten Offering or Overnight Underwritten Offering, whether or not any sale is made pursuant to a registration statement; *provided that* Selling Holders shall pay any and all applicable Selling Expenses.

Section 2.8 Indemnification.

(a) By the Company. In the event of a registration of any Registrable Securities under the Securities Act pursuant to this Agreement, the Company will indemnify and hold harmless each Selling Holder thereunder, its Affiliates and their respective directors, officers, managers, employees and agents and each underwriter pursuant to the applicable underwriting agreement with such underwriter and each Person, if any, who controls such Selling Holder or underwriter within the meaning of the Securities Act and the Exchange Act and its directors, officers, employees and agents (collectively, the “Selling Holder Indemnified Persons”), against any losses, claims, damages, expenses or liabilities (including reasonable attorneys’, accountants’ and experts’ fees and expenses) (collectively, “Losses”), joint or several, to which such Selling Holder Indemnified Person may become subject under the Securities Act, the Exchange Act or otherwise, insofar as such Losses (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon (i) any untrue statement or alleged untrue statement of any material fact contained in any registration statement contemplated by this Agreement, any preliminary prospectus, prospectus supplement, free writing prospectus (or roadshow or other similar marketing material) or final prospectus, or any amendment or supplement thereof or (ii) the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of a prospectus, in light of the circumstances under which they were made) not misleading, and will reimburse each such Selling Holder Indemnified Person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such Loss or actions or proceedings; *provided, however*, that the Company will not be liable in any such case if and to the extent that any such Loss arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission so made in strict conformity with information furnished by such Selling Holder Indemnified Person in writing specifically for use in a registration statement or any prospectus contained therein or any amendment or supplement thereof. Such indemnity

shall remain in full force and effect regardless of any investigation made by or on behalf of such Selling Holder Indemnified Person and shall survive the transfer of such securities by such Selling Holder.

(b) By Each Selling Holder. Each Selling Holder agrees severally and not jointly to indemnify and hold harmless the Company, its directors and officers, and each Person, if any, who controls the Company within the meaning of the Securities Act or of the Exchange Act against any Losses to the same extent as the foregoing indemnity from the Company to the Selling Holders, but only with respect to information regarding such Selling Holder furnished in writing by or on behalf of such Selling Holder expressly for inclusion in any registration statement contemplated by this Agreement or any prospectus contained therein or any amendment or supplement thereof relating to the Registrable Securities; *provided, however*, that the liability of each Selling Holder shall not be greater in amount than the dollar amount of the proceeds (net of any Selling Expenses) received by such Selling Holder from the sale of the Registrable Securities giving rise to such indemnification.

(c) Notice. Promptly after receipt by an indemnified party hereunder of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party hereunder, notify the indemnifying party in writing thereof, but such indemnified party's failure to so notify the indemnifying party shall not relieve the indemnifying party from any liability which it may have to any indemnified party other than under this Section 2.8 except to the extent it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure. In any action brought against any indemnified party, it shall notify the indemnifying party of the commencement thereof; *provided, however*, that the failure to notify the indemnifying party shall not relieve it from any liability that it may have under this Section 2.8 except to the extent it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure. The indemnifying party shall be entitled to participate in and, to the extent it shall wish, to assume and undertake the defense thereof with counsel reasonably satisfactory to such indemnified party and, after notice from the indemnifying party to such indemnified party of its election so to assume and undertake the defense thereof, the indemnifying party shall not be liable to such indemnified party under this Section 2.8 for any legal expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation and of liaison with counsel so selected; *provided, however*, that, (i) if the indemnifying party has failed to assume the defense and employ counsel reasonably acceptable to the indemnified party or (ii) if the defendants in any such action include both the indemnified party and the indemnifying party and counsel to the indemnified party shall have concluded that there may be reasonable defenses available to the indemnified party that are different from or additional to those available to the indemnifying party, or if the interests of the indemnified party reasonably may be deemed to conflict with the interests of the indemnifying party, then the indemnified party shall have the right to select one separate counsel and to assume such legal defense and otherwise to participate in the defense of such action, with the reasonable expenses and fees of one such separate counsel (firm) and other reasonable expenses related to such participation to be reimbursed by the indemnifying party as incurred. Notwithstanding any other provision of this Agreement, no indemnified party shall settle any action brought against it with respect to which it is entitled to indemnification hereunder without the consent of the indemnifying party, in its sole discretion, unless the settlement thereof imposes no liability or obligation on, and includes a complete and unconditional release from all liability of, the indemnifying party.

(d) Contribution. If the indemnification provided for in this Section 2.8 is held by a court or government agency of competent jurisdiction to be unavailable to the Company or any Selling Holder Indemnified Person or is insufficient to hold it harmless in respect of any Losses, then each such indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such Losses as between the Company, on the one hand, and such Selling Holder Indemnified Person, on the other hand, in such proportion as is appropriate to reflect the relative fault of the Company, on the one hand, and of such Selling Holder Indemnified Person, on the other, in connection with the statements or omissions which resulted in such Losses, as well as any other relevant equitable considerations; *provided, however*, that in no event shall any Selling Holder be required to contribute an aggregate amount in excess of the dollar amount of proceeds received by any Selling Holder from the sale of Registrable Securities giving rise to such indemnification. The relative fault of the Company, on the one hand, and each Selling Holder Indemnified Person, on the other hand, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact has been made by, or relates to, information supplied by such party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just and equitable if contributions pursuant to this paragraph were to be determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the first sentence of this paragraph. The amount paid by an indemnified party as a result of the Losses referred to in the first sentence of this paragraph shall be deemed to include any legal and other expenses reasonably incurred by such indemnified party in connection with investigating or defending any Loss which is the subject of this paragraph. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who is not guilty of such fraudulent misrepresentation.

(e) Other Indemnification. The provisions of this Section 2.8 shall be in addition to any other rights to indemnification or contribution which an indemnified party may have pursuant to law, equity, contract or otherwise.

Section 2.9 Rule 144 Reporting. With a view to making available the benefits of certain rules and regulations of the SEC that may permit the sale of the Registrable Securities to the public without registration, the Company agrees to use its reasonable best efforts to:

(a) make and keep public information regarding the Company available, as those terms are understood and defined in Rule 144, at all times from and after the Closing Date until there are no Registrable Securities outstanding;

(b) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act at all times from and after the Closing Date until there are no Registrable Securities outstanding;

(c) so long as a Holder owns any Registrable Securities, furnish to such Holder forthwith upon request a copy of the most recent annual or quarterly report of the Company, and such other reports and documents so filed as such Holder may reasonably request in availing itself of any rule or regulation of the SEC allowing such Holder to sell any such securities without registration; and

(d) take such further action as any Holder may reasonably request, all to the extent required from time to time to enable the Holders to sell Registrable Securities without registration under the Securities Act within the limitations of the exemption provided by Rule 144.

Section 2.10 Transfer or Assignment of Registration Rights. The rights to cause the Company to include Registrable Securities in any registration statement contemplated by this Agreement may be transferred or assigned by any Holder with a transfer of Registrable Securities to any Affiliate of ACP III Tankers; *provided*, that (a) the Company is given written notice prior to any said transfer or assignment, stating the name and address of each such transferee and identifying the securities with respect to which such registration rights are being transferred or assigned and (b) each such transferee or assignee assumes in writing responsibility for its portion of the obligations of such Holder under this Agreement.

Section 2.11 Information by Holder. Any Holder or Holders of Registrable Securities included in any registration statement shall promptly furnish to the Company such information regarding such Holder or Holders and the distribution proposed by such Holder or Holders as the Company may reasonably request and as shall be required in connection with any registration, qualification or compliance referred to herein.

Section 2.12 No Inconsistent Agreements; Limitation on Subsequent Registration Rights. The Company has not entered, as of the date hereof, and the Company shall not enter, after the date of this Agreement, into any agreement with respect to any of its securities that is inconsistent with the rights granted to ACP III Tankers in this Agreement. From and after the date of this Agreement until there are no Registrable Securities outstanding, the Company shall not, without the prior written consent of the Holders holding a majority of Registrable Securities, enter into any agreement with any current or future holder of any securities of the Company that would allow such current or future holder to require the Company to include securities in any Piggyback Offering on a basis that is superior in any material respect to the Piggyback Offering rights granted to the Holders pursuant to Section 2.2 of this Agreement.

ARTICLE III MISCELLANEOUS

Section 3.1 Communications. All notices and other communications provided for hereunder shall be in writing and shall be given by hand delivery, electronic mail, registered or certified mail, return receipt requested, regular mail or air courier guaranteeing overnight delivery to the following addresses:

If to the Company, to:

SEACOR Holdings Inc.
2200 Eller Drive, P.O. Box 13038
Fort Lauderdale, FL 33316
Attn: William C. Long
Executive Vice President, Chief Legal Officer and Secretary
Email: blong@ckor.com

With a copy to (which copy shall not constitute notice):

Milbank LLP
55 Hudson Yards
New York, NY 10001-2163
Attn: David Zeltner
Brett Nadritch
Email: DZeltner@milbank.com
BNadritch@milbank.com

If to ACP III Tankers, to:

ACP III Tankers, LLC
c/o Avista Capital Holdings, L.P.
65 East 55th Street
18th Floor
New York, NY 10022
Attn: Ben Silbert
Email: silbert@avistacap.com

With a copy to (which copy shall not constitute notice):

Vinson & Elkins LLP
1001 Fannin Street, Suite 25000
Houston, TX 77002
Attn: Creighton Smith
Ramey Layne
Email: crsmith@velaw.com
rlayne@velaw.com

or, if to a transferee of a Holder, to the transferee at the address specified pursuant to Section 2.10 above. All notices and communications shall be deemed to have been duly given: (i) at the time delivered by hand, if personally delivered; (ii) when notice is sent to the sender that the recipient has read the message, if sent by electronic mail; (iii) upon actual receipt if sent by registered or certified

mail, return receipt requested, or regular mail, if mailed; and (iv) upon actual receipt when delivered to an air courier guaranteeing overnight deliver.

Section 3.2 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the permitted successors and assigns of each of the parties, including subsequent Holders of Registrable Securities to the extent permitted herein.

Section 3.3 Assignment of Rights. All or any portion of the rights and obligations of ACP III Tankers under this Agreement may be transferred or assigned ACP III Tankers only in accordance with Section 2.10. The Company may not transfer or assign any portion of its rights and obligations under this Agreement without the prior written consent of the Holders of at least a majority of the outstanding Registrable Securities, except that the Company may assign this Agreement at any time in connection with a sale or acquisition of the Company, whether by merger, consolidation, sale of all or substantially all of the Company's assets, or similar transaction.

Section 3.4 Recapitalization Affecting the Stock. The Company agrees that it shall not effect or permit to occur any combination or subdivision of shares of Common Stock or other securities constituting Registrable Securities which would adversely affect the ability of any Holder of any Registrable Securities to include such Registrable Securities in any registration contemplated by this Agreement or the marketability of such Registrable Securities in any such registration.

Section 3.5 Specific Performance. Damages in the event of breach of this Agreement by a party hereto may be difficult, if not impossible, to ascertain, and it is therefore agreed that each such Person, in addition to and without limiting any other remedy or right it may have, will have the right to an injunction or other equitable relief in any court of competent jurisdiction, enjoining any such breach, and enforcing specifically the terms and provisions hereof, and each of the parties hereto hereby waives any and all defenses it may have on the ground of lack of jurisdiction or competence of the court to grant such an injunction or other equitable relief. The existence of this right will not preclude any such Person from pursuing any other rights and remedies at law or in equity which such Person may have.

Section 3.6 Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same Agreement. The parties hereto may deliver this Agreement by facsimile or by electronic mail and each party shall be permitted to rely upon the signatures so transmitted to the same extent and effect as if they were original signatures.

Section 3.7 Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

Section 3.8 Governing Law. This Agreement is governed by and construed and enforced in accordance with the laws of the State of Delaware, without giving effect to any conflicts of law principles that would result in the application of any law other than the law of the State of Delaware.

Section 3.9 Jurisdiction. Each of the parties irrevocably agrees that any legal action or proceeding with respect to this Agreement and the rights and obligations arising hereunder shall be brought and determined exclusively in the Court of Chancery of the State of Delaware or, if such Court does not have subject matter jurisdiction, to the Superior Court of the State of Delaware or, if jurisdiction is vested exclusively in the Federal courts of the United States, the Federal courts of the

United States sitting in the State of Delaware, and any appellate court from any such state or Federal court, and hereby irrevocably and unconditionally agree that all claims with respect to any such claim shall be heard and determined in such Delaware court or in such Federal court, as applicable. The parties agree that a final judgment in any such claim is conclusive and may be enforced in any other jurisdiction by suit on the judgment or in any other manner provided by law. In addition, each of the parties hereby irrevocably and unconditionally agrees (1) that it is and shall continue to be subject to the jurisdiction of the courts of the State of Delaware and of the federal courts sitting in the State of Delaware, and (2)(A) to the extent that such party is not otherwise subject to service of process in the State of Delaware, to appoint and maintain an agent in the State of Delaware as such party's agent for acceptance of legal processes and notify the other parties of the name and address of such agent, and (B) to the fullest extent permitted by law, that service of process may also be made on such party by prepaid certified mail with a proof of mailing receipt validated by the U.S. Postal Service constituting evidence of valid service, and that, to the fullest extent permitted by applicable law, service made pursuant to (2)(A) or (B) above shall have the same legal force and effect as if served upon such party personally within the State of Delaware.

Section 3.10 WAIVER OF JURY TRIAL. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, EACH PARTY HEREBY IRREVOCABLY WAIVES AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE) ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING IN WHOLE OR IN PART UNDER, RELATED TO, BASED ON, OR IN CONNECTION WITH, THIS AGREEMENT OR THE SUBJECT MATTER HEREOF, WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER SOUNDING IN TORT OR CONTRACT OR OTHERWISE. ANY PARTY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 3.10 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF EACH SUCH PARTY TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

Section 3.11 Severability of Provisions. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting or impairing the validity or enforceability of such provision in any other jurisdiction.

Section 3.12 Entire Agreement. This Agreement is intended by the parties as a final expression of their agreement and intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein with respect to the rights granted by the Company set forth herein. This Agreement and the Stock Purchase Agreement supersede all prior agreements and understandings between the parties with respect to such subject matter.

Section 3.13 Amendment. This Agreement may be amended only by means of a written amendment signed by each of the parties hereto or thereto affected by such amendment; *provided, however*; that (i) Article II may only be amended by means of a written amendment signed by the Company and the Holders of a majority of the then outstanding Registrable Securities and (ii) no such amendment shall disproportionately and adversely affect the rights of any Holder hereunder in any material way without the consent of such Holder.

Section 3.14 No Presumption. In the event any claim is made by a party relating to any conflict, omission, or ambiguity in this Agreement, no presumption or burden of proof or persuasion shall be implied by virtue of the fact that this Agreement was prepared by or at the request of a particular party or its counsel.

Section 3.15 Obligations Limited to Parties to Agreement. Each of the parties hereto covenants, agrees and acknowledges that no Person other than ACP III Tankers (and their transferees or assignees) and the Company shall have any obligation hereunder and no recourse under this Agreement shall be had against any former, current or future director, officer, employee, agent, general or limited partner, manager, member, stockholder or Affiliate of ACP III Tankers or any former, current or future director, officer, employee, agent, general or limited partner, manager, member, stockholder or Affiliate of any of the foregoing, whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any applicable law, it being expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any former, current or future director, officer, employee, agent, general or limited partner, manager, member, stockholder or Affiliate of ACP III Tankers or any former, current or future director, officer, employee, agent, general or limited partner, manager, member, stockholder or Affiliate of any of the foregoing, as such, for any obligations of ACP III Tankers under this Agreement or for any claim based on, in respect of or by reason of such obligation or its creation.

Section 3.16 Independent Nature of Holder's Obligations. The obligations of each Holder under this Agreement are several and not joint with the obligations of any other Holder, and no Holder shall be responsible in any way for the performance of the obligations of any other Holder under this Agreement. Nothing contained herein, and no action taken by any Holder pursuant thereto, shall be deemed to constitute the Holder as a partnership, an association, a joint venture or any other kind of group or entity, or create a presumption that a Holder is in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by this Agreement. Each Holder shall be entitled to independently protect and enforce its rights, including, the rights arising out of this Agreement, and it shall not be necessary for any other Holder to be joined as an additional party in any proceeding for such purpose.

Section 3.17 Further Assurances. The Company and each of the Holders shall cooperate with each other and shall take such further action and shall execute and deliver such further documents as may be reasonably requested by any other party in order to carry out the provisions and purposes of this Agreement.

Section 3.18 Cumulative Remedies. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

Section 3.19 Termination. This Agreement shall terminate with respect to any Holder upon the earlier of such Holder together with its Affiliates ceasing to hold or Beneficially Own (i) at least 1% of the Common Stock or (ii) any Registrable Securities; *provided* that the provisions of Section 2.7, Section 2.8 and Article III shall survive such termination.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SEACOR HOLDINGS INC.

By: /s/ William C. Long
Name: William C. Long
Title: Executive Vice President, Chief Legal Officer and Corporate Secretary

ACP III TANKERS, LLC

By: /s/ Ben Silbert _____
Name: Ben Silbert
Title: Authorized Signatory

Signature Page to Registration Rights Agreement

LOCK-UP AGREEMENT

This LOCK-UP AGREEMENT (this “Agreement”), dated as of August 2, 2019, is entered into by and among SEACOR Holdings Inc., a Delaware corporation (“SEACOR”), and ACP III Tankers, LLC, a Delaware limited liability company (“Seller”). Capitalized terms used but not defined herein shall have the meaning given to such terms in the Purchase Agreement (as defined below).

WHEREAS, SEACOR Tankers II LLC, a Delaware limited liability company (“Acquiror”), SEACOR and Seller have entered into a Purchase and Sale Agreement, dated as of the date hereof (the “Purchase Agreement”), pursuant to which, among other things, Acquiror, an indirect, wholly-owned subsidiary of SEACOR, will acquire Seller’s equity interests in SEA-Vista I, LLC, a Delaware limited liability company (“SEA-Vista I”), SEA-Vista II, LLC, a Delaware limited liability company (“SEA-Vista II”), and SEA-Vista III LLC, a Delaware limited liability company (“SEA-Vista III” and, together with SEACOR Tankers, SEA-Vista I and SEA-Vista II, the “SEA-Vista Entities”);

WHEREAS, pursuant to the Purchase Agreement, SEACOR has agreed to issue to Seller 1,500,000 shares of common stock of SEACOR, par value \$0.01 per share (“SEACOR Common Stock”); and

WHEREAS, as a condition to the willingness of Acquiror, Seller and the SEA-Vista Entities to enter into the Purchase Agreement, Acquiror has required that Seller, and as an inducement and in consideration therefor, and Seller has agreed to, enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

**ARTICLE I
STANDSTILL**

Section 1.01 Standstill. During the Standstill Period (as defined below), Seller shall not, and shall not permit any of its Affiliates (other than Affiliates engaged in Non-Private Equity Business) to, directly or indirectly, without the prior written consent of SEACOR:

- (a) acquire, agree to acquire or make any public proposal to acquire, directly or indirectly, beneficial ownership of SEACOR Common Stock, or securities of the SEACOR that are convertible into SEACOR Common Stock (other than (i) the delivery of shares of SEACOR Common Stock pursuant to the Purchase Agreement or (ii) the acquisition of shares of SEACOR Common Stock or other securities of SEACOR as a result of any stock splits, stock dividends or other distributions or recapitalizations or offerings made available by SEACOR to holders of SEACOR Common Stock, including rights offerings), or enter into any contract, arrangement, understanding or relationship (other than the Purchase Agreement) which gives Seller or any of its Affiliates the economic equivalent of ownership of SEACOR Common Stock due to the fact that the value of the derivative is explicitly determined by reference to the price or value of SEACOR Common Stock or of any interest therein, or otherwise enter into a derivative transaction with respect to SEACOR Common Stock;
- (b) deposit any shares of SEACOR Common Stock in a voting trust or similar arrangement or subject any shares of SEACOR Common Stock to any voting agreement, pooling arrangement or similar arrangement or grant any proxy with respect to any shares of SEACOR Common Stock (other than to SEACOR or a person specified by SEACOR in a proxy card provided to stockholders by or on behalf of SEACOR);
- (c) enter, agree to enter, propose or offer to enter into or facilitate any merger, business combination, tender offer, recapitalization, restructuring, change in control transaction or other similar extraordinary transaction involving SEACOR or any of its subsidiaries;
- (d) make, or in any way participate or engage in, any “solicitation” of “proxies” (as such terms are used in the proxy rules of the SEC) to vote, or advise or knowingly influence any person with respect to the voting of, any voting securities of SEACOR or its subsidiaries;
- (e) call, or seek to call, a meeting of the stockholders of SEACOR or initiate any stockholder proposal for action by stockholders of SEACOR;
- (f) otherwise act, alone or in concert with others (other than among Seller and its Affiliates, and their respective directors, officers, managers, employees and representatives), to seek to control or influence the management or the policies of SEACOR;
- (g) publicly disclose any intention, plan or arrangement prohibited by, or inconsistent with, the foregoing;
- (h) advise or knowingly assist or encourage or enter into any discussions, negotiations, agreements or arrangements with any other persons in connection with the foregoing;
- (i) propose, seek or request permission to do any of the foregoing, request to amend or waive any provision of this Section 1.01 (including, without limitation, this clause (i)), make or seek permission to make any public announcement with respect to any of the foregoing or take any action that such person reasonably believes will require SEACOR to make a public announcement regarding the possibility of a business combination, merger or other type or transaction described above; or
- (j) form, join or in any way participate in a “group” (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended) with respect to any voting securities of SEACOR in connection with any of the foregoing;

Notwithstanding the foregoing provisions of this Section 1.01, the foregoing provisions shall not, and are not intended to, (x) prohibit Seller or its Affiliates from privately communicating with, including making any offer or proposal to, the Board of Directors of SEACOR or (y) restrict in any manner how Seller or its Affiliates vote their SEACOR Common Stock or other SEACOR securities.

For the purposes of this Section 1.01, “Non-Private Equity Business” shall mean any business or investment of Avista Capital Holdings, LP (“Avista”) and its Affiliates distinct from the private

equity business of Avista and its Affiliates; provided, that such business or investment shall not be deemed to be a “Non-Private Equity Business” if and at such time that (a) any confidential information with respect to SEACOR or its subsidiaries is made available to any officers, directors or employees of such business or investment or (b) Seller, or any of its Affiliates that are subject to the restrictions of this Section 1.01, directly or indirectly instructs any such business or investment to take any action that would violate any provision of this Agreement had such action been taken directly by Seller.

Section 1.02 Standstill Period. For purposes of the foregoing, “Standstill Period” shall mean the period from the date hereof until the first date on which Seller and its Affiliates no longer beneficially own shares of SEACOR Common Stock representing 5% or more of the outstanding shares of SEACOR Common Stock.

ARTICLE II. LOCK-UP; OFFERING

Section 2.01 Lock-Up. Subject to Section 2.02 below, Seller hereby agrees that from the date hereof until February 2, 2021 (the “Lock-Up Period”), Seller shall not without the prior written consent of SEACOR (which consent may be withheld at SEACOR’s sole discretion) directly or indirectly: (a) transfer, sell, assign, gift, hedge, pledge, distribute, dividend or otherwise dispose of (collectively, “Transfer”) the Locked-Up Securities or any security convertible into or exchangeable for such Locked-Up Securities, (b) enter into any contract with respect to any Transfer of the Locked-Up Securities or any interest therein (including any short sale), or grant any option to purchase or otherwise dispose of or enter into any Hedging Transaction (as defined below) relating to the Locked-Up Securities, (c) grant or permit the grant of any proxy, power of attorney or other authorization in or with respect to the Locked-Up Securities except to the extent consistent with this Agreement or (d) deposit or permit the deposit of the Locked-Up Securities into a voting trust or enter into a tender, support, voting or similar agreement or arrangement with respect to the Locked-Up Securities. The foregoing restrictions are expressly intended to preclude Seller from engaging in any Hedging Transaction or other transaction which is designed to or reasonably expected to lead to or result in a Transfer of any Locked-Up Securities or the economic consequences of ownership of the Locked-Up Securities, even if the Locked-Up Securities would be Transferred by someone other than Seller. For purposes of this Agreement, “Hedging Transaction” means any short sale (whether or not against the box) or any purchase, sale or grant of any right (including any put or call option) with respect to any security (other than a broad-based market basket or index) that includes, relates to or derives any significant part of its value from the Locked-Up Securities. Notwithstanding the foregoing, during the Lock-Up Period the Seller may, Transfer Locked-Up Securities (i) by operation of law or (ii) pursuant to a bona fide third party tender offer, merger, consolidation or other similar transaction made to all holders of the SEACOR Common Stock, as applicable, involving a change of control of SEACOR and not resulting from or involving a breach of Article I.

Section 2.02 Distribution. Notwithstanding anything to the contrary in Section 1.01, Section 2.01 or Section 2.05, from and after November 1, 2019, Seller may distribute the Locked-Up Securities to its limited partners, members or stockholders. For the avoidance of doubt, such limited partners, members or stockholders shall not be subject to the restrictions set forth in Section 2.01 or the obligations set forth in Section 2.05.

Section 2.03 Locked-Up Securities. For purposes of this Article II, “Locked-Up Securities” means (a) on or prior to February 2, 2020, any SEACOR Common Stock, (b) after February 2, 2020 but on or prior to August 2, 2020, 1,000,000 shares of SEACOR Common Stock and (c) after August 2, 2020 but on or prior to the end of the Lock-Up Period, 500,000 shares of SEACOR Common Stock.

Section 2.04 Null and Void. Any Transfer or attempted Transfer of Locked-Up Securities in violation of Section 2.01 shall, to the fullest extent permitted by law, be null and void ab initio, and SEACOR shall not, and shall instruct its transfer agent and other third parties not to, record or recognize any such purported transaction on the share register of SEACOR.

Section 2.05 Secondary Offering. For so long as Seller and its Affiliates own SEACOR Common Stock, Seller agrees, at the request of SEACOR, to reasonably consider cooperating with SEACOR in connection with a secondary offering of SEACOR Common Stock at a price at or above \$48.02 per share (net of any placement fees), including by entering into or and/or delivering any agreements and instruments that are reasonable and customary for such a transaction; provided, that nothing in this Section 2.05 shall restrict the ability of Seller to distribute the SEACOR Common Stock in accordance with Section 2.02. Seller shall be responsible for placement fees attributable to the sale of its shares of SEACOR Common Stock in such an offering.

ARTICLE III. MISCELLANEOUS

Section 3.01 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally, by facsimile or email or sent by a nationally recognized overnight courier service, in each case, in accordance with the provisions of the Purchase Agreement,.

Section 3.02 Amendments and Waivers. Any provision of this Agreement may be amended or waived if such amendment or waiver is in writing and is signed, in the case of an amendment, by each party to this Agreement or, in the case of a waiver, by the party against whom the waiver is to be effective. No failure or delay by either party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 3.03 Binding Effect; Benefit; Assignment. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any person other than the parties hereto and their respective successors and assigns. No party hereto may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other parties hereto.

Section 3.04 Governing Law; Jurisdiction; Waiver of Jury Trial. This Agreement shall be governed and construed in accordance with the Law of the State of Delaware without giving effect to the principles of conflicts of law thereof or of any other jurisdiction that would result in the application of the law of any other jurisdiction. Each of the parties hereby irrevocably submit to the exclusive jurisdiction of the Court of Chancery of the State of Delaware, or if that court does not have jurisdiction, a federal court sitting in Wilmington, Delaware, or if such federal court does not have jurisdiction, any court of the State of Delaware having jurisdiction in respect of the interpretation and enforcement of the provisions of this Agreement and of the documents referred to in this Agreement (each a "Delaware Court"), and in respect of the transactions contemplated hereby, and hereby waive, and agree not to assert, as a defense in any legal action or proceeding for the interpretation or enforcement hereof or thereof, that it is not subject thereto or that such legal action or proceeding may not be brought or is not maintainable in said courts or that the venue thereof may not be appropriate or that this Agreement or any such document may not be enforced in or by such courts, and the parties irrevocably agree that all claims with respect to such legal action or proceeding shall be heard and determined in such courts. The parties hereby consent to and grant any such court jurisdiction over the person of such parties and over the subject matter of such dispute and agree that mailing of process or other papers in connection with any such legal action or proceeding in the manner provided in Section 3.01 or in such other manner as may be permitted by applicable law, shall be valid and sufficient service thereof. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THE ACTIONS OF SEACOR OR SELLER IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF.

Section 3.05 Counterparts. This Agreement 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. The exchange of a fully executed Agreement (in counterparts or otherwise) by electronic mail transmission (including in portable document format (pdf) or otherwise) or by facsimile shall be sufficient to bind the parties hereto to the terms and conditions of this Agreement.

Section 3.06 Entire Agreement. This Agreement constitutes the entire agreement among the parties with respect to the subject matter of this Agreement and supersedes all prior agreements and understandings, both oral and written, among the parties with respect to its subject matter.

Section 3.07 Severability. If any term, provision, covenant or restriction of this Agreement or the application thereof is held by a court of competent jurisdiction or other Governmental Authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby are not affected in any manner materially adverse to any party. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 3.08 Specific Performance. The parties hereto agree that SEACOR would be irreparably damaged if for any reason Seller fails to perform any of its obligations under this Agreement and that SEACOR may not have an adequate remedy at law for money damages in such event. Accordingly, SEACOR shall be entitled to specific performance and injunctive and other equitable relief to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in any Delaware Court, in addition to any other remedy to which they are entitled at law or in equity, in each case without posting bond or other security, and without the necessity of proving actual damages.

Section 3.09 Headings. The Section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 3.10 No Presumption. The parties hereto have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party hereto by virtue of the authorship of any provision of this Agreement.

Section 3.11 Further Assurances. Each of the parties hereto will execute and deliver, or cause to be executed and delivered, all further documents and instruments and use their respective reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary under applicable law to perform their respective obligations as expressly set forth under this Agreement.

Section 3.12 Interpretation. Unless the context otherwise requires, as used in this Agreement: (a) the words “hereof,” “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; (b) the use of the word “or” shall not be exclusive unless expressly indicated otherwise; (c) whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation,” whether or not they are in fact followed by those words or words of like import; (d) any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular, (e) words denoting either gender shall include both genders as the context requires; (f) where a word or phrase is defined herein or in the Merger Agreement, each of its other grammatical forms shall have a corresponding meaning; (g) the terms “Article,” “Section” and “Schedule” refer to the specified Article, Section or Schedule of or to this Agreement; (h) time is of the essence with respect to the performance of this Agreement; (i) the word “party” shall, unless the context otherwise requires, be construed to mean a party to this Agreement and any reference to a party to this Agreement or any other agreement or document contemplated hereby shall include such party’s successors and permitted assigns; (j) a reference to any legislation or to any provision of any legislation shall include any modification, amendment, re-enactment thereof, any legislative provision substituted therefor and all rules, regulations and statutory instruments issued or related to such legislation; and (k) the word “will” shall be construed to have the same meaning and effect as the word “shall.”

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

ACP III TANKERS LLC

By: /s/ Ben Silbert
Name: Ben Silbert
Title: Authorized Signatory

SEACOR HOLDINGS INC.

By: /s/ William C. Long
Name: William C. Long
Title: Executive Vice President, Chief Legal Officer and Corporate Secretary

[Signature page to Lock-Up Agreement]

CERTIFICATION

I, Charles Fabrikant, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SEACOR 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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 (the registrant's fourth fiscal quarter in the case of an annual report) 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: October 28, 2019

/s/ CHARLES FABRIKANT

Name: Charles Fabrikant

Title: *Executive Chairman and Chief Executive Officer*
(Principal Executive Officer)

CERTIFICATION

I, Bruce Weins, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SEACOR 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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 (the registrant's fourth fiscal quarter in the case of an annual report) 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: October 28, 2019

/s/ BRUCE WEINS

Name: Bruce Weins

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

**CERTIFICATION
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED BY SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Charles Fabrikant, as Principal Executive Officer of SEACOR Holdings Inc. (the “Company”), certify, pursuant to 18 U.S.C. § 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) the accompanying Quarterly Report on Form 10-Q for the period ending September 30, 2019 as filed with the U.S. Securities and Exchange Commission (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 28, 2019

/s/ CHARLES FABRIKANT

Charles Fabrikant

*Executive Chairman and Chief Executive Officer
(Principal Executive Officer)*

**CERTIFICATION
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED BY SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Bruce Weins, as Principal Financial Officer of SEACOR Holdings Inc. (the “Company”), certify, pursuant to 18 U.S.C. § 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) the accompanying Quarterly Report on Form 10-Q for the period ending September 30, 2019 as filed with the U.S. Securities and Exchange Commission (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 28, 2019

/s/ BRUCE WEINS

Bruce Weins

Senior Vice President and

Chief Financial Officer

(Principal Financial Officer)