UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:	:	**Chapter 11**
	:	
GULFMARK OFFSHORE, INC.,	:	**Case No. 17–11125 (KG)**
	:	
Debtor.[1]	:	

MOTION OF DEBTOR PURSUANT TO
11 U.S.C. §§ 105, 361, 362, 363(b), 364(c)(1), 364(c)(2), AND
364(e) FOR INTERIM AND FINAL ORDERS (I) AUTHORIZING
DEBTOR (A) TO OBTAIN POSTPETITION FINANCING,
(B) GRANT SENIOR LIENS AND SUPERPRIORITY ADMINISTRATIVE
EXPENSE STATUS, AND (C) ENTER RELATED AGREEMENT
WITH DNB BANK ASA; (II) MODIFYING THE AUTOMATIC STAY;
(III) SCHEDULING FINAL HEARING; AND (IV) GRANTING RELATED RELIEF

GulfMark Offshore, Inc. ("**GulfMark Parent**"), as debtor and debtor in possession ("**Debtor**"), respectfully represents as follows in support of this motion (this "**Motion**"):

Relief Requested

1. Pursuant to sections 105, 361, 362, 363, and 364 of title 11 of the United States Code (as amended, the "**Bankruptcy Code**"), Rules 2002, 4001, 6003, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), and Rules 4001–2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "**Local Rules**"), the Debtor requests entry of interim and final orders:

i. authorizing the Debtor to –

[1] The last four digits of the Debtor's federal tax identification number are x6032. The Debtor's principal mailing address is 842 West Sam Houston Parkway North, Suite 400, Houston, Texas 77024.

A. enter into senior secured super-priority debtor in possession credit facility (the "**DIP Intercompany Facility**") pursuant to that certain Senior Secured Super-Priority Debtor in Possession Credit Agreement among the Debtor, as Borrower, GulfMark Rederi AS ("**GulfMark Rederi**"), as Lender, and DNB Bank ASA, ("**DNB**") as Issuing Bank (DNB in its capacity as Issuing Bank and GulfMark Rederi, together, the "**Secured Parties**"), dated on or about May 18, 2017 (the "**DIP Intercompany Credit Agreement**" [2], and, collectively with orders sought herein (the "**DIP Orders**"), and all other agreements, documents and instruments delivered or executed in connection therewith, as hereafter amended, supplemented or otherwise modified from time to time consistent with the DIP Orders, the "**DIP Intercompany Finance Documents**"); and

B. obtain extensions of credit thereunder on a secured superpriority basis, (1) from the date of entry of the Interim Order (as defined below) and including the Commitment Termination Date (such period, the "**Interim Period**"), in an aggregate principal amount not to exceed $20,000,000 (the "**Initial Commitment**", and (2) after entry of the Final Order (as defined below) in an aggregate principal amount not to

[2] Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such terms in the Interim Order (as defined below) or the DIP Intercompany Credit Agreement.

exceed an additional $15,000,000 (for a total amount of up to $35,000,000) (the "**Extended Commitment**"), in each case at any time outstanding; provided, that up to $10,000,000 of such funding may be used to cash collateralize any Letters of Credit issued in accordance with the terms of the DIP Intercompany Credit Agreement (all loans, letters of credit, financial accommodations, and other extensions of credit under the DIP Intercompany Finance Documents, the "**DIP Intercompany Extensions of Credit**");

ii. authorizing the Debtor to execute the DIP Intercompany Credit Agreement and all other DIP Intercompany Finance Documents, to which it is a party, and to perform such other and further acts as may be necessary or appropriate in connection therewith;

iii. authorizing the Debtor to execute and enter into, and in each case perform such other and further acts as may be necessary or appropriate in connection therewith: (a) the Amended and Restated Parent Guarantee between Debtor and DNB, dated on or about May 18, 2017 (the "**New Parent Guarantee**") of GulfMark Rederi's obligations to DNB under the Second Amended and Restated Multi-Currency Credit Facility Agreement, dated on or about May 18, 2017 (the "**New Norwegian Facility**") and (b) the Consent and Agreement, dated on or about May 18, 2017 (the "**Consent**"), consenting to GulfMark Rederi's assignment to DNB, and grant of a security interest to DNB in, all of GulfMark Rederi's right, title, and interest in and to the DIP Intercompany Finance Documents and this Order pursuant to the Assignment and Security Agreement, dated on or about May 18, 2017 (the "**Collateral Assignment**");

iv. authorizing the use of the DIP Intercompany Extensions of Credit only in accordance with the terms of the DIP Intercompany Finance Documents and the Rolling Budget (subject to the Permitted Variance);

v. authorizing the grant to the Secured Parties, in respect of the DIP Obligations (as defined below), (A) a superpriority administrative claim pursuant to Section 364(c)(1) of the Bankruptcy Code; and (B) first priority Liens on and security interests in the DIP Collateral pursuant to section 364(c)(2) of the Bankruptcy Code, subject to the Carve-Out;

vi. authorizing the modification or waiver of the automatic stay imposed by section 362 of the Bankruptcy Code and any other applicable stay (including by virtue of Bankruptcy Rule 6004) to the extent necessary to implement and effectuate the terms and provisions of the DIP Intercompany Facility, the Interim Order and Final Order, and the other DIP Intercompany

Finance Documents and to provide for the immediate effectiveness of the Interim and Final Orders; and

vii. scheduling a final hearing (the "**Final Hearing**") to consider entry of Final Order granting the relief requested in the Motion on a final basis and approving the form of notice with respect to the Final Hearing and the transactions contemplated by the Motion.

2. In support of the Motion, the Debtor relies on the Declaration of Sachin Lulla in Support of Motion of Debtor for Interim and Final Orders (I) Authorizing Debtor (A) to Obtain Postpetition Financing Pursuant to 11 U.S.C. §§ 105, 361, 362, 363(b), 364(c)(1), 364(c)(2), and 364(e), (B) Grant Senior Liens and Superpriority Administrative Status, and (C) Enter Related Agreement With DNB Bank ASA, (II) Modifying the Automatic Stay, (III) Scheduling a Final Hearing Pursuant to Bankruptcy Rules 4001(b) and (c), and (IV) Granting Related Relief (the "**Lulla Declaration**"), filed contemporaneously herewith.

3. A proposed form of order granting the relief requested herein on an interim basis (the "**Interim Order**") is annexed hereto as **Exhibit A**. The proposed order that the Debtor will request at the Final Hearing is referred to herein as the "**Final Order.**"

Bankruptcy Rule 4001 and Local Rule 4001–2 Concise Statements

4. Pursuant to Bankruptcy Rule 4001(b) and Local Rule 4001-2(a)(ii), the Debtor submits the following concise statement of the material terms of the DIP Intercompany Credit Agreement (the form of which is attached hereto as **Exhibit B**) and the Interim Order.[3]

Summary of Material Terms		**Location**
DIP Intercompany Facility Bankruptcy Rule 4001(c)(1)(B)	DIP Intercompany Facility, available in multiple drawings, with (a) an initial commitment of $20 million and (b) if the Initial Maturity Date (as defined below) is extended, the Final Order is granted, and other conditions are fulfilled, a full commitment of $35 million.	§1.01 of DIP Intercompany Credit Agreement
Borrower Bankruptcy Rule 4001(c)(1)(B)	GulfMark Offshore, Inc.	Recitals of DIP Intercompany Credit Agreement
Lender Bankruptcy Rule 4001(c)(1)(B)	GulfMark Rederi AS	Recitals of DIP Intercompany Credit Agreement
Collateral Bankruptcy Rule 4001(c)(1)(B)(i)	(i) the Debtor Distribution Account, (ii) 65% of the voting equity and 100% of the non-voting equity in GulfMark Capital, LLC, GulfMark Foreign Investments, and GM Offshore, Inc., and (iii) cash collateral securing Letters of Credit issued by DNB funded with proceeds of DIP Intercompany Extensions of Credit pursuant to the DIP Intercompany Credit Agreement or other cash available. Subject to the Final Order, the DIP Collateral shall include the proceeds of claims of the Debtor under sections 544, 545, 547 and 548 of the Bankruptcy Code.	§9.01 of DIP Intercompany Credit Agreement; ¶3d. of the Interim DIP Order
Superpriority Claim Bankruptcy Rule 4001(c)(1)(B)(i)	The DIP Obligations (defined, collectively, as all loans, advances, reimbursement obligations, extensions of credit, financial accommodations, fees, expenses ,and other liabilities and obligations (including indemnities and similar obligations) shall, pursuant to section 364(c)(1) of the Bankruptcy Code, at all times constitute an allowed superpriority claim. All right,	§6.13 of DIP Intercompany Credit Agreement; ¶3g. of the Interim DIP

[3] Any summary of the terms of the Interim Order contained in this Motion is qualified in its entirety by reference to the provisions of the Interim Order. To the extent the Motion is inconsistent with either the Interim Order or the DIP Intercompany Credit Agreement, the Interim Order or the DIP Intercompany Credit Agreement, as applicable, shall control. The Debtor reserves the right to supplement the statements made pursuant to Bankruptcy Rule 4001 and Local Rule 4001–2 herein.

Summary of Material Terms		Location
	title and interest in such claim shall be collaterally assigned from GulfMark Rederi to DNB pursuant to the Collateral Assignment.	Order
Availability Bankruptcy Rule 4001(c)(1)(B)	Available in multiple drawings of at least $1 million (and if greater in integral multiples of $1 million).	§1.02 of DIP Intercompany Credit Agreement
Use of Proceeds Bankruptcy Rule 4001(c)(1)(B)	In accordance with the Rolling Budget (subject to the Permitted Variance), to pay: (i) expenses of the Borrower with respect to the chapter 11 case and fees related to the DIP Intercompany Credit Agreement; (ii) to fund working capital and general corporate purposes of the Borrower and its subsidiaries; and (iii) transaction costs incurred in respect of the DIP Intercompany Extensions of Credit	§5.06 of DIP Intercompany Credit Agreement
Maturity Bankruptcy Rule 4001(c)(1)(B)	Maturity Date is the earliest of: (i) August 18, 2017 (the "**Initial Maturity Date**") (provided, that following the satisfaction of the conditions set forth in the New Norwegian Facility, such date shall be deemed extended to November 18, 2017) (the "**Extended Maturity Date**"); (ii) if the Final Order is not entered within 45 days following the Commencement Date, then 45 days following the Commencement Date; (iii) the effective date of the plan of reorganization in this chapter 11 case; (iv) the date of the sale of substantially all assets of – (a) GulfMark Americas, (unless the proceeds of such sale pay off the Norwegian Facility in full and all commitments in respect thereof are terminated), (b) GulfMark Parent, (c) GulfMark Rederi, or (d) GulfMark UK Ltd.; (v) the date of dismissal or conversion of this chapter 11 case; and (vi) the date on which all DIP Intercompany Extensions of Credit become due and payable in full, whether by acceleration or otherwise.	Annex X to DIP Intercompany Credit Agreement
Interest Rate Bankruptcy Rule 4001(c)(1)(B)	Libor + 8.00%, payable monthly in arrears	§1.07; Annex A of DIP Intercompany Credit

Summary of Material Terms		Location
		Agreement
Undrawn Commitment Fee Bankruptcy Rule 4001(c)(1)(B)	5.00%, accruing from the date of entry of Interim Order until the expiry of the Additional Term Loan Commitment Period, payable monthly in arrears, on all undrawn and un-cancelled amounts of the Commitments.	§1.15 of DIP Intercompany Credit Agreement
DIP Milestones Bankruptcy Rule 4001(c)(1)(B)(vi)	(i) by not later than five (5) days after the Commencement Date, the Bankruptcy Court shall have entered the Interim Order; (ii) by not later than forty-five (45) days after the Commencement Date, the Bankruptcy Court shall have entered the Final Order; (iii) by seven (7) days after the Commencement Date, but in no event later than May 28, 2017, the filing of an Acceptable Plan of Reorganization, Disclosure Statement, and a motion seeking a hearing to consider the adequacy of the Disclosure Statement and approval of the solicitation procedures; (iv) by forty-five (45) days after the Commencement Date, but in no event later than July 7, 2017, entry of an order by the Bankruptcy Court approving the Disclosure Statement and the Borrower's solicitation procedures; provided, that Borrower shall use commercially reasonable efforts to seek entry of the foregoing order as soon as reasonably practicable before July 7, 2017; (v) within (20) business days following entry of the order approving the Disclosure Statement, but in no event later than August 4, 2017, the Borrower shall complete solicitation with respect to an Acceptable Plan of Reorganization; (vi) by ninety (90) days after the Commencement Date, but in no event later than August 21, 2017 , the Bankruptcy Court shall have entered an order confirming the Acceptable Plan of Reorganization; provided, that the Borrower shall use commercially reasonable efforts to seek entry of the foregoing order as soon as reasonably practicable before August 21, 2017; and (vii) by fourteen (14) days after entry of an order confirming the Acceptable Plan of Reorganization, but in no event later than September 4, 2017, consummation of the Acceptable Plan of Reorganization, including irrevocable payment in full in cash of all Obligations on the date of such consummation.	§5.03 and Annex D of DIP Intercompany Credit Agreement

Summary of Material Terms		Location
Carve-Out Bankruptcy Rule 4001(c)(1)(B)	The Interim Order provides (and the Final Order shall provide) a "**Carve-Out**" of certain statutory fees and allowed professional fees of the Debtor and any statutory committee of creditors appointed in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code (i) incurred prior to the Trigger Date and (ii) incurred after the Trigger Date, subject to a cap of $1.5 million in the aggregate. The Carve-out shall be senior to the Secured Parties' superpriority claim and the DIP Liens of GulfMark Rederi.	¶ 14 of the Interim Order
Parties with an Interest in Cash Collateral Bankruptcy Rule 4001(b)(1)(B)	No prepetition lender has any interest in the cash of the Borrower.	N/A

Local Rule 4001-2 Concise Statements		Location
Cross-Collateralization Local Rule 4001–2(a)(i)(A)	The Interim Order does not provide for cross-collateralization.	N/A
Stipulations Local Rule 4001–2(a)(i)(B)	Subject to customary challenge period, the Debtor stipulates that as of the date hereof, there exist no claims or causes of action against DNB with respect to, in connection with, related to, or arising from the DIP Intercompany Facility, the New Parent Guarantee, the New Norwegian Facility, the Consent, or the Collateral Assignment that may be asserted by the Debtor or, to the Debtor's knowledge, any other person or entity.	¶F of the Interim DIP Order
Section 506(c) Waiver Local Rule 4001–2(a)(i)(C)	The Interim Order does not provide for 506(c) waivers.	N/A
Liens on proceeds of Chapter 5 Causes of Action Local Rule 4001–2(a)(i)(D)	Subject to entry of the Final Order, the Secured Parties granted liens on the proceeds or property recovered, unencumbered or otherwise from the Debtors' claims and causes of action arising under chapter 5 of the Bankruptcy Code (collectively, the "**Avoidance Proceeds**").	§9.01 of DIP Intercompany Credit Agreement
Provisions Deeming Prepetition Debt to be Postpetition	The Interim Order contains no provisions deeming prepetition debt to be postpetition debt.	N/A

Local Rule 4001-2 Concise Statements		Location
Debt Local Rule 4001–2(a)(i)(E)		
Disparate Treatment of Professionals Under Carve Out Local Rule 4001–2(a)(i)(F)	The Interim Order contains no provision for disparate treatment for professionals retained by any statutory committee, if any, with respect to the Carve-Out.	N/A; ¶ 14 of the Interim Order
Non-Consensual Priming Liens Local Rule 4001–2(a)(i)(G)	The Interim Order does not provide for non-consensual priming of any existing secured lien.	N/A
Section 552(b)(1) Waiver Local Rule 4001–2(a)(i)(H)	The Interim Order does not (and the Final Order shall not) provide for the waiver of the "equities of the case" exception under section 552(b) of the Bankruptcy Code with respect to any party.	N/A

Jurisdiction

5. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

6. Pursuant to Rule 9013–1(f) of the Local Rules, the Debtor consents to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

Background

7. On the date hereof (the "**Commencement Date**"), the Debtor commenced with this Court a voluntary case under chapter 11 of the Bankruptcy Code. The Debtor continues to operate its business and manage its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee of creditors has been appointed in this chapter 11 case.

8. The Debtor, together with its non-debtor affiliates (collectively, "**GulfMark**" or the "**Company**"), comprise a global offshore marine services company engaged in providing support and transportation services primarily to the offshore oil and gas industry. The Company has three operating segments – the North Sea, Southeast Asia, and the Americas. Although its global headquarters are located in Houston, Texas, the Company supports operations in the North Sea through onshore bases in Aberdeen, Scotland and Sandnes, Norway; in the Southeast Asia region through an onshore base in Singapore; and in the Americas through onshore bases in New Orleans, Louisiana, Ciudad del Carmen, Mexico, Chaguaramas, Trinidad and Macae, Brazil. From these operating segments, the Company provides a variety of services for various offshore drilling and construction operations, including anchor handling and towing services, platform resupply services, and crew and personnel transportation services. Within the Company, only GulfMark Parent is a Debtor in this proceeding. The Company's other entities, including all operating entities, are not debtors and are continuing to conduct their businesses in the ordinary course.

9. Additional information regarding the circumstances leading to the commencement of this chapter 11 case and information regarding the Debtor's business and capital structure is set forth in the *Declaration of Brian J. Fox in Support of the Debtor's*

Chapter 11 Petition and Related Requests for Relief (the "**Fox Declaration**"), which has been filed contemporaneously herewith and is incorporated herein by reference.

The Debtor's Guarantees on GulfMark Entities' Secured Indebtedness

10. The Debtor has no prepetition secured debt. Below is a summary of the existing secured credit facilities of the Debtor's operating subsidiaries, with respect to which the Debtor has provided unsecured guarantees, and the Debtor's unsecured bond debt.

A. <u>The Prepetition Norwegian Facility</u>

11. GulfMark Rederi, the lender under the DIP Intercompany Credit Agreement, is the borrower under that certain Amended and Restated Multi-Currency Revolving Credit Facility Agreement dated as of December 27, 2012 with DNB, as Agent and Arranger, and certain lenders parties thereto (the "**Prepetition Norwegian Facility**"). The total available line of credit under the Prepetition Norwegian Facility is NOK600 million (approximately $69.9 million), of which approximately $45 million in principal amount is outstanding as of the Commencement Date.[4] The Debtor and GulfMark UK Ltd ("**GulfMark UK**"), an indirect parent of GulfMark Rederi, are guarantors under the Prepetition Norwegian Facility. As stated above, the Debtor's guarantee is unsecured. GulfMark Rederi's obligations are secured by: (i) mortgages on certain vessels owned by GulfMark Rederi and GulfMark UK (identified on **<u>Exhibit B</u>** attached to the Fox Declaration); (ii) a pledge of 100% of the common stock of the borrower by its immediate parent, GulfMark Norge AS; (iii) a pledge of GulfMark Rederi's accounts receivable; (iv) a pledge of two earnings accounts with DNB (one denominated in NOK

[4] As further discussed below, pursuant to that certain utilization letter, dated March 17, 2017, between GulfMark Rederi and DNB in its capacity as agent under the Norwegian Facility (the "**Norwegian Interim Utilisation Letter**"), GulfMark Rederi agreed to refrain from submitting additional draw requests under the Prepetition Norwegian Facility without prior written consent of the lenders under the facility.

and one in USD) and the funds held in those accounts; and (iv) an assignment of an insurance agreement insuring the vessels subject to the mortgages in favor of DNB.

12. Upon entry of the proposed Interim Order, the Prepetition Norwegian Facility will be amended and restated, and DNB will make an additional $35 million senior secured term loan under the New Norwegian Facility, available to GulfMark Rederi, subject to certain conditions detailed below, to fund the DIP Intercompany Facility. Under the New Norwegian Facility, DNB will receive additional collateral from non-Debtors in the form of: (i) liens on the previously unencumbered vessels of GulfMark Rederi and GulfMark UK and assignment of insurance agreements related thereto; (ii) pledge over a cash collateral account owned by GulfMark Rederi; and (iii) a pledge of shares of GulfMark UK by its immediate parent GulfMark North Sea Ltd. GulfMark Rederi will also assign to DNB, and grant to DNB a security interest in, all of GulfMark Rederi's right, title, and interest in and to the DIP Intercompany Finance Documents, the Interim Order, and the Final Order, pursuant to the Collateral Assignment. The Debtor's execution of the Consent with respect to such Collateral Assignment is sought as part of the relief requested herein.

13. The Debtor will also execute the New Parent Guarantee, which is sought as part of the relief requested herein. The New Parent Guarantee will be treated as a prepetition obligation of the Debtor and shall not be entitled to priority as an administrative expense of the Debtor's estate or otherwise.

B. <u>The Multicurrency Facility</u>

14. GulfMark Americas is the borrower under that certain Multicurrency Facility Agreement dated as of September 26, 2014 with The Royal Bank of Scotland plc, as Agent and Security Agent, and certain lenders parties thereto (the "**Multicurrency Facility**"). The total line of credit under the Multicurrency Facility is $100 million, of which $72 million in

principal amount is outstanding as of the Commencement Date.[5] GulfMark Parent is a guarantor, on an unsecured basis, under the Multicurrency Facility. GulfMark Americas' obligations are secured by: (i) mortgages on certain vessels (identified on **Exhibit B** attached to the Fox Declaration); (ii) a pledge of 100% of common stock of the borrower by its immediate parent, GulfMark Management; (iii) pledge of GulfMark Americas' account with RBS and the funds held in that account; and (iv) an assignment of an insurance agreement insuring the vessels subject to the mortgages in favor of RBS.

C. 6.375% Senior Notes due 2022

15. GulfMark Parent is a party to that certain Indenture (the "**Senior Notes Indenture**"), dated as of March 12, 2012, between GulfMark Parent, as issuer, and U.S. Bank National Association, as trustee, pursuant to which, GulfMark Parent issued 6.75% Senior Notes due 2019 in the aggregate principal amount of $500 million (the "**Senior Notes**"). Between December 2015 and during the first half of 2016, GulfMark Parent repurchased in the open market $70.4 million of principal amount of the Senior Notes. As of the Commencement Date, the aggregate amount outstanding on the Senior Notes is approximately $429.6 million in principal and approximately $18.6 million in accrued and unpaid interest through the Commencement Date.

The Debtor's Urgent Need for Postpetition Financing

16. It is essential to the continued operation of the Debtor's enterprise that the Debtor obtains access to postpetition financing to effect the restructuring contemplated by this chapter 11 case (the "**Restructuring**"). The Debtor's U.S. operating subsidiary, GulfMark

[5] As further discussed below, pursuant to that certain utilisation letter, dated March 8, 2017, between GulfMark Americas, GulfMark Parent, and The Royal Bank of Scotland, plc ("**RBS**") in its capacity as agent under the Multicurrency Facility (the "**Multicurrency Interim Utilisation Letter**"), GulfMark Americas agreed to refrain from submitting additional draw requests under the Multicurrency Facility without prior written consent of the lenders under the facility.

Americas, had less than $1 million in cash as of the Commencement Date, a level of liquidity that is substantially below the Company's comfort level. In addition, the Debtor requires funding to pay for the administration of the chapter 11 case.

17. Absent an infusion of capital, the Debtor will be unable to carry out the Restructuring and obtain the benefits of a comprehensive deleveraging that would benefit the entire GulfMark enterprise. In addition, because GulfMark Americas needs funds to cover its operating shortfall, the financing sought herein is essential to GulfMark Americas' ability to continue its operations, meet its payroll obligations to corporate, onshore, and offshore personnel, and properly maintain the vessels that are pledged as collateral under the Multicurrency Facility and the Norwegian Facility. The funding of GulfMark Americas' operating shortfall will be done in the form of Intercompany Loans (as defined and pursuant to the relief sought in the *Motion of Debtor Pursuant to 11 U.S.C. §§ 105(a), 345(b), 363(b)(1), 363(c)(1), and 364(a) and Fed. R. Bankr. P. 6003 and 6004 for Interim and Final Orders (I) Authorizing Debtor to (A) Continue Its Existing Cash Management System, as Modified, (B) Maintain Business Forms and Existing Bank Accounts, and (C) Continue Intercompany Arrangements and Transactions; (II) Granting Administrative Claim Status for Postpetition Intercompany Claims; (III) Extending Time to Comply with, or Seek Waiver of, Requirements of 11 U.S.C. § 345(b); and (IV) Granting Related Relief* (the "**Cash Management Motion**")). As further discussed in the Cash Management Motion, the movement of funds between various affiliates within the GulfMark enterprise in the form of Intercompany Loans will directly benefit the Debtor by preserving the value of its assets. Furthermore, it will enable the Debtor to engage in a smooth restructuring, without imminent risk of portions of its business enterprise collapsing

from liquidity concerns, and will maximize the value of the Debtor's assets for the benefit of its estate and its creditors. A cash flow forecast for the Debtor is attached hereto as **Exhibit D**.

The Negotiation of the Proposed DIP Intercompany Facility

18. As detailed in the Fox Declaration, as a result of the downturn in the oil and gas sector, the Company incurred significant losses from operations and had negative cash flow from operating activities in 2015 and 2016. In response to the market pressures, the Company undertook a number of initiatives, including reducing direct operating expenses, lowering general and administrative expenses, selling certain vessels opportunistically, and concentrating on strong franchise positions and its customer base. In addition, the Company sought to improve its financial flexibility by repurchasing approximately $70.4 million of the Senior Notes during 2015 and 2016. In late 2016, the Company also attempted a tender offer for the Senior Notes, which was not successful. Despite efforts to undertake transactions to reduce long-term debt and spending, the Company determined that with its existing capital structure, it was unable to withstand the ongoing and precipitous decline in oil and gas prices and the corresponding decline in the Company's revenues and cash flows, and that a reduction in its long-term debt and cash interest obligations was required to improve GulfMark's financial position and flexibility.

19. In early March 2017, the Debtor actively engaged in discussions and negotiations with its creditor constituencies, including with an ad hoc group of holders of the Senior Notes (the "**Ad Hoc Group**"), DNB, and the lenders under the Multicurrency Facility. Because equitization of the Senior Notes was the optimal path to achieve a financial restructuring, the main objective in the negotiations with the creditors was to allow for a "TopCo" only chapter 11 filing, *i.e.*, a case where only GulfMark Parent would become a debtor in a chapter 11 case. To that end, the Company viewed as optimal a debtor in possession

financing package that would allow for a single-debtor chapter 11 case; provided, that the terms of such financing were otherwise similar or better than other financing alternatives. As detailed in the Lulla Declaration, the Debtor received proposals relating to, considered, and negotiated several financing options proposed by various creditor groups. The Debtor ultimately selected the proposed DIP Intercompany Facility because it provides for the best terms available and facilitates the strategic objective of a "Topco" only chapter 11 case, which will substantially reduce the cost of administering the chapter 11 case, minimize disruption to the Company's business across the globe, and provide an opportunity for the Debtor's operating subsidiaries to restructure their secured debt obligations outside of chapter 11. Negotiations regarding refinancing the Debtor's operating subsidiaries' secured debt are ongoing, and the Debtor is hopeful that it will reach a resolution with its existing lenders in the near term.[6]

The Proposed DIP Intercompany Facility

20. The Debtor has determined, in the exercise of its business judgment, that it requires access to postpetition credit on the terms set forth in the DIP Intercompany Finance Documents to meet the ongoing working capital needs of its operating subsidiaries (primarily GulfMark Americas), for general corporate purposes, and for the cost of administering this chapter 11 case. As a result, subject to the Court's approval, the Debtor has determined to enter into the DIP Intercompany Facility with GulfMark Rederi, as Lender, and DNB, as the Issuing Bank under the Letters of Credit to be available thereunder.

21. As discussed above and in the Fox Declaration, GulfMark Rederi, the Debtor's indirect operating subsidiary based in Norway, will act as lender under the DIP

[6] The Debtor and its advisors also continue to explore options to deleverage the Company and maximize the value of its business. The Company is committed to pursuing consensual solutions with its secured lenders. Nevertheless, in the event that the Company determines feasible out-of-court solutions are not achievable within a reasonable time

Intercompany Facility. The source of funds for the financing will come from the New Norwegian Facility, which will be entered into upon entry of the Interim Order. GulfMark Rederi, GulfMark UK, and other pledgors and guarantors under the Prepetition Norwegian Facility and the proposed New Norwegian Facility are able to leverage the unencumbered vessels owned by GulfMark Rederi and GulfMark UK to obtain the funding necessary to fund the DIP Intercompany Facility.

22. The DIP Intercompany Facility is an "on-lending" facility. The Debtor's subsidiary GulfMark Rederi is obtaining additional funds from DNB, the existing lender under the Prepetition Norwegian Facility, by amending that facility (creating the New Norwegian Facility) and providing additional collateral for that facility. DNB has agreed to permit GulfMark Rederi to provide the additional funds advanced to it under the New Norwegian Facility to the Debtor through the DIP Intercompany Facility. As is expected and typical in an "on-lending" financing, GulfMark Rederi will be assigning to DNB and granting a security interest in, its right, title, and interest, in and to the DIP Intercompany Facility and related orders pursuant to the Collateral Assignment. In effect, DNB is providing the Debtor postpetition funding through its existing facility in accordance with a Rolling Budget (as defined in the DIP Intercompany Credit Agreement), attached hereto as **Exhibit C**. In return, DNB receives the benefit of additional collateral from non-Debtor entities and the DIP Superpriority Claim; its borrower, guarantors, and pledgors will continue to operate outside of a chapter 11 proceeding; and the Debtor and DNB have agreed to treatment of DNB's unsecured guaranty claim under the Plan.

23. The key terms of the DIP Intercompany Facility are as follows:

---

frame and in a manner consistent with the Debtor's obligations under the RSA, the Company may file chapter 11 petitions for certain of the Non-Debtor Affiliates.

- **General Terms**: The DIP Intercompany Facility is governed by the terms and conditions set forth in the DIP Intercompany Finance Documents, including the DIP Intercompany Credit Agreement.

- **Availability**: $20 million during the Interim Period until the Commitment Termination Date occurs, and $35 million during the Extended Commitment period.

- **Security**: As security under the DIP Intercompany Facility, subject to the DIP Intercompany Finance Documents,

  (a) GulfMark Rederi will be granted, pursuant to section 364(c)(2) of the Bankruptcy Code, valid, enforceable, perfected, and unavoidable liens on –

  (i) the Distribution Account, which will be used to deposit the proceeds of the DIP Intercompany Extensions of Credit and to pay various expenses of the Debtor in accordance with the Rolling Budget (annexed hereto as **Exhibit C**); and

  (ii) 65% of the voting equity and 100% of the non-voting equity in GulfMark Capital, LLC, GulfMark Foreign Investments, and GM Offshore, Inc.; and

  (iii)the Avoidance Proceeds; and

  (b) DNB will be granted, pursuant to section 364(c)(2) of the Bankruptcy Code, valid, enforceable, perfected, and unavoidable lien (together with GulfMark Rederi's liens, the "**DIP Liens**" and collateral subject thereto, the "**DIP Collateral**") on cash collateral securing Letters of Credit issued by DNB funded with proceeds of DIP Intercompany Extensions of Credit pursuant to the DIP Intercompany Credit Agreement and other available cash.

  The DIP Liens in favor of GulfMark Rederi shall in all respects be junior in priority to the Carve-Out.

- **Superpriority**: The DIP Obligations (defined, collectively, as all loans, advances, reimbursement obligations, extensions of credit, financial accommodations, fees, expenses, and other liabilities and obligations (including indemnities and similar obligations) in respect of DIP Intercompany Extensions of Credit, the DIP Intercompany Facility, and the DIP Intercompany Finance Documents) shall, pursuant to section 364(c)(1) of the Bankruptcy Code, at all times constitute an allowed superpriority claim (the "**DIP Superpriority Claim**") of the Secured Parties, and be payable from and have recourse to all DIP Collateral. All right, title and interest in the DIP Superpriority Claim shall be collaterally assigned from GulfMark Rederi to DNB pursuant to the Collateral Assignment. Subject to the Carve-Out, no costs or expenses of administration, including, without limitation, professional fees allowed and payable under sections 328, 330 and 331 of the Bankruptcy Code, or otherwise, that have been or may be incurred in this proceeding or in any Successor Case, and no priority claims are, or will be, senior to, prior to or *pari passu* with the DIP Liens, the DIP Superpriority Claim or any of the DIP Obligations.

- **Carve-Out**: All DIP Liens and the DIP Superpriority Claims granted under the Interim DIP Order shall be subject and subordinate to the Carve-Out. "**Carve-Out**" shall mean the sum of (i) all fees required to be paid to the Clerk of the Court and to the U.S. Trustee under section 1930(a) of title 28 of the United States Code, together with the statutory rate of interest (without regard to the notice set forth in (ii) below, and without regard to any Rolling Budget (subject to the Permitted Variance)); (ii) upon the Commitment Termination Date, to the extent allowed at any time, whether by interim order, procedural order, or otherwise, all unpaid fees, costs, and expenses (the "**Professional Fees**") incurred by persons or firms retained by the Debtor pursuant to section 327, 328, or 363 of the Bankruptcy Code or any statutory committee appointed in the Chapter 11 Case pursuant to section 1102 of the Bankruptcy Code (collectively, the "**Professional Persons**"), whether such fees were incurred before or on the date of delivery by the Secured Parties of a Carve-Out Trigger Notice (as defined below), whether allowed by the Court prior to or after delivery of a Carve-Out Trigger Notice (the "**Pre-Trigger Date Fees**"); and (iii) after the date of delivery of the Carve-Out Trigger Notice (the "**Trigger Date**"), to the extent incurred after the Trigger Date, the payment of Professional Fees of Professional Persons in an aggregate amount not to exceed $1,500,000 (the amount set forth in this clause (iii) being the "**Post Carve-Out Trigger Notice Cap**"). For purposes of the foregoing, "**Carve-Out Trigger Notice**" shall mean written notice by the Secured Parties to the Debtor, its lead counsel, the U.S. Trustee, and lead counsel for the Committee, delivered upon the occurrence of a Commitment Termination Date under this Interim Order, stating that the Post Carve-Out Trigger Notice Cap has been invoked. The ability of any party to object to the fees, expenses, reimbursement, or compensation described above shall not be impaired by the terms of the Carve-Out.

- **Commitment Termination Date**: during the Interim Period, the earlier to occur of (i) five (5) Business Days after the Final Hearing concludes and no Final Order has been entered by such date, unless extended by mutual agreement of the Debtor and the Secured Parties; and (ii) the Maturity Date.

- **<u>Maturity Date</u>**: is the earliest of:

  (i) August 18, 2017 (the "**Initial Maturity Date**"), provided, that following the satisfaction of the conditions set forth in the New Norwegian Facility, such date shall be deemed extended to November 18, 2017; Such conditions are: [7] (a) no Default or Event of Default shall have occurred and be continuing; (b) each of the representations and warranties of the Loan Parties in the Finance Documents shall be true and correct in all material respects immediately prior to, and after giving effect to, such extension; (c) the Plan shall have been filed by the Parent Guarantor with the Bankruptcy Court; and (d) DNB shall be reasonably satisfied that the Parent Guarantor is working in good faith to confirm the Plan.

  (ii) if Final Order is not entered within 45 days following the Commencement Date, then 45 days following the Commencement Date;

  (iii) the effective date of the plan of reorganization in this chapter 11 case;

  (iv) the date of the sale of substantially all assets of – (a) GulfMark Americas, (unless the proceeds of such sale pay off the New Norwegian Facility in full and all commitments in respect thereof are terminated), (b) GulfMark Parent, (c) GulfMark Rederi, or (d) GulfMark UK;

  (v) the date of dismissal or conversion of this chapter 11 case; and

  (vi) the date on which all DIP Intercompany Extensions of Credit become due and payable in full, whether by acceleration or otherwise.

- **<u>Letters of Credit</u>**: The Debtor may request the issuance of Letters of Credit for its own account or the account of any subsidiary in a form reasonably acceptable to the Issuing Bank, at any time prior to the Maturity Date; provided, that the Borrower shall be a co-applicant with respect to each Letter of Credit); provided, further, that the Letter of Credit Exposure shall not exceed at any time $10 million. The Borrower shall deposit proceeds of any DIP Intercompany Credit Extension related to a Letter of Credit request into an LC Collateral

[7] Capitalized terms used but not defined in this paragraph have the meanings ascribed to them in that certain Second Amended and Restated Multi-Currency Credit Facility Agreement between GulfMark Rederi as Borrower, DNB as Agent, and other parties thereto (the "**New Norwegian Facility Credit Agreement**"), attached as **<u>Annex C</u>** to the DIP Intercompany Credit Agreement.

Account. The amount of such deposit shall be equal to 100% (or 120% in connection with any Letter of Credit that is denominated in a currency other than US Dollars) of the Letter of Credit exposure.

Basis for Relief Requested

A. DIP Intercompany Facility Should Be Authorized

24. Approval of the DIP Intercompany Credit Agreement will provide the Debtor with immediate access to financing and allows it to pay current and ongoing expenses and fund the operations of its subsidiaries, including payment of postpetition wages and salaries, utility and vendor costs, among other things, in all cases subject to the Rolling Budget (subject to the Permitted Variance). Unless these expenditures are made, the Debtor and its subsidiaries may be forced to cease operations, which would result in irreparable harm to GulfMark's business. The credit provided under the DIP Intercompany Facility will enable the Debtor to continue to satisfy the needs of GulfMark's customers, pay the Company's employees, and operate its businesses in the ordinary course, and in an orderly and reasonable manner, which will preserve and enhance the value of the Debtor's estate for the benefit of all parties in interest. Further, it will provide confidence to the creditors and business partners of GulfMark that will enable and encourage them to continue their critical relationships with GulfMark. Finally, the implementation of the DIP Intercompany Credit Agreement will be viewed favorably by the GulfMark's employees and customers.

25. Section 364(c) of the Bankruptcy Code provides, among other things, that if a debtor is unable to obtain unsecured credit allowable as an administrative expense under section 503(b)(1) of the Bankruptcy Code, the court may authorize the debtor to obtain credit or incur debt (a) with priority over any and all administrative expenses as specified in section 503(b) or 507(b) of the Bankruptcy Code, (b) secured by a lien on property of the estate that is not otherwise subject to a lien, or (c) secured by a junior lien on property of the estate that is

subject to a lien. 11 U.S.C. § 364(c). Section 364(d) of the Bankruptcy Code allows a debtor to obtain credit secured by a senior or equal lien on property of the estate that is subject to a lien, provided that (a) the debtor is unable to obtain such credit otherwise, and (b) there is adequate protection of the interest of the holder of the lien on the property of the estate on which such senior or equal lien is proposed to be granted. 11 U.S.C. § 364(d).

26. As further provided in the Lulla Declaration, despite its efforts, the Debtor was unable to (a) procure sufficient financing (i) in the form of unsecured credit allowable under section 503(b)(1), (ii) as an administrative expense under section 364(a) or (b), (iii) in exchange for the grant of a superpriority administrative expense claim pursuant to section 364(c)(1), or (iv) without granting first priority (non-priming) liens pursuant to section 364(d), or (b) obtain postpetition financing or other financial accommodations from any alternative prospective lender or group of lenders on more favorable terms and conditions than those for which approval is sought herein. Given that the Debtor has no assets other than the equity in its subsidiaries and claims against its subsidiaries (*i.e.*, all of the Debtor's assets are owned by its subsidiaries) no entity, other than the Secured Parties, was willing to provide postpetition financing to the Debtor on the terms of the DIP Intercompany Facility and that would allow other GulfMark entities to remain outside of chapter 11.

27. Having determined that financing is available only under sections 364(c) and (d) of the Bankruptcy Code, the Debtor negotiated the DIP Intercompany Facility with DNB extensively and at arm's length. Provided that a debtor's business judgment does not run afoul of the provisions of, and policies underlying, the Bankruptcy Code, courts grant a debtor considerable deference in acting in accordance therewith. *See, e.g.*, *Bray v. Shenandoah Fed. Sav. & Loan Ass'n* (*In re Snowshoe Co.*), 789 F.2d 1085, 1089-90 (4th Cir. 1986); *In re Ames*

Dep't Stores, Inc., 115 B.R. 34, 40 (Bankr. S.D.N.Y. 1990) ("[C]ases consistently reflect that the court's discretion under section 364 is to be utilized on grounds that permit reasonable business judgment to be exercised so long as the financing agreement does not contain terms that leverage the bankruptcy process and powers or its purpose is not so much to benefit the estate as it is to benefit a party-in-interest."); *see also In re Simasko Prod. Co.*, 47 B.R. 444, 449 (D. Colo. 1985); *Funding Sys. Asset Mgmt. Corp. v. Key Capital Corp.* (*In re Funding Sys. Asset Mgmt. Corp.*), 72 B.R. 87, 88 (Bankr. W.D. Pa. 1987); *In re Curlew Valley Assocs.*, 14 B.R. 506, 513-14 (Bankr. D. Utah 1981).

28. Section 364(d) does not require that a debtor seek alternative financing from every possible lender; rather, the debtor simply must demonstrate sufficient efforts to obtain financing without the need to grant a senior lien. *In re Snowshoe Co.*, 789 F.2d at 1088 (demonstrating that credit was unavailable absent the senior lien by establishment of unsuccessful contact with other financial institutions in the geographic area); *In re 495 Central Park Ave. Corp.*, 136 B.R. 626, 631 (Bankr. S.D.N.Y. 1992) (debtor testified to numerous failed attempts to procure financing from various sources, explaining that "most banks lend money only in return for a senior secured position"); *In re Aqua Assocs.*, 123 B.R. 192, 197 (Bankr. E.D. Pa. 1991) (debtor's "evidence of a credit quest" adequately established that some degree of priming loan was necessary for the debtor to obtain funding).

29. The Debtor submits that the circumstances of this chapter 11 case, and GulfMark's unique corporate and capital structures, require the Debtor to obtain financing under sections 364(c) and (d) of the Bankruptcy Code, and accordingly, the DIP Intercompany Facility reflects the exercise of the Debtor's sound business judgment. The terms and conditions of the DIP Intercompany Facility are fair and reasonable, and were negotiated extensively and at arm's

length. Further, consummation of the DIP Facility is in the best interest of the Debtor's estate, its creditors and the creditors of its subsidiaries, and all other parties in interest in this chapter 11 case and is consistent with the Debtor's exercise of its fiduciary duties. Accordingly, the Secured Parties and all obligations incurred in connection with the DIP Facility should be afforded the benefits of section 364(e) of the Bankruptcy Code. Indeed, similar "on-lending" structures have been approved in other chapter 11 cases in this district. *See, e.g., In re Teleglobe Comc'n Corp.*, Bankr. D. Del. Case No. 02-11518 (D.I. 149), entered June 24, 2002 (approving on-lending intercompany facility advanced by a foreign affiliate of the debtor).

B. <u>The Scope of the Carve-Out Is Appropriate</u>

30. Liens granted under the DIP Intercompany Facility are subject to the Carve-Out. Without the Carve-Out, the Debtor and other parties in interest may be deprived of certain rights and powers because the services for which professionals may be paid in this chapter 11 case would be restricted. *See In re Ames Dep't Stores, Inc.,* 115 B.R. 34, 40 (Bankr. S.D.N.Y. 1990) (observing that courts insist on carve-outs for professionals representing parties in interest because "[a]bsent such protection, the collective rights and expectations of all parties-in-interest are sorely prejudiced"). The Carve-Out does not directly or indirectly deprive the Debtor's estate or other parties in interest of possible rights and powers. Additionally, the Carve-Out protects against administrative insolvency during the course of this chapter 11 case by ensuring that assets remain for the payment of fees of the Clerk of the Bankruptcy Court or the Office of the United States Trustee for the District of Delaware and professional fees of the Debtor and a statutory committee (if any).

C. <u>The Automatic Stay Should Be Modified on a Limited Basis</u>

31. The relief requested herein contemplates a modification of the automatic stay to permit the Debtor to grant liens described above to the Secured Parties,

and to perform such acts as may be requested to assure the perfection and priority of such liens. Stay modifications of this kind are ordinary and standard features for the use of cash collateral, and in the Debtor's business judgment, are reasonable and fair under the present circumstances.

Bankruptcy Rule 6003 Has Been Satisfied

32. The Debtor respectfully requests consideration of this Motion pursuant to Bankruptcy Rule 6003, which provides that, to the extent relief is necessary to avoid immediate and irreparable harm, a bankruptcy court may issue an order granting "a motion to use, sell, lease, or otherwise incur an obligation regarding property of the estate, including a motion to pay all or part of a claim that arose before the filing of the petition" before 21 days after filing of the petition. The Debtor's estate would suffer immediate and irreparable harm if the relief sought herein is not promptly granted. Accordingly, the Debtor submits that it has satisfied the requirements of Bankruptcy Rule 6003.

Request for Bankruptcy Rule 6004 Waivers

33. The Debtor requests a waiver of the notice requirements under Bankruptcy Rule 6004(a) and any stay of the order granting the relief requested herein pursuant to Bankruptcy Rule 6004(h). As explained above and in the Fox Declaration, the relief requested herein is necessary to avoid immediate and irreparable harm to the Debtor. Accordingly, ample cause exists to justify the waiver of the notice requirements under Bankruptcy Rule 6004(a) and the 14-day stay imposed by Bankruptcy Rule 6004(h), to the extent such stay applies.

Reservation of Rights

34. Nothing contained herein is intended to be or shall be deemed as (i) an admission as to the validity of any claim against the Debtor, (ii) a waiver of the Debtor's or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any claim,

(iii) a waiver of the Debtor's or any other party in interest's rights under the Bankruptcy Code or any other applicable nonbankruptcy law, or (iv) an approval, adoption, assumption, or rejection of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code. Likewise, if the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended to be and should not be construed as an admission to the validity of any claim or a waiver of the Debtor's or any party in interest's rights to dispute such claim subsequently.

Notice

35. No trustee, examiner, or statutory committee of creditors has been appointed in this chapter 11 case. Notice of this Motion will be provided to (i) the Office of the United States Trustee for the District of Delaware (Attn: Mark Kenney); (ii) the Debtor's 20 largest unsecured creditors; (iii) The Royal Bank of Scotland plc, as Agent and Security Agent (the "**RBS Agent**"), 1 Albyn Place, Aberdeen, AB10 1BR (Attn: David Canning), under that certain Multicurrency Facility, originally dated as of September 26, 2014, as amended; (iv) Sullivan & Cromwell LLP, 125 Broad Street, New York, NY 10004-2498 (Attn: Michael H. Torkin) as counsel to the RBS Agent; (v) DNB, Lars Hillesgt 30, N-5020 Bergen, Norway, under that certain Amended and Restated Multi-Currency Revolving Credit Facility Agreement, dated as of December 27, 2012; (vi) counsel to the DNB: (a) Hughes Hubbard & Reed LLP, One Battery Park Plaza, New York, NY 10004-1482 (Attn: Christopher K. Kiplok and Anson B. Frelinghuysen) and (b) Bayard, P.A., 222 Delaware Avenue, Suite 900, Wilmington, DE 19801 (Attn: Erin R. Fay); (vii) U.S. Bank National Association, 225 Asylum Street, 23rd Floor, Hartford, Connecticut 06103 (Attn: Corporate Trust Services), as Indenture Trustee for the 6.375% Senior Notes due 2022; (viii) Foley & Lardner LLP, 90 Park Avenue, New York, NY 10016-1314 (Attn: Derek L. Wright and Mark L. Prager) as counsel to the Indenture Trustee;

(ix) counsel to the Ad Hoc Noteholder Group: (a) Milbank, Tweed, Hadley & McCloy LLP, 28 Liberty Street, New York, NY 10005-1413 (Attn: Dennis Dunne and Evan Fleck) and (b) Morris Nichols Arsht & Tunnell, 1201 N. Market St., #1800, Wilmington, DE 19801 (Attn: Gregory W. Werkheiser and Robert Dehney); (x) counsel to GulfMark Rederi AS: (a) Norton Rose Fulbright US LLP, Fulbright Tower, 1301 McKinney, Suite 5100, Houston, TX 77010-3095 (Attn: Jason Lee Boland and William R. Greendyke) and (b) Womble Carlyle Sandridge & Rice, LLP, 222 Delaware Avenue, Suite 1501, Wilmington, DE 19801 (Attn: Matthew Ward); (xi) the Securities and Exchange Commission; (xii) the Internal Revenue Service; (xiii) the United States Attorney's Office for the District of Delaware; (xiv) any other party entitled to notice pursuant to Local Rule 9013–1(m); and (xv) all of the banks listed on **Schedule 1**. The Debtor respectfully submits that no further notice is required.

No Previous Request

36. No previous request for the relief sought herein has been made by the Debtor to this or any other court.

[The remainder of this page is left intentionally blank.]

WHEREFORE the Debtor respectfully requests entry of the Proposed Interim Order and Proposed Final Order granting the relief requested herein and such other and further relief as the Court may deem just and appropriate.

Dated: May 17, 2017
Wilmington, Delaware

/s/ Zachary I. Shapiro
RICHARDS, LAYTON & FINGER, P.A.
Mark D. Collins (No. 2981)
Zachary I. Shapiro (No. 5103)
Brett M. Haywood (No. 6166)
Christopher M. De Lillo (No. 6355)
One Rodney Square
920 North King Street
Wilmington, Delaware 19801
Telephone: (302) 651-7700
Facsimile: (302) 651-7701

-and-

WEIL, GOTSHAL & MANGES LLP
Gary T. Holtzer (*pro hac vice* pending)
Ronit J. Berkovich (*pro hac vice* pending)
Debora A. Hoehne (*pro hac vice* pending)
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

Proposed Attorneys for Debtor
and Debtor in Possession

Exhibit A

Proposed Interim Order

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	:	**Chapter 11**
GULFMARK OFFSHORE, INC.,	:	**Case No. 17-11125 (KG)**
Debtor.[1]	:	**Re: Docket No. ___**

INTERIM ORDER PURSUANT TO 11 U.S.C. §§ 105, 361, 362, 363(b), 364(c)(1), 364(c)(2), AND 364(e) (I) AUTHORIZING DEBTOR TO (A) OBTAIN POSTPETITION FINANCING, (B) GRANT SENIOR LIENS AND SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS, AND (C) ENTER RELATED AGREEMENT WITH DNB BANK ASA, (II) MODIFYING THE AUTOMATIC STAY, (III) SCHEDULING A FINAL HEARING, AND (IV) GRANTING RELATED RELIEF

Upon the motion, dated May 17, 2017 (the "***Motion***") (D.I. ___), of GulfMark Offshore, Inc. (the "***Debtor***") in the above-captioned chapter 11 case (the "***Chapter 11 Case***"), for the entry of an order pursuant to sections 362, 363, and 364 of title 11 of the United States Code (as amended, the "***Bankruptcy Code***"), Rules 2002, 4001, 6004, 9014 of the Federal Rules of Bankruptcy Procedure (as amended, the "***Bankruptcy Rules***"), and the local bankruptcy rules for the District of Delaware (the "***Bankruptcy Local Rules***"), seeking:

i. the Court's authorization, pursuant to sections 364(c)(1) and (c)(2) of the Bankruptcy Code, for the Debtor to –

(A) enter into a senior secured super-priority debtor in possession credit facility (the "***DIP Intercompany Facility***") pursuant to that

[1] The last four digits of the Debtor's federal tax identification number are x6032. The Debtor's principal mailing address is 842 West Sam Houston Parkway North, Suite 400, Houston, Texas 77024.

certain Senior Secured Super-Priority Debtor in Possession Credit Agreement among the Debtor, as Borrower, GulfMark Rederi AS ("***Rederi***"), as Lender, and DNB Bank ASA, ("***DNB***") as Issuing Bank (DNB in its capacity as Issuing Bank and Rederi, together, the "***Secured Parties***"), dated on or about May 18, 2017 (the "***DIP Intercompany Credit Agreement***", and, collectively with this order (the "***Interim Order***"), the Final Order (as defined below and, together with the Interim Order, the "***DIP Orders***"), and all other agreements, documents and instruments delivered or executed in connection therewith, as hereafter amended, supplemented or otherwise modified from time to time consistent with the orders, the "***DIP Intercompany Finance Documents***");[2] and

(B) obtain extensions of credit thereunder on a secured superpriority basis, (1) from the date hereof through and including the Commitment Termination Date (as defined below) (such period, the "***Interim Period***"), in an aggregate principal amount not to exceed $20,000,000 and (2) if the Final Order is entered by the Court (subject to satisfaction of conditions set forth in the DIP Intercompany Credit Agreement) in an aggregate principal amount not to exceed an additional $15,000,000 (for a total amount of up to $35,000,000), in each case at any time outstanding; *provided*, that up to $10,000,000 of such funding may be used to cash

[2] Capitalized terms used but not otherwise as defined herein shall have the meanings given to them in the DIP Intercompany Credit Agreement.

collateralize any Letters of Credit issued in accordance with the terms of the DIP Intercompany Credit Agreement (all loans, letters of credit, financial accommodations, and other extensions of credit under the DIP Intercompany Finance Documents, the "***DIP Intercompany Extensions of Credit***");

ii. the Court's authorization for the Debtor to execute the DIP Intercompany Credit Agreement and all other DIP Intercompany Finance Documents, to which it is a party, and to perform such other and further acts as may be necessary or appropriate in connection therewith;

iii. the Court's authorization for the Debtor to execute and enter into, and in each case perform such other and further acts as may be necessary or appropriate in connection therewith: (a) the Amended and Restated Parent Guarantee between Debtor and DNB, dated on or about May 18, 2017 (the "***Parent Guarantee***") with respect to Rederi's obligations to DNB under the Second Amended and Restated Multi-Currency Credit Facility Agreement, dated on or about May 18, 2017 (the "***NOK Facility***") and (b) the Consent and Agreement, dated or about May 18, 2017 (the "***Consent***"), consenting to Rederi's assignment to DNB, and grant of a security interest to DNB in, all of Rederi's right, title, and interest in and to the DIP Intercompany Finance Documents and the DIP Orders pursuant to the Assignment and Security Agreement, dated on or about May 18, 2017 (the "***Collateral Assignment***");

iv. the Court's authorization for the Debtor to use DIP Intercompany Extensions of Credit only in accordance with the terms of the DIP Intercompany Finance Documents and the Rolling Budget (subject to the Permitted Variance);

v. the Court's authorization to grant to the Secured Parties, in respect of the DIP Obligations (as defined below), (A) a superpriority administrative claim pursuant to Section 364(c)(1) of the Bankruptcy Code; and (B) first priority Liens on and security interests in the DIP Collateral (as defined below), including the Distribution Account (as defined below), pursuant to Section 364(c)(2) of the Bankruptcy Code, in each case as and to the extent set forth more fully below;

vi. the modification or waiver by the Court of the automatic stay imposed by Section 362 of the Bankruptcy Code and any other applicable stay (including by virtue of Bankruptcy Rule 6004) to the extent necessary to implement and effectuate the terms and provisions of the DIP Intercompany Facility, this Interim Order, and the other DIP Intercompany Finance Documents and to provide for the immediate effectiveness of this Interim Order;

vii. the scheduling by the Court of a final hearing (the "***Final Hearing***") to consider entry of an order (the "***Final Order***") granting the relief requested in the Motion on a final basis and approving the form of notice with respect to the Final Hearing and the transactions contemplated by the Motion; and

viii. approval of the Final Order.

Notice of the interim hearing on the Motion (the "***Interim Hearing***") having been provided in the manner set forth in the Motion; and the Interim Hearing having been held by the Court on May __, 2017; and upon the record made by the Debtor in the Motion, in the *Declaration of Sachin Lulla in Support of Motion of Debtor for Interim and Final Orders (I) Authorizing Debtor (A) to Obtain Postpetition Financing Pursuant to 11 U.S.C. §§ 105, 361, 362, 363(b), 364(c)(1), 364(c)(2), and 364(e), (B) Grant Senior Liens and Superpriority Administrative Status, and (C) Enter Related Agreement With DNB Bank ASA, (II) Modifying the Automatic Stay, (III) Scheduling a Final Hearing Pursuant to Bankruptcy Rules 4001(b) and (c), and (IV) Granting Related Relief* (D.I. __) (the "***Lulla Declaration***"), in the *Declaration of Brian J. Fox in Support of the Debtor's Chapter 11 Petition and Related Requests for Relief* (D.I. 8) (the "***Fox Declaration***"), and at the Interim Hearing; and the Court having considered the Motion, the terms of the DIP Intercompany Facility, the DIP Intercompany Finance Documents, the Parent Guarantee, the Consent, the NOK Facility, the Collateral Assignment, and the evidence submitted at the Interim Hearing; and it appearing that approval of the interim relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtor pending the Final Hearing and is otherwise fair and reasonable and in the best interests of the Debtor, its creditors and its estate, and essential for the continued operation of the Debtor's business; and all objections, if any, to the entry of this Interim Order having been withdrawn, resolved or overruled by the Court; and after due deliberation and consideration, and for good and sufficient cause appearing therefor:

IT IS HEREBY FOUND AND CONCLUDED AS FOLLOWS:[3]

A. Petition Date. On May 17, 2017 (the "***Petition Date***"), the Debtor filed a voluntary petition under Chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware (the "***Court***"). The Debtor has continued in the management and operation of its business and properties as debtor-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Case.

B. Jurisdiction and Venue. The Court has jurisdiction over this proceeding and the Motion, pursuant to 28 U.S.C. § 1334. Consideration of the Motion constitutes a core proceeding under 28 U.S.C. § 157(b)(2). Venue for the Chapter 11 Case and the proceedings on the Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

C. Committee Formation. No official committee of unsecured creditors (the "***Committee***") has been appointed as of the date hereof.

D. Notice. Notice of the Interim Hearing and the relief requested in the Motion and at the Interim Hearing has been served on: (i) the Office of the United States Trustee for the District of Delaware (the "***U.S. Trustee***"), (ii) all parties known by the Debtor to hold or assert a lien on any asset of the Debtor; (iii) the Office of the United States Attorney General for the District of Delaware; (iv) the Internal Revenue Service, and (v) those creditors holding the 30 largest unsecured claims against the Debtor's estate on a consolidated basis; (vi) counsel for DNB, (a) Hughes Hubbard & Reed LLP, One Battery Park Plaza, New York, New York 10004 (Attn: Christopher K. Kiplok, Esq. and Anson B. Frelinghuysen, Esq.) and (b) Bayard, P.A., 222

---

[3] The findings and conclusions set forth in this Interim Order constitute this Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

Delaware Avenue, Suite 900, Wilmington, Delaware 19899 (Attn: Erin R. Fay, Esq.); (vii) counsel to GulfMark Rederi AS: (a) Norton Rose Fulbright US LLP, Fulbright Tower, 1301 McKinney, Suite 5100, Houston, TX 77010-3095 (Attn: Jason Lee Boland and William R. Greendyke) and (b) Womble Carlyle Sandridge & Rice, LLP, 222 Delaware Avenue, Suite 1501, Wilmington, DE 19801 (Attn: Matthew Ward); (viii) Milbank, Tweed, Hadley & McCloy LLP, 28 Liberty Street, New York, NY 10005-1413 (Attn: Dennis Dunne, Esq. and Evan R. Fleck, Esq.) as counsel to the ad hoc group of holders of the Debtor's 6.375% Senior Notes due 2022 (ix) Sullivan & Cromwell LLP, 125 Broad Street, New York, NY 10004-2498 (Attn: Michael H. Torkin, Esq.) as counsel to The Royal Bank of Scotland plc, as Agent and Security Agent under that certain Multicurrency Facility, originally dated as of September 26, 2014, as amended, (x) the Securities and Exchange Commission, (xi) the Environmental Protection Agency, (xii) the United States Attorney's Office for the District of Delaware, (xiii) all relevant state taxing authorities, and (xiv) the office of the attorneys general for the states in which the Debtor operates. Under the circumstances, such notice of the Interim Hearing and the relief requested in the Motion constitutes due, sufficient and appropriate notice and complies with Section 102(1) of the Bankruptcy Code, Bankruptcy Rules 2002 and 4001(b) and (c) and the Bankruptcy Local Rules.

E. No Control. DNB is not a control person or insider of the Debtor or any of its affiliates by virtue of any of the actions taken with respect to, in connection with, related to, or arising from the DIP Intercompany Facility, the Parent Guarantee, the NOK Facility, the Consent, or the Collateral Assignment.

F. No Claims or Causes of Action. Subject to paragraph 7 of this Interim Order, as of the date hereof, there exist no claims or causes of action against DNB with respect to, in connection with, related to, or arising from the DIP Intercompany Facility, the Parent Guarantee, the NOK Facility, the Consent, or the Collateral Assignment that may be asserted by the Debtor or, to the Debtor's knowledge, any other person or entity.

G. Immediate Need for Postpetition Financing. The Debtor has requested immediate entry of this Interim Order pursuant to Bankruptcy Rule 4001(c)(2) and the Bankruptcy Local Rules. Good cause has been shown for entry of this Interim Order. An immediate need exists for the Debtor to obtain funds and liquidity in order to continue operations and to administer and preserve the value of its estate. The ability of the Debtor to finance its operations, to preserve and maintain the value of the Debtor's assets and to maximize the return for all creditors requires the availability of the DIP Intercompany Facility. In the absence of the availability of such funds and liquidity in accordance with the terms hereof, the continued operation of the Debtor's business would not be possible, and serious and irreparable harm to the Debtor and its estate and creditors would occur. Thus, the ability of the Debtor to preserve and maintain the value of its assets and maximize the return for creditors requires the availability of working capital from the DIP Intercompany Facility.

H. No Credit Available on More Favorable Terms. The Debtor has been unable to obtain financing on more favorable terms and conditions than those provided in the DIP Intercompany Finance Documents and this Interim Order. Among other things, the Debtor is unable to obtain adequate unsecured credit allowable under section 503(b)(1) of the Bankruptcy Code as an administrative expense and also is unable to obtain credit for borrowed money without granting the DIP Liens (as defined below) and the DIP Superpriority Claim (as defined below) to the Secured Parties. Granting the DIP Liens and the DIP Superpriority Claim to the Secured Parties is a condition to DNB's extension of credit to Rederi under the NOK Facility.

The DIP Intercompany Facility is only available to the Debtor on account of the NOK Facility and DNB's lending to Rederi thereunder.

I. Proceeds of the DIP Intercompany Facility and DIP Collateral. All proceeds of the DIP Intercompany Facility and all proceeds of the DIP Collateral shall be segregated and deposited in an account (the "***Distribution Account***") and shall be available for further disbursements only in accordance with the terms and conditions of this Interim Order, the DIP Intercompany Credit Agreement, and the Rolling Budget (subject to the Permitted Variance) and for no other purpose; *provided*, that any proceeds of the DIP Intercompany Facility in connection with the issuance of a Letter of Credit shall be deposited directly into a newly-created account at DNB (the "***LC Collateral Account***") in accordance with the terms of the DIP Intercompany Credit Agreement

J. Extension of Financing. Rederi has indicated a willingness to on-lend the funds it receives from DNB under the NOK Facility (the "***Additional NOK Loans***") to the Debtor in accordance with the DIP Intercompany Credit Agreement and the other DIP Intercompany Finance Documents and subject to (i) (a) in the case of $20,000,000 in DIP Intercompany Extensions of Credit, the entry of this Interim Order and (b) in the case of the remaining DIP Intercompany Extensions of Credit available under the DIP Intercompany Finance Documents, entry of the Final Order, (ii) satisfaction of conditions set forth in the DIP Intercompany Credit Agreement, and (iii) findings by this Court that such financing is essential to the Debtor's estate, that each of the Secured Parties is a good faith financier, and that the Secured Parties' claims, superpriority claims, security interests and liens and other protections granted pursuant to this Interim Order (and the Final Order) and the DIP Intercompany Facility (including the DIP Superpriority Claim and the DIP Liens) will not be affected by any subsequent reversal, modification, vacatur or amendment of, as the case may be, this Interim Order, the Final Order or any other order, as provided in Section 364(e) of the Bankruptcy Code.

K. <u>DIP Intercompany Facility: Business Judgment and Good Faith Pursuant to Section 364(e)</u>.

i. The terms and conditions of the DIP Intercompany Facility, and the fees paid and to be paid thereunder, are fair, reasonable, and the best available under the circumstances, reflect the Debtor's exercise of prudent business judgment consistent with its fiduciary duties, and are supported by reasonably equivalent value and consideration;

ii. the DIP Intercompany Facility was negotiated in good faith and at arm's length between the Debtor and the Secured Parties; and

iii. the proceeds to be extended under the DIP Intercompany Facility will be so extended in good faith and for valid business purposes and uses, as a consequence of which each of the Secured Parties is entitled to the protection and benefits of Section 364(e) of the Bankruptcy Code.

L. <u>Parent Guarantee and Consent: Business Judgment and Good Faith Pursuant to Section 363(b), (m)</u>.

i. The terms and conditions of each of the Parent Guarantee and Consent are fair, reasonable, and the best available under the circumstances, reflect the Debtor's exercise of prudent business judgment consistent with its fiduciary duties, and are supported by reasonably equivalent value and consideration; and

ii. each of the Parent Guarantee and Consent was negotiated in good faith and at arm's length between the Debtor and DNB, as a consequence of which DNB is entitled to the protection and benefits of Section 363(m) of the Bankruptcy Code.

M. Relief Essential; Best Interest. The relief requested in the Motion (and provided in this Interim Order) is necessary, essential, and appropriate for the continued operation of the Debtor's businesses and the management and preservation of the Debtor's assets and property. It is in the best interest of the Debtor's estate that the Debtor be allowed to enter into the Parent Guarantee, Consent, and the DIP Intercompany Facility and incur the DIP Obligations.

NOW, THEREFORE, on the Motion of the Debtor and the record before this Court with respect to the Motion, including the record made during the Interim Hearing, and with the consent of the Debtor and the Secured Parties, and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. Motion Granted. The Motion is granted on an interim basis in accordance with the terms and conditions set forth in this Interim Order. Any objections to the Motion with respect to entry of this Interim Order to the extent not withdrawn, waived or otherwise resolved, and all reservation of rights included therein, are hereby denied and overruled. The Interim Order shall become effective immediately upon its entry.

2. Parent Guarantee and Consent.

a. Parent Guarantee and Consent Obligations, etc. The Debtor is expressly and immediately authorized and empowered to (i) enter into each of the Parent Guarantee and Consent, (ii) execute and/or deliver all other instruments, certificates, agreements and documents related thereto, and (iii) take all actions which may be necessary for the performance by the Debtor under each of the Parent Guarantee and Consent. Each of the Parent Guarantee and Consent shall represent, constitute and evidence, as the case may be, valid and binding obligations of the Debtor, enforceable against the Debtor, its estate and any successors thereto in accordance with its terms. No obligation, payment, or transfer under the Parent Guarantee or Consent as approved under this Interim Order shall be stayed, restrained, voided, voidable or recoverable under the Bankruptcy Code or under any applicable nonbankruptcy law, or subject to any defense, reduction, setoff, recoupment or counterclaim. The term of each of the Parent Guarantee and Consent shall commence on the date of entry of this Interim Order.

b. Financial Reporting. The Debtor shall provide to Rederi and DNB, in its role as Issuing Bank, all of the financial reporting required under (and consistent with the requirements contained in) the DIP Intercompany Credit Agreement.

c. Expenses. The Debtor shall reimburse each Secured Party for its reasonable fees and costs incurred in connection with the DIP Obligations as and to the extent required under the DIP Intercompany Finance Documents.

3. DIP Intercompany Facility.

a. DIP Obligations, etc. The Debtor is expressly and immediately authorized and empowered to (i) enter into the DIP Intercompany Facility and to incur and to perform the DIP Obligations in accordance with and subject to this Interim Order (and, upon its entry, the Final Order) and the other DIP Intercompany Finance Documents, (ii) execute and/or deliver all DIP Intercompany Finance Documents and all other instruments, certificates, agreements and documents related thereto, and (iii) take all actions which may be necessary for the performance by the Debtor under the DIP Intercompany Facility, including the creation and perfection of the DIP Liens described and provided for herein. The Debtor is hereby authorized and directed to pay all principal, interest, fees and expenses, indemnities and other amounts described herein and in the other DIP Intercompany Finance Documents as such shall accrue and become due thereunder (collectively, all loans, advances, reimbursement obligations, extensions of credit, financial accommodations, fees, expenses and other liabilities and obligations (including indemnities and similar obligations) in respect of DIP Intercompany Extensions of Credit, the

DIP Intercompany Facility, and the DIP Intercompany Finance Documents, the "***DIP Obligations***"). The DIP Intercompany Finance Documents and all DIP Obligations shall represent, constitute and evidence, as the case may be, valid and binding obligations of the Debtor, enforceable against the Debtor, its estate and any successors thereto in accordance with their terms. No obligation, payment, transfer or grant of security under the DIP Intercompany Finance Documents as approved under this Interim Order shall be stayed, restrained, voided, voidable or recoverable under the Bankruptcy Code or under any applicable nonbankruptcy law, or subject to any defense, reduction, setoff, recoupment or counterclaim. The term of the DIP Intercompany Facility shall commence on the date of entry of this Interim Order and end on the Commitment Termination Date, subject to the terms and conditions set forth herein, in the Final Order (once entered) and in the other DIP Intercompany Finance Documents, including the protections afforded a party acting in good faith under Section 364(e) of the Bankruptcy Code.

b. Authorization to Borrow, etc. In order to continue to operate its business, subject to the terms and conditions of this Interim Order and the other DIP Intercompany Finance Documents, the Debtor is hereby authorized to borrow under the DIP Intercompany Facility during the Interim Period up to an aggregate principal amount of $20,000,000 only for the purposes set forth in the DIP Intercompany Finance Documents and the applicable Rolling Budget (subject to the Permitted Variance). The Debtor is authorized to guarantee repayment of Rederi's obligations under the NOK Facility under the terms of the Parent Guarantee; provided, however, that notwithstanding anything in this Interim Order or in the Parent Guarantee to the contrary, the Debtor's obligations under the Parent Guarantee shall not be entitled to priority as administrative expenses of the Debtor's estate or otherwise.

c. Conditions Precedent. The Secured Parties shall have no obligation to make any DIP Extension of Credit or any other financial accommodation under the DIP Intercompany Finance Documents unless all conditions precedent to making DIP Intercompany Extensions of Credit under the DIP Intercompany Finance Documents have been satisfied or waived in accordance with the terms of the DIP Intercompany Finance Documents, including, for the avoidance of doubt, the conditions that (i) Rederi and DNB shall have entered into the NOK Facility and there is no Default or Event of Default thereunder and (ii) the Debtor and its affiliates have not obtained any other additional financing unless such financing pays off the DIP Intercompany Facility and the Additional NOK Loans in full in cash and all commitments in respect thereof are terminated.

d. DIP Collateral. As used herein, "***DIP Collateral***" shall mean (i) the Distribution Account, (ii) 65% of the voting equity and 100% of the non-voting equity in GulfMark Capital, LLC, GulfMark Foreign Investments, and GM Offshore, Inc., and (iii) cash collateral securing Letters of Credit issued by DNB funded with proceeds of DIP Intercompany Extensions of Credit pursuant to the DIP Intercompany Credit Agreement. Subject to the Final Order, the DIP Collateral shall include the proceeds of the Debtor's claims under sections 544, 545, 547 and 548 of the Bankruptcy Code.

e. DIP Liens. As security for the DIP Obligations, effective immediately upon the entry of this Interim Order, the Secured Parties are hereby granted pursuant to Section 364(c)(2) of the Bankruptcy Code, valid, enforceable, perfected and non-avoidable Liens on and security interests in the DIP Collateral, which liens and security interests shall be first priority Liens and security interests therein, subject only to the Carve-Out and except as otherwise permitted by the DIP Intercompany Credit Agreement (all liens and security interests granted to the Secured Parties pursuant to this Interim Order, any Final Order and the other DIP Intercompany Finance Documents, the "***DIP Liens***").

f. Other Provisions Relating to the DIP Liens. The DIP Liens shall secure all of the DIP Obligations. Except with respect to the Carve-Out and as otherwise permitted by the DIP Intercompany Credit Agreement, the DIP Liens shall not, without the consent of the Secured Parties, be made subject or subordinate to, or *pari passu* with, any other Lien or security interest by any court order heretofore or hereafter entered in the Chapter 11 Case, and shall be valid and enforceable against any trustee appointed in the Chapter 11 Case, upon the conversion of the Chapter 11 Case to a case under Chapter 7 of the Bankruptcy Code, or in any other proceedings involving the Debtor related to any of the foregoing (such case or proceeding, "***Successor Case***"), and/or upon the dismissal of the Chapter 11 Case. The DIP Liens shall not be subject to Sections 510, 549, 550 or 551 of the Bankruptcy Code.

g. Superpriority Administrative Claim Status. The DIP Obligations shall, pursuant to Section 364(c)(1) of the Bankruptcy Code, at all times constitute an allowed superpriority claim (the "***DIP Superpriority Claim***") of the Secured Parties, and be payable from and have recourse to all DIP Collateral and all other assets and property of the Debtor. All right, title and interest in the DIP Superpriority Claim shall be collaterally assigned from Rederi to DNB pursuant to the Collateral Assignment. Other than the Carve-Out, no costs or expenses of administration, including, without limitation, professional fees allowed and payable under Sections 328, 330 and 331 of the Bankruptcy Code, or otherwise, that have been or may be incurred in this proceeding or in any Successor Case, and no priority claims are, or will be, senior to, prior to or *pari passu* with the DIP Liens, the DIP Superpriority Claim, or any of the DIP Obligations.

h. No Set Off. The DIP Obligations shall not be subject to set off on account of any pre-petition indebtedness of Rederi or for any other reasons.

4. Authorization and Approval to Use Proceeds of DIP Intercompany Facility. Subject to the terms and conditions of this Interim Order and the other DIP Intercompany Finance Documents, the Debtor is authorized during the Interim Period to request and use proceeds of the DIP Intercompany Extensions of Credit in an aggregate principal amount not to exceed $20,000,000. Notwithstanding anything herein to the contrary, subject only to the Debtor's rights under paragraph 16(b) hereof, the Debtor's right to request or use proceeds of DIP Intercompany Extensions of Credit shall terminate on the Commitment Termination Date. Nothing in this Interim Order shall authorize the disposition of any assets of the Debtor or its estate or other proceeds resulting therefrom outside the ordinary course of business, except as permitted herein (subject to any required Court approval).

5. Distribution Account. All proceeds of the DIP Intercompany Facility and all proceeds of the DIP Collateral shall be deposited in the Distribution Account and shall be available for further disbursements only in accordance with the terms and conditions of this Interim Order, the DIP Intercompany Finance Documents, and the Rolling Budget (subject to the Permitted Variance) and in no other manner and for no other purpose.

6. Budget Maintenance. The use of DIP Intercompany Extensions of Credit under the DIP Intercompany Facility shall be in accordance with the Rolling Budget (subject to the Permitted Variance) and the terms and conditions set forth in the DIP Intercompany Finance Documents. The Rolling Budget and any modification to, or amendment or update of, the Rolling Budget shall be subject to the approval of, and in form and substance reasonably acceptable to, the Secured Parties, in each of their sole discretion.

7. Effect of Stipulations on Third Parties. The stipulations, admissions, and releases contained in paragraph F of this Interim Order shall be immediately binding upon the Debtor, its affiliates, and any of their respective successors in all circumstances, except in the event of a Successful Challenge (as defined below). The stipulations, admissions, and releases contained in paragraph F of this Interim Order shall be binding upon all other parties in interest, including, without limitation, any Committee, any chapter 7 or chapter 11 trustee appointed or elected for the Debtor, and any other person or entity acting (or purporting to act) on behalf of the Debtor's estate, in all circumstances, unless and except to the extent that, (i) upon notice to the Debtor, a party in interest with proper standing (which has been granted by order of the Court or another court of competent jurisdiction) has timely filed an adversary proceeding or contested matter by no later than the earlier of (a) seventy-five (75) calendar days after the date of entry of this Interim Order for parties in interest other than the Committee, (b) sixty (60) calendar days after the Committee is formed for the Committee, and (c) the date of which a plan of reorganization is confirmed (the "***Investigation Termination Date***"), (A) challenging the stipulation that no claims or causes of action against DNB exist or (B) otherwise asserting or prosecuting any action for preferences, fraudulent transfers, or conveyances, other avoidance power claims or any other claims, counterclaims or causes of action, objections, contests, or defenses to the extent released by the Debtor under paragraph F of this Interim Order (the "***Claims***") against DNB or its affiliates, representatives, attorneys, or advisors in connection with matters related to the NOK Facility, and (ii) the Court enters a final, non-appealable order ruling in favor of the plaintiff sustaining any such Claims in any such duly filed adversary proceeding or contested matter (a "***Successful Challenge***"); provided, however, that any Claim shall set forth with specificity the basis for such Claim and any Claim not so specified prior to the expiration of the Investigation

Termination Date shall be forever deemed waived, released, and barred; provided, further, that if the Debtor's chapter 11 case is converted to a case under chapter 7 or if a chapter 11 trustee is appointed and, in either case, such conversion or appointment occurs prior to the Investigation Termination Date, then the Investigation Termination Date shall be extended for an additional thirty (30) days solely with respect to such chapter 7 trustee or chapter 11 trustee, as the case may be. If any such adversary proceeding or contested matter is timely filed, the stipulations and admissions contained in paragraph F of this Interim Order shall nonetheless remain binding and preclusive (as provided in the second sentence of this paragraph) on any Committee and on any other person or entity, except to the extent that such findings and admissions were expressly challenged in such adversary proceeding or contested matter prior to the Investigation Termination Date in accordance with this Interim Order. Nothing in this Interim Order vests or confers on any "person" (as defined in the Bankruptcy Code), including any Committee, standing or authority to bring, pursue, or settle any cause of action belonging to the Debtor or its estate and, subject to entry of a Final Order, an order of the Court conferring such standing on the Committee or other party-in-interest shall be a prerequisite for the filing of and prosecution of Claims by the Committee or such other party-in-interest.

8. DIP Lien Perfection. This Interim Order shall be sufficient and conclusive evidence of the validity, perfection, and priority of the DIP Liens without the necessity of filing or recording any financing statement, deed of trust, mortgage, or other instrument or document that may otherwise be required under the law of any jurisdiction or the taking of any other action to validate or perfect the DIP Liens or to entitle the DIP Liens to the priorities granted herein. Notwithstanding the foregoing, the Secured Parties may file such financing statements, deeds of trust, mortgages, security agreements, notices of liens and other similar documents, and is hereby

granted relief from the automatic stay of Section 362 of the Bankruptcy Code in order to do so, and all such financing statements, deeds of trust, mortgages, security agreements, notices and other agreements or documents shall be deemed to have been filed or recorded at the time and on the date of the commencement of the Chapter 11 Case. The Debtor shall execute and deliver to the Secured Parties all such financing statements, mortgages, security agreements, notices and other documents as the Secured Parties may reasonably request to evidence, confirm, validate or perfect, or to insure the contemplated priority of, the DIP Liens. The Secured Parties may file a photocopy of this Interim Order as a financing statement with any recording officer designated to file financing statements or with any registry of deeds or similar office in any jurisdiction in which the Debtor has real or personal property and, in such event, the subject filing or recording officer shall be authorized to file or record such copy of this Interim Order.

9. Collateral Rights; Limitations in Respect of Subsequent Court Orders. Without limiting any other provisions of this Interim Order, unless permitted under the DIP Intercompany Finance Documents and until such time as the DIP Obligations are indefeasibly paid in full in cash and all commitments in respect of the DIP Intercompany Finance Documents are terminated, it shall be an Event of Default if an order is entered in this Chapter 11 Case, or in any Successor Case, which authorizes the obtaining of credit or the incurring of indebtedness that is secured by a security, mortgage, or collateral interest or other lien on all or any portion of the DIP Collateral and/or entitled to priority administrative status which is superior to or *pari passu* with those granted pursuant to this Interim Order to or for the benefit of the Secured Parties.

10. Proceeds of Subsequent Financing. Without limiting the provisions and protections of paragraph 15 hereof, if at any time, unless substantially contemporaneously therewith, there has been an indefeasible repayment and satisfaction in full in cash of all DIP

Obligations and all commitments in respect of the DIP Intercompany Finance Documents are terminated (including the cash collateralization of all Letters of Credit in accordance with the DIP Intercompany Finance Documents or other backstop arrangements reasonably satisfactory to DNB have been made), and the termination of the Secured Parties' obligations to make DIP Intercompany Extensions of Credit, including subsequent to the confirmation of any Chapter 11 plan or plans (the "***Plan***") with respect to the Debtor, the Debtor's estate, any trustee, any examiner with enlarged powers or any responsible officer subsequently appointed, shall obtain credit or incur debt in violation of this Interim Order or the other DIP Intercompany Finance Documents, then all of the cash proceeds derived from such credit or debt and all cash proceeds of DIP Collateral shall immediately be turned over to the Secured Parties for application in accordance with the DIP Intercompany Finance Documents and paragraph 17 hereof.

11. Cash Management. The Debtor's cash management system shall at all times comply with the terms of the DIP Intercompany Finance Documents or orders of the Court. Rederi shall be deemed to have "control" over the Distribution Account and its Lien in the Distribution Account and the funds therein shall be perfected for all purposes of perfection under the Uniform Commercial Code. Until the occurrence of an Event of Default and the exercise of the Secured Parties' rights and remedies with respect thereto, all amounts collected in the Distribution Account may be used in accordance with this Interim Order, the other DIP Intercompany Finance Documents, and the applicable Rolling Budget (subject to the Permitted Variance); after the occurrence and during the continuance of an Event of Default and the exercise of the Secured Parties' rights and remedies with respect thereto, subject only to the Debtor's rights under paragraph 16(b) hereof, all such amounts shall be applied in accordance with paragraph 17 hereof. DNB shall have exclusive dominion and control, including the

exclusive right of withdrawal, over the LC Collateral Account and its Lien in the LC Collateral Account and the funds therein shall be perfected for all purposes of perfection under the Uniform Commercial Code.

12. Intercompany Obligations. To the extent the Debtor owes any Indebtedness (as defined in the DIP Intercompany Facility Agreement) to any other subsidiary or affiliate of the Debtor (the "***Intercompany Obligations***"), including pursuant to the Cash Management Order, such Intercompany Obligations shall be subordinated to the DIP Obligations until the DIP Obligations are indefeasibly repaid in full in cash and all commitments in respect of the DIP Intercompany Finance Documents are terminated.

13. Disposition of Collateral. Until the DIP Obligations are indefeasibly repaid in full in cash and all commitments in respect of the DIP Intercompany Finance Documents are terminated, the Debtor shall not sell, transfer, lease, encumber, or otherwise dispose of any portion of the DIP Collateral, except as permitted by the DIP Intercompany Finance Documents.

14. Survival of Certain Provisions. In the event of the entry of any order converting this Chapter 11 Case into a Successor Case, the DIP Liens and the DIP Superpriority Claim shall continue in this proceeding and in any Successor Case, and such DIP Liens and DIP Superpriority Claim shall maintain their respective priorities as provided by this Interim Order.

15. Carve-Out. All Liens and the Superpriority Claims granted herein, and any other liens, claims, or interest of any person, shall be subject and subordinate to the Carve-Out. "***Carve-Out***" shall mean the sum of (i) all fees required to be paid to the Clerk of the Court and to the U.S. Trustee under section 1930(a) of title 28 of the United States Code, together with the statutory rate of interest (without regard to the notice set forth in (ii) below, and without regard to any Rolling Budget); (ii) upon the Commitment Termination Date, to the extent

allowed at any time, whether by interim order, procedural order, or otherwise, all unpaid fees, costs, and expenses (the "***Professional Fees***") incurred by persons or firms retained by the Debtor pursuant to section 327, 328, or 363 of the Bankruptcy Code or any statutory committee appointed in the Chapter 11 Case pursuant to section 1102 of the Bankruptcy Code (collectively, the "***Professional Persons***"), whether such fees were incurred before or on the date of delivery by the Secured Parties of a Carve-Out Trigger Notice (as defined below), whether allowed by the Court prior to or after delivery of a Carve-Out Trigger Notice (the "***Pre-Trigger Date Fees***"); and (iii) after the date of delivery of the Carve-Out Trigger Notice (the "***Trigger Date***"), to the extent incurred after the Trigger Date, the payment of Professional Fees of Professional Persons in an aggregate amount not to exceed $1,500,000 (the amount set forth in this clause (iii) being the "***Post Carve-Out Trigger Notice Cap***"). For purposes of the foregoing, "***Carve-Out Trigger Notice***" shall mean written notice by the Secured Parties to the Debtor, its lead counsel, the U.S. Trustee, and lead counsel for the Committee, delivered upon the occurrence of a Commitment Termination Date under this Interim Order, stating that the Post Carve-Out Trigger Notice Cap has been invoked. The ability of any party to object to the fees, expenses, reimbursement, or compensation described above shall not be impaired by the terms of the Carve-Out. For the avoidance of doubt, subject to clause (i) of this paragraph 15, only Professional Persons shall be entitled to payment from the funds constituting the Carve-Out, provided that the Secured Parties shall be entitled to assert an interest in the funds constituting the Carve-Out after payment of the fees and expenses of Professional Person that are payable from the Carve-Out and allowed on a final basis by the Court and paid in full.

16. Events of Default; Rights and Remedies Upon Event of Default.

a. Any automatic stay otherwise applicable to the Secured Parties is hereby modified so that, upon and after the occurrence of the Commitment Termination Date, the Secured Parties shall, subject to subparagraph (b) of this paragraph 16, be immediately entitled to exercise all of their rights and remedies in respect of the DIP Collateral in accordance with this Interim Order and the other DIP Intercompany Finance Documents. The term "***Commitment Termination Date***" shall mean, during the Interim Period, the earlier to occur of (i) five (5) Business Days after the Final Hearing concludes and no Final Order has been entered by such date, unless extended by mutual agreement of the Debtor and the Secured Parties; and (ii) the Maturity Date.

b. Notwithstanding the foregoing subparagraph (a) of this paragraph 16, immediately upon occurrence of an Event of Default, the Secured Parties may, upon five (5) Business Days' prior written notice (the "***Notice Period***") to the Debtor, counsel to the Debtor, counsel for any Committee appointed in the Chapter 11 Case, and the U.S. Trustee, declare that: (i) all Commitments of the Secured Parties to provide any DIP Intercompany Extensions of Credit shall be suspended; (ii) the Debtor shall have no right to request or use any proceeds of any DIP Intercompany Extensions of Credit (including, for the avoidance of doubt, any funds in the Distribution Account or LC Collateral Account) other than towards the satisfaction of the DIP Obligations, as provided in the applicable DIP Intercompany Finance Documents; and (iii) the Secured Parties shall be permitted to apply all proceeds of the DIP Collateral in accordance with the terms of this Interim Order and the DIP Intercompany Finance Documents. Notwithstanding anything herein to the contrary, upon an Event of Default, the Debtor and any Committee shall be entitled to seek an emergency hearing before this Court for appropriate relief. If the Debtor or any Committee do not contest the occurrence of the Event of Default within the Notice Period, or if the Debtor or any Committee do timely contest the occurrence of an Event of Default and the Court after notice and a hearing declines to stay the enforcement thereof, the Commitment Termination Date shall be deemed to have occurred for all purposes and the automatic stay, as to the Secured Parties, shall automatically terminate in all respects.

c. Upon the occurrence of the Commitment Termination Date (but subject, only in the case of the occurrence of the Commitment Termination Date resulting from an Event of Default, to the provisions of paragraph 16(b) hereof), the Secured Parties are authorized to exercise all remedies and proceed under the applicable DIP Intercompany Finance Documents. All proceeds realized in connection with the exercise of the rights and remedies of the Secured Parties shall be turned over and applied in accordance with paragraph 17 hereof.

d. The automatic stay imposed under Section 362(a) of the Bankruptcy Code is hereby modified pursuant to the terms of the DIP Intercompany Finance Documents as necessary to (i) permit the Debtor to incur all DIP Obligations and all liabilities and obligations hereunder and under the other DIP Intercompany Finance Documents, as the case may be, and (ii) authorize the Secured Parties to retain and apply payments, and otherwise enforce its rights and remedies hereunder subject to the provisions of paragraph 16(b) hereof.

e. Nothing included herein shall prejudice, impair, or otherwise affect the Secured Parties' rights to seek any supplemental relief in respect of the Debtor, nor the Secured Parties' rights to suspend or terminate the making of DIP Intercompany Extensions of Credit if permitted under the terms of the applicable DIP Intercompany Finance Documents.

17. Applications of Proceeds of Collateral, Payments and Collections. Subject to the Debtor's rights under paragraph 16(b) hereof, upon and after the occurrence of the Commitment

Termination Date, all proceeds of DIP Collateral, whenever received, shall be paid and applied to permanently and indefeasibly repay and reduce the DIP Obligations then due and owing in accordance with the DIP Intercompany Finance Documents, until paid and satisfied in full in cash. Without limiting the generality of the foregoing, all proceeds of DIP Collateral shall be paid to the Secured Parties in accordance with Section 9.10 of the DIP Intercompany Credit Agreement.

18. Proofs of Claim, etc. None of the Secured Parties shall be required to file proofs of claim or notices of administrative expense claims in the Chapter 11 Case or any Successor Case for any claim allowed herein. Notwithstanding any order entered by the Court in relation to the establishment of a bar date in the Chapter 11 Case or any Successor Case to the contrary, each Secured Party is hereby authorized and entitled, in its sole and absolute discretion, but not required, to file (and amend and/or supplement, as it sees fit) a notice of administrative expense claim in the Chapter 11 Case or any Successor Case for any claim allowed herein. Any order entered by the Court in relation to the establishment of a bar date for any claim (including without limitation administrative claims) in the Chapter 11 Case or any Successor Case shall not apply to Rederi, in its capacity as lender, or DNB, in its capacity as Issuing Bank, under the DIP Intercompany Facility.

19. Collateral Assignment. If DNB exercises its rights and remedies with respect to the Collateral Assignment, DNB shall be deemed the assignee of Rederi and shall be permitted to exercise all rights and remedies, and shall be entitled to all benefits, of Rederi set forth herein and in the DIP Intercompany Finance Documents with respect to the DIP Collateral and otherwise.

20. Joint and Several Liability. If any Affiliate of the Debtor becomes a debtor under chapter 11 of the Bankruptcy Code, the Debtor shall contemporaneously with commencing such chapter 11 case, file a motion seeking an order (i) authorizing each such Affiliate to become a joint and several borrower under the DIP Intercompany Facility and (ii) providing that this Interim Order applies to each such Affiliate as if it were originally included in the definition of "Debtor" in this Interim Order.

21. Other Rights and Obligations.

a. Good Faith Under Section 364(e) of the Bankruptcy Code; No Modification or Stay of this Interim Order. Based on the findings set forth in this Interim Order and in accordance with Section 364(e) of the Bankruptcy Code, which is applicable to the DIP Intercompany Facility as approved by this Interim Order, in the event any or all of the provisions of this Interim Order are hereafter modified, amended or vacated by a subsequent order of this Court or any other court, the Secured Parties are entitled to the protections provided in Section 364(e) of the Bankruptcy Code, and no such appeal, modification, amendment or vacation shall affect the validity and enforceability of any advances made hereunder or the liens or priority authorized or created hereby. Notwithstanding any such modification, amendment or vacation, any claim granted to the Secured Parties hereunder arising prior to the effective date of such modification, amendment or vacation of any DIP Liens or of the DIP Superpriority Claim granted to or for the benefit of the Secured Parties shall be governed in all respects by the original provisions of this Interim Order, and the Secured Parties shall be entitled to all of the rights, remedies, privileges and benefits, including the DIP Liens and the DIP Superpriority Claim granted herein, with respect to any such claim. Because the DIP Intercompany Extensions of Credit are made in reliance on this Interim Order, the DIP Obligations incurred by the Debtor or owed to the Secured Parties prior to the effective date of any stay, modification or vacation of this Interim Order shall not, as a result of any subsequent order in the Chapter 11 Case or in any Successor Case, be disallowed or subordinated, lose their lien priority or superpriority administrative expense claim status, or be deprived of the benefit of the status of the liens and claims granted to the Secured Parties under this Interim Order.

b. Binding Effect. The provisions of this Interim Order shall be binding upon and inure to the benefit of the Secured Parties, the Debtor, the Committee (if any) and each other party in interest in the Chapter 11 Case, and their respective successors and assigns (including any chapter 7 or chapter 11 trustee or other fiduciary hereinafter appointed as a legal representative of the Debtor or with respect to the property of the estate of the Debtor) whether in the Chapter 11 Case, in any Successor Case (including any examiner appointed in the Chapter 11 Case), or upon dismissal of any such Chapter 11 or Chapter 7 case.

c. No Waiver. The failure of the Secured Parties to seek relief or otherwise exercise their rights and remedies under this Interim Order, the DIP Intercompany Finance Documents or otherwise, as applicable, shall not constitute a waiver of the Secured Parties' rights hereunder, thereunder, or otherwise. Notwithstanding anything herein, the entry of this Interim Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly, or otherwise impair any of the rights, claims, privileges, objections, defenses or remedies of the Secured Parties under the Bankruptcy Code or under non-bankruptcy law against any other person or entity in any court, including, without limitation, the rights (i) to request conversion of the Chapter 11 Case to a case under Chapter 7, dismissal of the Chapter 11 Case, or the appointment of a trustee in any of the Chapter 11 Case, or (ii) to propose, subject to the provisions of Section 1121 of the Bankruptcy Code, a Plan, or (iii) to exercise any of its rights, claims or privileges (whether legal, equitable or otherwise).

d. No Third Party Rights. Except as explicitly provided for herein, this Interim Order does not create any rights for the benefit of any third party, creditor, equity holder or any direct, indirect, third party or incidental beneficiary.

e. No Marshaling. The Secured Parties shall not be subject to the equitable doctrine of "marshaling" or any other similar doctrine with respect to any of the DIP Collateral.

f. Full Agreement. The failure to include or reference any term of the DIP Intercompany Finance Documents, Parent Guarantee, or Consent in this Order shall not diminish or impair the effectiveness of such provisions of the DIP Intercompany Finance Documents, Parent Guarantee, or Consent, which shall be approved and enforceable in their entirety.

g. Amendment. Subject to the terms of the DIP Intercompany Credit Agreement, the Debtor and the Secured Parties may amend, modify, supplement or waive any provision of the DIP Intercompany Finance Documents without further notice to or approval of the Court, unless such amendment, modification, supplement or waiver (i) increases the interest rate (other than as a result of the imposition of the default rate) or fees charged in connection with the DIP Intercompany Facility, (ii) increases the commitments of Rederi to make DIP Intercompany Extensions of Credit under the DIP Intercompany Finance Documents, (iii) provides for additional Events of Default, or (iv) changes the Commitment Termination Date. Except as otherwise provided herein, no waiver, modification, or amendment of any of the provisions hereof shall be effective unless, subject to the terms of the DIP Intercompany Credit Agreement, set forth in writing, signed by, or on behalf of, the Debtor and the Secured Parties and approved by the Court after notice to parties in interest.

h. Priority of Terms. To the extent of any conflict between or among (i) the express terms or provisions of any of the DIP Intercompany Finance Documents, the Motion, any other order of this Court, or any other agreements, on the one hand, and (b) the terms and provisions of this Interim Order, on the other hand, unless such term or provision herein is phrased in terms of "as defined in" or "as set forth in" the DIP Intercompany Credit Agreement, the terms and provisions of this Interim Order shall govern.

i. Survival of Interim Order. The provisions of this Interim Order and any actions taken pursuant hereto shall survive entry of any order which may be entered (i) confirming any Plan in the Chapter 11 Case, (ii) converting the Chapter 11 Case to a case under Chapter 7 of the Bankruptcy Code, (iii) to the extent authorized by applicable law, dismissing the Chapter 11 Case, (iv) withdrawing of the reference of the Chapter 11 Case from this Court or (v) providing for abstention from handling or retaining of jurisdiction of the Chapter 11 Case in this Court. The terms and provisions of this Interim Order, including the DIP Liens and DIP Superpriority Claim granted pursuant to this Interim Order shall continue in full force and effect notwithstanding the entry of such order, and such DIP Liens and DIP Superpriority Claim shall maintain their priority as provided by this Interim Order and the other DIP Intercompany Finance Documents (as the case may be), until all of the DIP Obligations have been indefeasibly paid and satisfied in full in cash and discharged.

j. Enforceability. This Interim Order shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 and shall take effect and be fully enforceable immediately upon execution hereof.

k. Waiver of any Applicable Stay. Any applicable stay (including, without limitation, under Bankruptcy Rule 6004(h)) is hereby waived and shall not apply to this Interim Order.

l. Bankruptcy Rule 6003. The requirements of Bankruptcy Rule 6003 are satisfied by the contents of the Motion.

m. Headings. Section headings used in this Interim Order are for convenience only and are meant to affect the construction of or to be taken into consideration in interpreting this Interim Order.

n. Limitation of Liability. In determining to make any loan or other extension of credit under the DIP Intercompany Credit Agreement or in exercising any rights or remedies as and when permitted pursuant to this Interim Order, the DIP Intercompany Finance Documents, the Parent Guarantee, the Consent, the NOK Facility, and the Collateral Assignment, each of the Secured Parties shall not (i) be deemed to be in "control" of the operations of the Debtor; (ii) owe any fiduciary duty to the Debtor, its creditors, shareholders or estate; or (iii) be deemed to be acting as a "Responsible Person" or "Owner" or "Operator" with respect to the operation or management of the Debtor (as such terms or similar terms are used in the United States Comprehensive Environmental Response, Compensation and Liability Act, 29 U.S.C. §§ 9601, *et seq*., as amended, or any similar federal or state statute).

22. Final Hearing.

f. The Final Hearing to consider entry of the Final Order and final approval of the DIP Intercompany Facility is scheduled for __________, 2017, at _:__ p.m. (EST) at the United States Bankruptcy Court for the District of Delaware. If no objections to the relief sought in the Final Hearing are filed and served in accordance with this Interim Order, no Final Hearing may be held, and a separate Final Order may be presented by the Debtor and entered by this Court.

g. The Debtor shall serve copies of this Interim Order within 48 hours of its entry (which shall constitute adequate notice of the Final Hearing) to the parties having been given notice of the Interim Hearing, to any party that has filed a request for notices with this Court and to any Committee after the same has been appointed, or Committee counsel, if the same shall have been appointed.

h. Responses or objections, if any, to the relief sought at the Final Hearing must be (i) in writing; (ii) signed by counsel or attested to by the objecting party; (iii) in conformity with the Bankruptcy Rules and the Local Bankruptcy Rules; (iv) filed with the Clerk of the United States Bankruptcy Court for the District of Delaware; and (v) served on: (a) the Debtor, 842 West Sam Houston Parkway North, Suite 400, Houston, Texas 77024 (Attn: Cindy Muller, Esq.); (b) proposed counsel for the Debtor, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Gary T. Holtzer, Esq. and Ronit J. Berkovich, Esq.); (c) proposed local counsel to the Debtor, Richards, Layton & Finger, P.A., 920 North King Street, Wilmington, Delaware 19801 (Attn: Mark D. Collins, Esq. and Zachary I. Shapiro, Esq.); (d) counsel to any statutory committee appointed in these cases; (e) counsel for DNB, (x) Hughes Hubbard & Reed LLP, One Battery Park Plaza, New York, New York 10004 (Attn: Christopher K. Kiplok, Esq. and Anson B. Frelinghuysen, Esq.) and (y) Bayard, P.A., 222 Delaware Avenue, Suite 900, Wilmington, Delaware 19899 (Attn: Erin R. Fay, Esq.); (f) the U.S. Trustee; (g) counsel to GulfMark Rederi AS: (a) Norton Rose Fulbright US LLP, Fulbright Tower, 1301 McKinney, Suite 5100, Houston, TX 77010-3095 (Attn: Jason Lee Boland and William R. Greendyke) and (b) Womble Carlyle Sandridge & Rice, LLP, 222 Delaware Avenue, Suite 1501, Wilmington, DE 19801 (Attn: Matthew Ward); and (h) any other party that has filed a request for notices with this Court, in each case to allow actual receipt by the foregoing no later than _______________, 2016 at __:__ p.m., prevailing Eastern Time.

i. Retention of Jurisdiction. The Court has and will retain jurisdiction to enforce this Interim Order according to its terms.

Dated: _______________, 2017
Wilmington, Delaware

____
THE HONORABLE KEVIN GROSS
UNITED STATES BANKRUPTCY JUDGE

Exhibit B

Form of DIP Intercompany Credit Agreement
[to be filed]

Exhibit C

Proposed Rolling Budget

Gulfmark Offshore - Consolidated
Cash Flow Budget
Through
August 11, 2017
($ millions)

Forecasted Week	0	1	2	3	4	
Period beginning	5/17	5/19	5/26	6/2	6/9	
Period Ending	5/19	5/26	6/2	6/9	6/16	Total
Beginning Cash Balance	**$ 6.7**	**$ 15.5**	**$ 12.6**	**$ 10.9**	**$ 12.4**	**$ 6.7**
Cash Receipts from Operations	-	0.2	1.0	3.5	1.6	6.2
Non-Operating Cash Receipts	-	0.4	0.1	-	-	0.4
Total Cash Receipts	**-**	**0.5**	**1.1**	**3.5**	**1.6**	**6.6**
Total Payroll and Benefits	-	(1.7)	(1.7)	(0.6)	(1.2)	(5.2)
Cash Disbursements from Operations	-	(1.4)	(0.8)	(0.8)	(1.3)	(4.2)
Net Operating Cash Flow	**-**	**(2.5)**	**(1.3)**	**2.1**	**(1.0)**	**(2.8)**
Interest, Fees, and Other Financing Cost	(1.9)	(0.1)	(0.3)	-	(0.5)	(2.8)
Restructuring Expenses	(0.4)	(0.3)	-	(0.6)	(0.2)	(1.5)
DIP Borrowings	11.0	-	-	-	6.0	17.0
Total Net Cash Flow	8.8	(2.9)	(1.7)	1.5	4.3	10.0
Ending Cash Balance	**$ 15.5**	**$ 12.6**	**$ 10.9**	**$ 12.4**	**$ 16.7**	**$ 16.7**

1) Cash balances exclude $3.4M in restricted cash
2) Assumes payment of pre-petition trade liabilities, subject to court approval

Exhibit D

Debtor's Cash Flow Forecast

Gulfmark Offshore
Cash Flow Budget
Through
August 18, 2017
($ millions)

Forecasted Week	0	1	2	3	4	
Period beginning	5/17	5/19	5/26	6/2	6/9	
Period Ending	5/19	5/26	6/2	6/9	6/16	**Total**
Beginning Cash Balance	**$ -**	**$ 3.0**	**$ 3.0**	**$ 2.9**	**$ 2.5**	**$ -**
Intercompany DIP Proceeds	**7.0**	**-**	**-**	**-**	**5.0**	**12.0**
Professional Fees	-	-	-	(0.3)	(0.2)	(0.5)
Cash Disbursements from Operations	-	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)
Transfers To Americas	(4.0)	-	-	-	(3.0)	(7.0)
Total Net Cash Flow	3.0	(0.1)	(0.1)	(0.4)	1.8	4.3
Ending Cash Balance	**$ 3.0**	**$ 3.0**	**$ 2.9**	**$ 2.5**	**$ 4.3**	**$ 4.3**