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

FORM 10-Q

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

For the quarterly period ended March 31, 2021

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

For the transition period from to .

Commission file number: 1-6311

Tidewater Inc.
(Exact name of registrant as specified in its charter)

Delaware	**72-0487776**
(State of incorporation)	**(I.R.S. Employer Identification No.)**

6002 Rogerdale Road, Suite 600
Houston, Texas 77072
(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code: (713) 470-5300

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, $0.001 par value per share	TDW	New York Stock Exchange
Series A Warrants to purchase shares of common stock	TDW.WS.A	New York Stock Exchange
Series B Warrants to purchase shares of common stock	TDW.WS.B	New York Stock Exchange
Warrants to purchase shares of common stock	TDW.WS	NYSE American
Preferred stock purchase rights	N/A	New York Stock Exchange

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

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

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

Large accelerated filer ☐	Accelerated filer ☒
Non-accelerated filer ☐	Smaller reporting company ☐
Emerging Growth Company ☐	

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

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

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☒ No ☐

40,851,226 shares of Tidewater Inc. common stock $0.001 par value per share were outstanding on April 30, 2021.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

TIDEWATER INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(In thousands, except share and par value data)

ASSETS	March 31, 2021	December 31, 2020
Current assets:		
Cash and cash equivalents	$ 131,858	$ 149,933
Restricted cash	9,061	2,079
Trade and other receivables, less allowance for credit losses of $2,136 and $1,516 at March 31, 2021 and December 31, 2020, respectively	99,865	112,623
Due from affiliate less allowance for credit losses of $71,595 and $71,800 at March 31, 2021 and December 31, 2020, respectively	62,474	62,050
Marine operating supplies	15,676	15,876
Assets held for sale	31,214	34,396
Prepaid expenses and other current assets	13,594	11,692
Total current assets	363,742	388,649
Net properties and equipment	754,707	780,318
Deferred drydocking and survey costs	46,648	56,468
Other assets	23,833	25,742
Total assets	1,188,930	1,251,177
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 14,622	$ 16,981
Accrued expenses	48,466	52,422
Due to affiliates	56,356	53,194
Current portion of long-term debt	18,201	27,797
Other current liabilities	35,003	32,785
Total current liabilities	172,648	183,179
Long-term debt	148,337	164,934
Other liabilities	79,234	79,792
Commitments and contingencies		
Equity:		
Common stock of $0.001 par value, 125,000,000 shares authorized, 40,731,777 and 40,704,984 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively	41	41
Additional paid-in capital	1,372,846	1,371,809
Accumulated deficit	(584,246)	(548,931)
Accumulated other comprehensive loss	(875)	(804)
Total stockholders’ equity	787,766	822,115
Noncontrolling interests	945	1,157
Total equity	788,711	823,272
Total liabilities and equity	$ 1,188,930	$ 1,251,177

The accompanying notes are an integral part of the Condensed Consolidated Financial Statements.

TIDEWATER INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except per share data)

	Three Months Ended	
	March 31, 2021	March 31, 2020
Revenues:		
Vessel revenues	$ 80,993	$ 111,974
Other operating revenues	2,511	4,394
	83,504	116,368
Costs and expenses:		
Vessel operating costs	61,020	78,825
Costs of other operating revenues	1,067	2,673
General and administrative	16,043	21,420
Depreciation and amortization	29,727	27,107
Long-lived asset impairments	—	10,207
(Gain) loss on asset dispositions, net	1,948	(5,331)
	109,805	134,901
Operating loss	(26,301)	(18,533)
Other income (expense):		
Foreign exchange gain (loss)	(850)	864
Equity in net losses of unconsolidated companies	(1,849)	—
Interest income and other, net	23	116
Interest and other debt costs, net	(4,541)	(6,142)
	(7,217)	(5,162)
Loss before income taxes	(33,518)	(23,695)
Income tax (benefit) expense	2,009	(5,171)
Net loss	$ (35,527)	$ (18,524)
Net loss attributable to noncontrolling interests	(212)	(79)
Net loss attributable to Tidewater Inc.	$ (35,315)	$ (18,445)
Basic loss per common share	$ (0.87)	$ (0.46)
Diluted loss per common share	$ (0.87)	$ (0.46)
Weighted average common shares outstanding	40,716	40,101
Adjusted weighted average common shares	40,716	40,101

The accompanying notes are an integral part of the Condensed Consolidated Financial Statements.

TIDEWATER INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited)
(In thousands)

	Three Months Ended	
	March 31, 2021	March 31, 2020
Net loss	$ (35,527)	$ (18,524)
Other comprehensive income:		
Change in pension plan and supplemental pension plan liability, net of tax of $0 and $0, respectively	(71)	369
Total comprehensive loss	$ (35,598)	$ (18,155)

The accompanying notes are an integral part of the Condensed Consolidated Financial Statements.

TIDEWATER INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Three Months Ended March 31, 2021	Three Months Ended March 31, 2020
Operating activities:		
Net loss	$ (35,527)	$ (18,524)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	18,470	17,285
Amortization of deferred drydocking and survey costs	11,257	9,822
Amortization of debt premium and discounts	1,108	675
Provision for deferred income taxes	30	—
(Gain) loss on asset dispositions, net	1,948	(5,331)
Loss on debt extinguishment	59	—
Long-lived asset impairments	—	10,207
Stock-based compensation expense	1,172	1,335
Changes in assets and liabilities, net:		
Trade and other receivables	12,758	(9,438)
Changes in due to/from affiliate, net	2,738	(2,405)
Accounts payable	(2,359)	3,210
Accrued expenses	(4,270)	(1,146)
Deferred drydocking and survey costs	(2,722)	(24,867)
Other, net	1,054	(8,348)
Net cash provided by (used in) operating activities	5,716	(27,525)
Cash flows from investing activities:		
Proceeds from sales of assets	10,983	9,452
Additions to properties and equipment	(1,196)	(2,449)
Net cash provided by investing activities	9,787	7,003
Cash flows from financing activities:		
Principal payments on long-term debt	(26,414)	(2,600)
Debt modification costs	(725)	—
Debt extinguishment premium	(59)	—
Tax on share-based awards	(135)	(531)
Net cash used in financing activities	(27,333)	(3,131)
Net change in cash, cash equivalents and restricted cash	(11,830)	(23,653)
Cash, cash equivalents and restricted cash at beginning of period	155,225	227,608
Cash, cash equivalents and restricted cash at end of period	$ 143,395	$ 203,955
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest, net of amounts capitalized	$ 3,746	$ 5,442
Income taxes	$ 2,535	$ 2,550

Cash, cash equivalents and restricted cash at March 31, 2021 includes $2.5 million in long-term restricted cash, which is included in other assets in our consolidated balance sheet.

The accompanying notes are an integral part of the Condensed Consolidated Financial Statements.

TIDEWATER INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(Unaudited)
(In thousands)

	Three Months Ended						
		Common stock	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive income (loss)	Non controlling interest	Total
Balance at December 31, 2020	$	41	1,371,809	(548,931)	(804)	1,157	823,272
Total comprehensive loss		—	—	(35,315)	(71)	(212)	(35,598)
Amortization of stock awards		—	1,037	—	—	—	1,037
Balance at March 31, 2021	$	41	1,372,846	(584,246)	(875)	945	788,711
Balance at December 31, 2019	$	40	1,367,521	(352,526)	(236)	1,611	1,016,410
Total comprehensive loss		—	—	(18,445)	369	(79)	(18,155)
Adoption of credit loss accounting standard		—	—	(163)	—	—	(163)
Amortization of stock awards		—	804	—	—	—	804
Balance at March 31, 2020	$	40	1,368,325	(371,134)	133	1,532	998,896

The accompanying notes are an integral part of the Condensed Consolidated Financial Statements.

(1) INTERIM FINANCIAL STATEMENTS

The unaudited condensed consolidated financial statements for the interim periods presented herein have been prepared in conformity with United States generally accepted accounting principles and, in the opinion of management, include all adjustments (consisting only of normal recurring adjustments) necessary for a fair statement of the unaudited condensed consolidated financial statements at the dates and for the periods indicated as required by Rule 10-01 of Regulation S-X of the Securities and Exchange Commission (SEC). Results of operations for interim periods are not necessarily indicative of results of operations for the respective full years. These unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto in our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on March 4, 2021.

The unaudited condensed consolidated financial statements include the accounts of Tidewater Inc. and its subsidiaries. Intercompany balances and transactions are eliminated in consolidation. We use the equity method to account for equity investments over which we exercise significant influence but do not exercise control and are not the primary beneficiary. Unless otherwise specified, all per share information included in this document is on a diluted earnings per share basis.

(2) RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

In December 2019, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2019-12, Simplifying the Accounting for Income Taxes, which simplifies the accounting for income taxes by removing certain exceptions to the general principles in Topic 740 and clarifying and amending existing guidance to simplify the accounting for income taxes. The guidance is effective for annual and interim periods beginning after December 15, 2020 with early adoption permitted. We adopted this standard on January 1, 2021 and it did not have a material impact on our consolidated financial statements and related disclosures.

In August 2018 the FASB issued ASU 2018-14, Compensation – Retirement Benefits – Defined Benefit Plans – General, which modifies the disclosure requirements for employers that sponsor defined benefit plans or other postretirement plans. This ASU removes certain disclosures that are no longer considered cost beneficial, clarifies the specific requirements of certain other disclosures, and adds disclosure requirements identified as relevant. The guidance is effective for annual and interim periods beginning after December 15, 2020 with early adoption permitted. We adopted this standard on January 1, 2021 and it did not have a material impact on our related disclosures.

(3) ALLOWANCE FOR CREDIT LOSSES

Expected credit losses are recognized on the initial recognition of our trade accounts receivable and contract assets. In each subsequent reporting period, even if a loss has not yet been incurred, credit losses are recognized based on the history of credit losses and current conditions, as well as reasonable and supportable forecasts affecting collectability. We developed an expected credit loss model applicable to our trade accounts receivable and contract assets that considers our historical performance and the economic environment, as well as the credit risk and its expected development for each segmented group of customers that share similar risk characteristics. It is our practice to write off receivables when all legal options for collection have been exhausted.

Activity in the allowance for credit losses for the three months ended March 31, 2021 is as follows:

(In thousands)	Trade and Other Receivables	Due from Affiliate
Balance at January 1, 2021	$ 1,516	$ 71,800
Current period provision for expected credit losses	709	—
Write offs	(89)	—
Other	—	(205)
Balance at March 31, 2021	$ 2,136	$ 71,595

(4) REVENUE RECOGNITION

Refer to Note (13) for the amount of revenue by segment and in total for the worldwide fleet.

Contract Balances

At March 31, 2021, we had $2.0 million and $4.3 million of deferred mobilization costs included within prepaid expenses and other current assets and other assets, respectively.

At March 31, 2021, we have $1.2 million of deferred mobilization revenue, included within other current liabilities, related to unsatisfied performance obligations which will be recognized during the remainder of 2021 and 2022.

(5) STOCKHOLDERS' EQUITY AND DILUTIVE EQUITY INSTRUMENTS

Accumulated Other Comprehensive Income (Loss)

The changes in accumulated other comprehensive income (loss) (OCI) by component, net of tax, for the three months ended March 31, 2021 and 2020 are as follows:

	Three Months Ended	
(In thousands)	March 31, 2021	March 31, 2020
Balance at December 31, 2020 and 2019	$ (804)	$ (236)
Pension benefits recognized in OCI	(71)	369
Balance at March 31, 2021 and 2020	$ (875)	$ 133

Dilutive Equity Instruments

We had 3,171,497 and 2,133,439 incremental "in-the-money" warrants, restricted stock units and stock options at March 31, 2021 and 2020, respectively, which are as follows:

Total shares outstanding including warrants and restricted stock units	March 31, 2021	March 31, 2020
Common shares outstanding	40,731,777	40,259,917
New creditor warrants (strike price $0.001 per common share)	657,203	821,308
GulfMark creditor warrants (strike price $0.01 per common share)	815,575	952,154
Restricted stock units and stock options	1,698,719	359,977
Total	43,903,274	42,393,356

We also had 5,923,399 shares of “out-of-the-money” warrants outstanding at both March 31, 2021 and 2020. Included in these “out-of-the-money” warrants are Series A Warrants, Series B Warrants and GLF Equity Warrants which have exercise prices of $57.06, $62.28, and $100.00, respectively. No warrants or restricted stock units, whether in the money or out of the money, are included in our loss per share calculations because the effect of such inclusion is antidilutive.

(6) INCOME TAXES

We use a discrete effective tax rate method to calculate taxes for interim periods instead of applying the annual effective tax rate to an estimate of the full fiscal year due to the level of volatility and unpredictability of earnings in our industry, both overall and by jurisdiction.

Income tax expense for the quarter ended March 31, 2021, reflects tax liabilities in various jurisdictions that are either based on revenue (deemed profit regimes) or pre-tax profits.

The tax liabilities for uncertain tax positions are primarily attributable to permanent establishment issues related to a foreign joint venture, subpart F income inclusions and withholding taxes on foreign services. Penalties and interest related to income tax liabilities are included in income tax expense. Income tax payable is included in other current liabilities.

As of December 31, 2020, our balance sheet reflected approximately $137.0 million of net deferred tax assets prior to a valuation allowance analysis, with a valuation allowance of $140.4 million. As of March 31, 2021, we had net deferred tax assets of approximately $142.6 million prior to a valuation allowance analysis of $146.0 million.

Management assesses all available positive and negative evidence to permit use of existing deferred tax assets.

The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was enacted on March 27, 2020 in the United States. The CARES Act includes several significant business tax provisions, that are available to the Company, that, among other things, would allow businesses to carry back net operating losses arising after 2017 to the five prior tax years. Considering the available carryback, in the second quarter of 2020, we recorded an account receivable tax benefit totaling $6.9 million related to the realization of net operating loss deferred tax assets on which a valuation allowance was previously recorded. We collected this receivable in the first quarter of 2021.

With limited exceptions, we are no longer subject to tax audits by U.S. federal, state, local or foreign taxing authorities for years prior to 2014. We are subject to ongoing examinations by various foreign tax authorities and do not believe that the results of these examinations will have a material adverse effect on our financial position, results of operations, or cash flows.

(7) AFFILIATES BALANCES

We maintained the following balances with our unconsolidated affiliates:

(In thousands)	March 31, 2021	December 31, 2020
Due from affiliates:		
Angolan joint venture (Sonatide)	$ 41,843	$ 41,623
Nigeria joint venture (DTDW)	20,631	20,427
	62,474	62,050
Due to affiliates:		
Sonatide	$ 35,725	$ 32,767
DTDW	20,631	20,427
	56,356	53,194
Net due from affiliates	$ 6,118	$ 8,856

Amounts due from Sonatide

Amounts due from Sonatide represent cash received by Sonatide from customers and due to us, amounts due from customers that are expected to be remitted to us by Sonatide and costs incurred by us on behalf of Sonatide. The following table displays the activity in the due from affiliate account related to Sonatide for the period indicated:

(In thousands)	Three Months Ended March 31, 2021
Due from Sonatide at December 31, 2020	$ 41,623
Revenue earned by the company through Sonatide	8,695
Less amounts received from Sonatide	(8,162)
Other	(313)
Total due from Sonatide at March 31, 2021	$ 41,843

The amounts due from Sonatide are denominated in U.S. dollars; however, the underlying third-party customer payments to Sonatide were satisfied, in part, in Angolan kwanzas. In late 2019, we were informed that, as part of a broad privatization program, Sonangol, our partner in Sonatide, intends to seek to divest itself from the Sonatide joint venture.

After offsetting the amounts due to Sonatide, the net amount due from Sonatide at March 31, 2021 was approximately $6.1 million. Sonatide had approximately $9.5 million of cash on hand (approximately $1.0 million denominated in Angolan kwanzas) at March 31, 2021 plus approximately $9.2 million of net trade accounts receivable to satisfy the net due from Sonatide. Given prior discussions with our partner regarding how the net losses from the devaluation of certain Angolan kwanza denominated accounts should be shared, we continue to evaluate our net due from Sonatide balance for possible additional impairment in future periods based in part on available liquidity held by Sonatide.

Amounts due to Sonatide

Amounts due to Sonatide represent commissions payable and other costs paid by Sonatide on our behalf. The following table displays the activity in the due to affiliate account related to Sonatide for the period indicated:

(In thousands)	Three Months Ended March 31, 2021
Due to Sonatide at December 31, 2020	$ 32,767
Plus additional commissions payable to Sonatide	814
Plus amounts paid by Sonatide on behalf of the company	2,089
Other	55
Total due to Sonatide at March 31, 2021	$ 35,725

Company operations in Angola

Vessel revenues generated by our Angolan operations, percent of consolidated vessel revenues, average number of company owned vessels and average number of stacked company owned vessels of our Angolan operations for the periods indicated were as follows:

	Three Months Ended	
	March 31, 2021	March 31, 2020
Revenues of Angolan operations (in thousands)	$ 9,292	$ 12,137
Percent of consolidated vessel revenues	11%	11%
Number of company owned vessels in Angola	22	28
Number of stacked company owned vessels in Angola	6	11

Amounts due from DTDW

We own 40% of DTDW in Nigeria. Our partner, who owns 60%, is a Nigerian national. DTDW owns one offshore service vessel and has long-term debt of $4.7 million which is secured by the vessel and guarantees from the DTDW partners (in proportion to their ownership interests). We also, from time to time, operate company owned vessels in Nigeria for which our partner receives a commission. As of March 31, 2021, we had no company owned vessels operating in Nigeria and the DTDW owned vessel was not employed. As a result, the near-term cash flow projections indicate that DTDW does not have sufficient funds to meet its obligations to us or to the holder of its long-term debt. Based on current situations, operations in Nigeria have been severely impacted and the scope of our activity is winding down. We have created a fully reserved position in our consolidated balance sheet to account for our expected liabilities related to the debt guarantee and certain obligations of the joint venture. On April 22, 2021 we paid approximately $2.0 million which represents our portion of the joint venture debt guarantee.

(8) EMPLOYEE BENEFIT PLANS

U.S. Defined Benefit Pension Plan

We have a defined benefit pension plan (pension plan) that covers certain U.S. citizen employees and other employees who are permanent residents of the United States. The pension plan was frozen during 2010. We have not made contributions to the pension plan since 2019. Actuarial valuations are performed annually and an assessment of the future pension obligations and market value of the assets will determine if contributions are made in the future.

Supplemental Executive Retirement Plan

We also support a non-contributory and non-qualified defined benefit supplemental executive retirement plan (supplemental plan) which was closed to new participants during 2010, that provided pension benefits to certain employees in excess of those allowed under our tax-qualified pension plan. We contributed $0.4 million during each of the three months ended March 31, 2021 and 2020, respectively. We expect to contribute $1.2 million to the supplemental plan during the remainder of 2021. Our obligations under the supplemental plan were $22.8 million for both March 31, 2021 and December 31, 2020, and are included in “accrued expenses” and “other liabilities” in the consolidated balance sheet.

Net Periodic Benefit Costs

The net periodic benefit cost for our defined benefit pension plans and supplemental plan (referred to collectively as “Pension Benefits”) is comprised of the following components:

	Three Months Ended	
(In thousands)	March 31, 2021	March 31, 2020
Pension Benefits:		
Service cost	$ —	$ 40
Interest cost	543	225
Expected return on plan assets	(543)	(36)
Administrative expenses	—	23
Settlement loss	—	508
Amortization of net actuarial losses	36	(44)
Net periodic pension cost	$ 36	$ 716

(9) DEBT

The following is a summary of all debt outstanding:

(In thousands)		March 31, 2021		December 31, 2020
Secured notes:				
8.00% Senior secured notes due August 2022 (A) (B) (C)	$	135,210	$	147,049
Troms Offshore borrowings (D):				
NOK denominated notes due May 2024		5,981		5,954
NOK denominated notes due January 2026		7,339		14,559
USD denominated notes due January 2027		7,513		14,744
USD denominated notes due April 2027		15,669		15,669
	$	171,712	$	197,975
Debt premiums and discounts, net		(5,174)		(5,244)
Less: Current portion of long-term debt		(18,201)		(27,797)
Total long-term debt	$	148,337	$	164,934

(A) As of March 31, 2021 and December 31, 2020 the fair value (Level 2) of the Secured Notes was $134.2 million and $141.4 million, respectively.

(B) The $9.1 million restricted cash on the balance sheet at March 31, 2021, represents approximately 65% of net proceeds from asset dispositions since the date of the last tender offer and is restricted by the terms of the Indenture.

(C) During the three months ended March 31, 2021, we repurchased $11.8 million of the Secured Notes at a premium of $0.1 million in open market transactions.

(D) We pay principal and interest on these notes semi-annually. As of March 31, 2021 and December 31, 2020, the aggregate fair value (Level 2) of the Troms Offshore borrowings was $36.3 million and $51.6 million, respectively. The weighted average interest rate of the Troms Offshore borrowings as of March 31, 2021 was 5.0%.

We may from time to time seek to retire or purchase our outstanding debt through cash purchases and/or exchanges for equity securities, in open market purchases, privately negotiated transactions, tender offers, exchange offers, redemptions, one or more additional offers, or otherwise. Such repurchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

An amendment and restatement of the Troms offshore credit agreement was executed in December 2020 whereby the financial covenants were conformed to match the November 2020 amendments to the covenants governing the Senior Notes, and included an obligation to prepay (1) the amounts deferred in the 2017 amendment and restatement and (2) an additional amount that will not exceed $45 million representing a percentage of Senior Notes prepayments. The prepayment associated with this amendment made in January 2021 totaled $13.2 million. Additional prepayment obligations of $9.7 million and $3.4 million are due in the second quarter and fourth quarter, respectively, of 2021, and are reflected in current portion of long-term debt on our consolidated balance sheet.

(10) COMMITMENTS AND CONTINGENCIES

Currency Devaluation and Fluctuation Risk

Due to our international operations, we are exposed to foreign currency exchange rate fluctuations against the U.S. dollar. For some of our international contracts, a portion of the revenue and local expenses are incurred in local currencies with the result that we are at risk for changes in the exchange rates between the U.S. dollar and foreign currencies. We generally do not hedge against any foreign currency rate fluctuations associated with foreign currency contracts that arise in the normal course of business, which exposes us to the risk of exchange rate losses. To minimize the financial impact of these items, we attempt to contract a significant majority of our services in U.S. dollars. In addition, we attempt to minimize the financial impact of these risks by matching the currency of our operating costs with the currency of our revenue streams when considered appropriate. We continually monitor the currency exchange risks associated with all contracts not denominated in U.S. dollars.

Legal Proceedings

Various legal proceedings and claims are outstanding which arose in the ordinary course of business. In the opinion of management, the amount of ultimate liability, if any, with respect to these actions, will not have a material adverse effect on our financial position, results of operations, or cash flows.

(11) FAIR VALUE MEASUREMENTS

Other Financial Instruments

Our primary financial instruments consist of cash and cash equivalents, restricted cash, trade receivables and trade payables with book values that are considered to be representative of their respective fair values. The carrying value for cash equivalents is considered to be representative of its fair value due to the short duration and conservative nature of the cash equivalent investment portfolio. In addition, we disclose the fair value of our long-term debt in Note 9 and the fair value of our assets held for sale in Note 15.

(12) PROPERTIES AND EQUIPMENT, ACCRUED EXPENSES, OTHER CURRENT LIABILITIES AND OTHER LIABILITIES

As of March 31, 2021, our property and equipment consist primarily of 146 active vessels, which excludes the 20 vessels we have classified as held for sale, located around the world. As of December 31, 2020, our property and equipment consisted primarily of 149 active vessels, which excluded 23 vessels classified as held for sale.

A summary of properties and equipment at March 31, 2021 and December 31, 2020 is as follows:

(In thousands)		March 31, 2021		December 31, 2020
Properties and equipment:				
Vessels and related equipment	$	929,723	$	940,175
Other properties and equipment		15,548		16,861
		945,271		957,036
Less accumulated depreciation and amortization		190,564		176,718
Properties and equipment, net	$	754,707	$	780,318

A summary of accrued expenses is as follows:

(In thousands)		March 31, 2021		December 31, 2020
Payroll and related payables	$	14,321	$	17,201
Accrued vessel expenses		16,647		17,129
Accrued interest expense		2,865		3,240
Other accrued expenses		14,633		14,852
	$	48,466	$	52,422

A summary of other current liabilities at March 31, 2021 and December 31, 2020 is as follows:

(In thousands)		March 31, 2021		December 31, 2020
Taxes payable	$	25,482	$	23,883
Other		9,521		8,902
	$	35,003	$	32,785

A summary of other liabilities at March 31, 2021 and December 31, 2020 is as follows:

(In thousands)		March 31, 2021		December 31, 2020
Pension liabilities	$	31,440	$	31,736
Liability for uncertain tax positions		35,531		35,304
Other		12,263		12,752
	$	79,234	$	79,792

(13) SEGMENT AND GEOGRAPHIC DISTRIBUTION OF OPERATIONS

The following table provides a comparison of segment revenues, vessel operating profit (loss), depreciation and amortization, and additions to properties and equipment for the three months ended March 31, 2021 and 2020. Vessel revenues and operating costs relate to vessels owned and operated by us while other operating revenues relate to other miscellaneous marine-related businesses.

	Three Months Ended	
(In thousands)	March 31, 2021	March 31, 2020
Revenues:		
Vessel revenues:		
Americas	$ 26,224	$ 31,859
Middle East/Asia Pacific	24,414	24,828
Europe/Mediterranean	14,749	29,491
West Africa	15,606	25,796
Other operating revenues	2,511	4,394
	$ 83,504	$ 116,368
Vessel operating profit (loss):		
Americas	$ (1,651)	$ (1,164)
Middle East/Asia Pacific	(1,853)	(856)
Europe/Mediterranean	(8,021)	1,547
West Africa	(6,767)	(4,863)
Other operating profit	1,444	1,721
	(16,848)	(3,615)
Corporate expenses	(7,505)	(10,042)
Long-lived asset impairments	—	(10,207)
Gain (loss) on asset dispositions, net	(1,948)	5,331
Operating loss	$ (26,301)	$ (18,533)
Depreciation and amortization:		
Americas	$ 8,007	$ 7,496
Middle East/Asia Pacific	6,880	5,527
Europe/Mediterranean	7,484	6,819
West Africa	6,570	6,404
Corporate	786	861
	$ 29,727	$ 27,107
Additions to properties and equipment:		
Middle East/Asia Pacific	$ 8	$ 680
Europe/Mediterranean	306	440
West Africa	495	751
Corporate	387	578
	$ 1,196	$ 2,449

The following table provides a comparison of total assets at March 31, 2021 and December 31, 2020:

(In thousands)	March 31, 2021	December 31, 2020
Total assets:		
Americas	$ 317,305	$ 338,649
Middle East/Asia Pacific	213,538	226,422
Europe/Mediterranean	303,649	302,214
West Africa	239,168	242,825
Corporate	115,270	141,067
	$ 1,188,930	$ 1,251,177

(14) RESTRUCTURING CHARGES

In the fourth quarter of 2018, we finalized plans to abandon the duplicate office facilities in four locations in the USA and Scotland with the final lease agreement ending in 2026. Activity for the lease exit and severance liabilities which are included in general and administrative expense for the three months ended March 31, 2021 was as follows:

(In thousands)	Lease Exit Costs	Total
Balance at December 31, 2020	$ 3,335	$ 3,335
General and administrative charges	58	58
Cash payments	(281)	(281)
Balance at March 31, 2021	$ 3,112	$ 3,112

Activity for the lease exit and severance liabilities for the three months ended March 31, 2020 was as follows:

(In thousands)	Lease Exit Costs	Severance	Total
Balance at December 31, 2019	$ 4,109	$ 272	$ 4,381
General and administrative charges	70	(11)	59
Cash payments	(231)	(132)	(363)
Balance at March 31, 2020	$ 3,948	$ 129	$ 4,077

(15) ASSET DISPOSITIONS, ASSETS HELD FOR SALE AND ASSET IMPAIRMENTS

In the fourth quarter of 2019, we evaluated our fleet for vessels to be considered for disposal and identified 46 (approximately 20% of our total vessels at the time) vessels to be classified as held for sale. Beginning late in the first quarter of 2020, the industry and world economies were affected by a global pandemic and a concurrent reduction in the demand for and the price of crude oil. The pandemic and oil price impact severely affected the oil and gas industry and caused us to expand our disposal program to include more vessels. In 2020, we added 32 vessels, none in the first quarter, to our assets held for sale, sold 53, eight in the first quarter, of the vessels that were classified as held for sale, and had 23 vessels, valued at $34.4 million, remaining in the held for sale account as of December 31, 2020. During the first quarter of 2021, we sold three of our vessels held for sale and had 20 vessels, valued at $31.2 million, remaining in the held for sale account as of March 31, 2021. In addition, we also sold three vessels from our active fleet in the first quarter of 2021 and one vessel from our active fleet in the first quarter of 2020. The vessel sales in the first quarter of 2021 contributed approximately $11.0 million in proceeds and we incurred a net $1.9 million loss on the sales, primarily on the vessels sold from the active fleet. The vessel sales in the first quarter of 2020 contributed $9.5 million in proceeds and we recognized a $5.3 million net gain on the sales.

During the first quarter of 2020, we recorded $10.2 million in impairment related to revaluation of our assets held for sale. In the first quarter of 2021, we did not add any vessels to our held for sale account and we did not record any additional impairment to the value of vessels in the held for sale account. We consider the valuation approach for our assets held for sale to be a Level 3 fair value measurement due to the level of estimation involved in valuing assets to be recycled or sold. We determined the fair value of the vessels held for sale using two methodologies depending on the vessel and on our planned method of disposition. We designated certain vessels to be recycled and valued those vessels using recycling yard pricing schedules based on dollars per ton. We generally value vessels that will be sold rather than recycled at the midpoint of a value range based on sales agreements or using comparative sales in the marketplace. We do not separate our asset impairment expense by segment because of the significant movement of our assets between segments.

In early 2020, it became evident that a novel coronavirus originating in Asia (COVID-19) could become a pandemic with worldwide reach. By mid- March, when the World Health Organization declared the outbreak to be a pandemic (the COVID-19 pandemic), much of the industrialized world had initiated severe measures to lessen its impact. The ongoing COVID-19 pandemic created significant volatility, uncertainty, and economic disruption during the first quarter of 2020. With respect to our particular sector, the COVID-19 pandemic resulted in a much lower demand for oil as national, regional, and local governments imposed travel restrictions, border closings, restrictions on public gatherings, stay at home orders, and limitations on business operations in order to contain its spread. During this same time period, oil-producing countries struggled to reach consensus on worldwide production levels, resulting in both a market oversupply of oil and a precipitous fall in oil prices. Combined, these conditions adversely affected our operations and business beginning in the latter part of the first quarter of 2020 and continuing throughout the remainder of the year. The reduction in demand for hydrocarbons together with an unprecedented decline in the price of oil has resulted in our primary customers, the oil and gas companies, making material reductions to their planned spending on offshore projects, compounding the effect of the virus on offshore operations. Further, these conditions, separately or together, are expected to continue to impact the demand for our services, the utilization and/or rates we can achieve for our assets and services, and the outlook for our industry in general.

In the first and second quarters of 2020, we considered these events to be indicators that the value of our active offshore vessel fleet may be impaired. As a result, as of March 31, 2020 and June 30, 2020, we performed Step 1 evaluations of our active offshore fleet under FASB Accounting Standards Codification 360, which governs the methodology for identifying and recording impairment of long-lived assets to determine if any of our asset groups have net book value in excess of undiscounted future net cash flows. Our evaluations did not indicate impairment of any of our asset groups. Beginning with the third quarter of 2020, conditions related to the pandemic and oil price environment stabilized and in the fourth quarter industry conditions marginally improved. Similarly, in the first quarter of 2021 we have not seen indications in the industry that would indicate impairment of any of our asset groups. As a result, we did not identify additional events or conditions that would require us to perform a Step 1 evaluation as of March 31, 2021. We will continue to monitor the expected future cash flows and the fair market value of our asset groups for impairment.

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

FORWARD-LOOKING STATEMENT

In accordance with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, this Quarterly Report on Form 10-Q and the information incorporated herein by reference contain certain forward-looking statements which reflect our current view with respect to future events and future financial performance. Forward-looking statements are all statements other than statements of historical fact. All such forward-looking statements are subject to risks and uncertainties, many of which are beyond the control of the Company, and our future results of operations could differ materially from our historical results or current expectations reflected by such forward-looking statements. Some of these risks and uncertainties include, without limitation, the risks related to fluctuations in worldwide energy demand and oil and natural gas prices, and continuing depressed levels of oil and natural gas prices without a clear indication of if, or when, prices will recover to a level to support renewed offshore exploration activities; fleet additions by competitors and industry overcapacity; our limited capital resources available to replenish our asset base as needed, including through acquisitions or vessel construction, and to fund our capital expenditure needs; uncertainty of global financial market conditions and potential constraints in accessing capital or credit if and when needed with favorable terms, if at all; changes in decisions and capital spending by customers in the energy industry and the industry expectations for offshore exploration, field development and production; consolidation of our customer base; loss of a major customer; changing customer demands for vessel specifications, which may make some of our older vessels technologically obsolete for certain customer projects or in certain markets; rapid technological changes; delays and other problems associated with vessel maintenance; the continued availability of qualified personnel and our ability to attract and retain them; the operating risks normally incident to our lines of business, including the potential impact of liquidated counterparties; our ability to comply with covenants in our indentures and other debt instruments; acts of terrorism and piracy; the impact of regional or global public health crises or pandemics; the impact of potential information technology, cybersecurity or data security breaches; integration of acquired businesses and entry into new lines of business; disagreements with our joint venture partners; natural disasters or significant weather conditions; unsettled political conditions, war, civil unrest and governmental actions, such as expropriation or enforcement of customs or other laws that are not well developed or consistently enforced; the risks associated with our international operations, including local content, local currency or similar requirements especially in higher political risk countries where we operate; interest rate and foreign currency fluctuations; labor changes proposed by international conventions; increased regulatory burdens and oversight; changes in laws governing the taxation of foreign source income; retention of skilled workers; enforcement of laws related to the environment, labor and foreign corrupt practices; the potential liability for remedial actions or assessments under existing or future environmental regulations or litigation; the effects of asserted and unasserted claims and the extent of available insurance coverage; and the resolution of pending legal proceedings.

Forward-looking statements, which can generally be identified by the use of such terminology as “may,” “can,” “potential,” “expect,” “project,” “target,” “anticipate,” “estimate,” “forecast,” “believe,” “think,” “could,” “continue,” “intend,” “seek,” “plan,” and similar expressions contained in this Quarterly Report on Form 10-Q, are not guarantees or assurances of future performance or events. Any forward-looking statements are based on our assessment of current industry, financial and economic information, which by its nature is dynamic and subject to rapid and possibly abrupt changes, which we may or may not be able to control. Further, we may make changes to our business plans that could or will affect our results. While management believes that these forward-looking statements are reasonable when made, there can be no assurance that future developments that affect us will be those that we anticipate and have identified. The forward-looking statements should be considered in the context of the risk factors listed above, discussed in this Quarterly Report on Form 10-Q, and discussed in our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on March 4, 2021, as updated by subsequent filings with the SEC. Investors and prospective investors are cautioned not to rely unduly on such forward-looking statements, which speak only as of the date hereof. Management disclaims any obligation to update or revise any forward-looking statements contained herein to reflect new information, future events, or developments.

In certain places in this Quarterly Report on Form 10-Q, we may refer to reports published by third parties that purport to describe trends or developments in energy production and drilling and exploration activity and we specifically disclaim any responsibility for the accuracy and completeness of such information and have undertaken no steps to update or independently verify such information.

The following information contained in this Quarterly Report on Form 10-Q should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto included in Part 1, Item 1 of this Quarterly Report on Form 10-Q and related disclosures and our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on March 4, 2021.

About Tidewater

Our vessels and associated vessel services provide support for all phases of offshore oil and natural gas exploration, field development and production as well as windfarm development and maintenance. These services include towing of, and anchor handling for, mobile offshore drilling units; transporting supplies and personnel necessary to sustain drilling, workover and production activities; offshore construction and seismic and subsea support; geotechnical survey support for windfarm construction, and a variety of other specialized services such as pipe and cable laying. In addition, we have one of the broadest geographic operating footprints in the offshore vessel industry. Our global operating footprint allows us to react quickly to changing local market conditions and to be responsive to the changing requirements of the many customers with which we believe we have strong relationships. We are also one of the most experienced international operators in the offshore energy industry with a history spanning over 65 years.

At March 31, 2021, we owned 166 vessels (excluding three joint venture vessels), 146 of which are available to serve the global energy industry and 20 of which are available for immediate sale. The average age of our 146 active vessels at March 31, 2021 is 10.3 years.

Principal Factors That Drive Our Results

Our revenues, net earnings and cash flows from operations are largely dependent upon the activity level of our offshore marine vessel fleet. As is the case with the numerous other vessel operators in our industry, our business activity is largely dependent on the level of exploration, field development and production activity of our customers. Our customers' business activity, in turn, is dependent on current and expected crude oil and natural gas prices, which fluctuate depending on expected future levels of supply and demand for crude oil and natural gas, and on estimates of the cost to find, develop and produce crude oil and natural gas reserves.

Our revenues in all segments are driven primarily by our fleet size, vessel utilization and day rates. Because a sizeable portion of our operating and depreciation costs do not change proportionally with changes in revenue, our operating profit is largely dependent on revenue levels.

Operating costs consist primarily of crew costs, repair and maintenance costs, insurance costs, fuel, lube oil and supplies costs and other vessel operating costs. Fleet size, fleet composition, geographic areas of operation, supply and demand for marine personnel, and local labor requirements are the major factors which affect overall crew costs in all segments. In addition, our newer, more technologically sophisticated vessels generally require a greater number of specially trained, more highly compensated fleet personnel than our older, smaller and less sophisticated vessels. Crew costs may increase if competition for skilled personnel intensifies, though a weaker offshore energy market should somewhat mitigate any potential inflation of crew costs.

Costs related to the recertification of vessels are deferred and amortized over 30 months on a straight-line basis. Maintenance costs incurred at the time of the recertification drydocking that are not related to the recertification of the vessel are expensed as incurred. Costs related to vessel improvements that either extend the vessel's useful life or increase the vessel's functionality are capitalized and depreciated.

Insurance costs are dependent on a variety of factors, including our safety record and pricing in the insurance markets, and can fluctuate over time. Our vessels are generally insured for up to their estimated fair market value in order to cover damage or loss. We also purchase coverage for potential liabilities stemming from third-party losses with limits that we believe are reasonable for our operations, but do not generally purchase business interruption insurance or similar coverage. Insurance limits are reviewed annually, and third-party coverage is purchased based on the expected scope of ongoing operations and the cost of third-party coverage.

Fuel and lube costs can also fluctuate in any given period depending on the number and distance of vessel mobilizations, the number of active vessels off charter, drydockings, and changes in fuel prices. We also incur vessel operating costs that are aggregated as "other" vessel operating costs. These costs consist of brokers' commissions, training costs, satellite communication fees, agent fees, port fees and other miscellaneous costs. Brokers' commissions are incurred primarily in our non-United States operations where brokers sometimes assist in obtaining work. Brokers generally are paid a percentage of day rates and, accordingly, commissions paid to brokers generally fluctuate in accordance with vessel revenue.

Sonatide

We previously disclosed the significant financial and operational challenges that we confront with respect to operations in Angola, as well as steps that we have taken to address or mitigate those risks. Most of our attention has been focused in three areas: (i) reducing the net receivable balance due from Sonatide, our Angolan joint venture with Sonangol, for vessel services; (ii) reducing the foreign currency risk created by virtue of provisions of Angolan law that require that payment for a portion of the services provided by Sonatide be paid in Angolan kwanza; and (iii) optimizing opportunities, consistent with Angolan law, for services provided by us to be paid for directly in U.S. dollars. The amounts due from Sonatide are denominated in U.S. dollars; however, the underlying third-party customer payments to Sonatide were satisfied, in part, in Angolan kwanzas. We and Sonangol, our partner in Sonatide, have had discussions regarding how the net losses from the devaluation of certain Angolan kwanza denominated accounts should be shared. In late 2019, we were informed that, as part of a broad privatization program, Sonangol intends to seek to divest itself from the Sonatide joint venture.

Refer to Note (7) of Notes to Unaudited Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for further details on the Sonatide joint venture.

DTDW

We own 40% of DTDW in Nigeria. Our partner, who owns 60%, is a Nigerian national. DTDW owns one offshore service vessel and has long-term debt of $4.7 million which is secured by the vessel and guarantees from the DTDW partners (in proportion to their ownership interests). We also, from time to time, operate company owned vessels in Nigeria for which our partner receives a commission. As of March 31, 2021, we had no company owned vessels operating in Nigeria and the DTDW owned vessel was not employed. As a result, the near-term cash flow projections indicate that DTDW does not have sufficient funds to meet its obligations to us or to the holder of its long-term debt. Based on current situations, operations in Nigeria have been severely impacted and the scope of our activity is winding down. We have created a fully reserved position in our consolidated balance sheet to account for our expected liabilities related to the debt guarantee and certain obligations of the joint venture. On April 22, 2021 we paid approximately $2.0 million which represents our portion of the joint venture debt guarantee.

Industry Conditions and Outlook

Our business is directly impacted by the level of activity in worldwide offshore oil and natural gas exploration, development and production, which in turn is influenced by trends in oil and natural gas prices. In addition, oil and natural gas prices are affected by a host of geopolitical and economic forces, including the fundamental principles of supply and demand. In particular, the oil price is significantly influenced by actions of the Organization of Petroleum Exporting Countries, or OPEC. Prices are subject to significant uncertainty and, as a result, are extremely volatile. Beginning in late 2014, oil prices declined significantly from levels of over $100.00 per barrel and continued to decline throughout 2015 and into 2016 causing an industry-wide downturn. Prices began to stabilize in the $50.00 to $60.00 per barrel range in 2019 and early 2020. However, in the first quarter of 2020 the industry was severely impacted by the previously discussed global pandemic (COVID-19) and the resulting loss of demand and decrease in oil prices.

As COVID-19 spread throughout the world, its impact on many of our locations, including our vessels, has affected our operations. We have implemented various protocols for both onshore and offshore personnel in efforts to limit this impact, but there is no assurance that those efforts will be fully successful. Any spread of COVID-19 to our onshore workforce or key management personnel could prevent us from supporting our offshore operations, reduce productivity as our onshore personnel continue to work remotely, and disrupt our business. Any outbreak on our vessels may result in the vessel, or some or all of a vessel crew, being quarantined and therefore impede the vessel's ability to generate revenue. We have experienced challenges in connection with our offshore crew changes due to health and travel restrictions related to COVID-19, and those challenges and/or restrictions are expected to continue despite our efforts at mitigating them. To the extent the COVID-19 pandemic adversely affects our operations and business, it may also have the effect of heightening many of the other risks set forth in our SEC filings.

The effect on our business includes lockdowns of shipyards where we have vessels performing drydocks which will delay vessels returning to service and the cancellation and/or temporary delay of certain revenue vessel contracts allowed either under the contract provisions or by mutual agreement with our customers. These cancellations and/or temporary delays reduced our year 2020 revenues by 18% and first quarter 2021 revenues by approximately 8%. We also incurred approximately $18.0 million in higher operating costs in 2020, primarily related to additional crew costs, mobilization and vessel stacking costs as a result of these unplanned contract cancellations. In the first quarter of 2021, we continued to incur higher costs to operate and to stack vessels, which totaled $2.5 million. There may be additional cancellations or delays.

As a company, we have undertaken the following temporary measures to assist us in weathering the COVID-19 pandemic and allow us to recover as soon as possible:

- Planned capital and drydock expenditures tied to contracts referenced above will be temporarily delayed or cancelled. Budgeted drydocks expenditures for 2021 are expected to be approximately $20.0 million. It is possible that additional planned drydocks will be cancelled or delayed due to contract cancellations or delays. We cannot predict the number or cost of any additional cancellations or delays.
- We have the ability to rapidly respond to contract cancellations and delays. We have or will remove the crews and shut down all operations, depending on contract terms, on vessels associated with cancelled or delayed contracts. We continue to evaluate our general and administrative costs to reflect the current demand for our offshore support vessels.

The full impact of the COVID-19 pandemic on our business and operations will depend on the severity, location, and duration of the effects and spread of the pandemic itself, the actions undertaken by national, regional, and local governments and health officials to contain the virus or treat its effects, and how quickly and to what extent economic conditions improve and normal business and operating conditions resume. As we cannot predict the duration or scope of this pandemic, the anticipated negative financial impact to our operating results cannot be reasonably estimated but could be both material and long lasting.

In the first and second quarters of 2020, we considered these events to be indicators that the value of our active offshore vessel fleet may be impaired. As a result, as of March 31, 2020 and June 30, 2020, we performed Step 1 evaluations of our active offshore fleet under FASB Accounting Standards Codification 360, which governs the methodology for identifying and recording impairment of long-lived assets to determine if any of our asset groups have net book value in excess of undiscounted future net cash flows. Our evaluations did not indicate impairment of any of our asset groups. Beginning with the third quarter of 2020, conditions related to the pandemic and oil price environment stabilized and in the fourth quarter industry conditions marginally improved. Similarly, in the first quarter of 2021 we have not seen indications in the industry that would indicate impairment of any of our asset groups. As a result, we did not identify additional events or conditions that would require us to perform a Step 1 evaluation as of March 31, 2021. We will continue to monitor the expected future cash flows and the fair market value of our asset groups for impairment.

Results of Operations – Three Months Ended March 31, 2021 compared to March 31, 2020

Revenues for the quarters ended March 31, 2021 and 2020 were $83.5 million and $116.4 million, respectively. The $32.9 million decrease in revenue is primarily due to a decrease in utilization, which accounted for $25.2 million of the decrease in revenue, primarily as a result of contract cancellations and reduced demand arising from the effects of COVID-19 and crude oil prices. Overall, we had 37 less average active vessels in the first quarter of 2021 than in the first quarter of 2020. Active utilization decreased slightly from 78.5% in 2020 to 77.6% in 2021. Average day rates also decreased slightly from $10,267 per day in 2020 to $9,993 in 2021 contributing $3.1 million to the decrease in revenue. The reduction in capacity and changes in other revenue contributed $4.6 million to the decrease in revenue.

Vessel operating costs for the quarters ended March 31, 2021 and 2020 were $61.0 million and $78.8 million, respectively. The decrease is primarily due to a decrease in vessel activity, as we have 37 less active vessels in our fleet in the first quarter of 2021 compared to the first quarter of 2020 largely due to the downturn caused by the pandemic.

Depreciation and amortization expense for the quarters ended March 31, 2021 and 2020 were $29.7 million and $27.1 million, respectively, largely due to an increase in amortization expense related to deferred drydock expenditures.

General and administrative expenses for the quarters ended March 31, 2021 and 2020 were $16.0 million and $21.4 million, respectively. The decrease is primarily due to decreased personnel and benefit costs related to the significant cost cutting measures being implemented due to the current downturn.

Included in gain (loss) on asset dispositions, net for the quarter ended March 31, 2021, are $1.9 million of net losses from the disposal of six vessels and other assets. During the quarter ended March 31, 2020, we recognized gains of $5.3 million related to the disposal of nine vessels and other assets.

Long-lived asset impairment during the quarters ended March 31, 2021 and 2020, was zero and $10.2 million, respectively. The impairment expense in the prior year quarter is related to the valuation of our vessels held for sale.

Interest expense for the quarters ended March 31, 2021 and 2020, was $4.5 million and $6.1 million, respectively. During the 2021 quarter, we paid down $26.4 million of our Senior Notes and TROMS debt which reduced our interest expense.

During the quarter ended March 31, 2021, we recognized foreign exchange losses of $0.9 million and during the quarter ended March 31, 2020 we recognized foreign exchange gains of $0.9 million.

The tax expense for the three months ended March 31, 2021 was $2.0 million compared to an income tax benefit of $5.2 million for the three months ending March 31, 2020. The increase of $7.2 million resulted from the prior year quarter including the beneficial impact of a change in the tax laws (primarily the Cares Act refund) and higher foreign tax expenses in the current quarter. The tax expense for the three months ended March 31, 2021 is mainly attributable to foreign taxes that are calculated on the basis of deemed profit or minimum tax regimes or withholding tax on revenue instead of taxable income or loss. Additionally, the inability to offset profits in one country with losses in a different country contributes to having a tax liability despite large consolidated pre-tax losses.

The following table compares vessel revenues and vessel operating costs by geographic segment for our owned and operated vessel fleet and the related percentage of vessel revenue for the periods indicated:

	Three Months Ended March 31, 2021	%	Three Months Ended March 31, 2020	%
(In thousands)		%		%
Vessel revenues:				
Americas	$ 26,224	32%	$ 31,859	28%
Middle East/Asia Pacific	24,414	30%	24,828	22%
Europe/Mediterranean	14,749	18%	29,491	26%
West Africa	15,606	19%	25,796	23%
Total vessel revenues	$ 80,993	100%	$ 111,974	100%
Vessel operating costs:				
Americas:				
Crew costs	$ 10,594	40%	$ 14,186	45%
Repair and maintenance	2,714	10%	2,171	7%
Insurance	200	1%	417	1%
Fuel, lube and supplies	1,774	7%	2,615	8%
Other	1,980	8%	2,673	8%
	$ 17,262	66%	$ 22,062	69%
Middle East/Asia Pacific:				
Crew costs	$ 9,639	39%	$ 10,085	41%
Repair and maintenance	2,659	11%	2,586	10%
Insurance	(224)	(1)%	591	2%
Fuel, lube and supplies	1,569	6%	2,665	11%
Other	2,959	12%	1,696	7%
	$ 16,602	68%	$ 17,623	71%
Europe/Mediterranean :				
Crew costs	$ 9,022	61%	$ 11,696	40%
Repair and maintenance	1,673	11%	3,141	11%
Insurance	299	2%	431	1%
Fuel, lube and supplies	759	5%	1,098	4%
Other	1,707	12%	2,522	9%
	$ 13,460	91%	$ 18,888	64%
West Africa:				
Crew costs	$ 5,907	38%	$ 8,520	33%
Repair and maintenance	2,391	15%	2,700	10%
Insurance	348	2%	346	1%
Fuel, lube and supplies	1,758	11%	3,374	13%
Other	3,292	21%	5,312	21%
	$ 13,696	88%	$ 20,252	79%
Vessel operating costs:				
Crew costs	$ 35,162	43%	$ 44,487	40%
Repair and maintenance	9,437	12%	10,598	9%
Insurance	623	1%	1,785	2%
Fuel, lube and supplies	5,860	7%	9,752	9%
Other	9,938	12%	12,203	11%
Total vessel operating costs	$ 61,020	75%	$ 78,825	70%

The following table presents general and administrative expenses in our four geographic segments both individually and in total and the related general and administrative expenses as a percentage of the vessel revenues of each segment and in total for the three months ended March 31, 2021 and 2020:

	Three Months Ended			
	March 31, 2021		March 31, 2020	
(In thousands)		%		%
Segment general and administrative expenses:				
Americas	$ 2,605	10%	$ 3,465	11%
Middle East/Asia Pacific	2,785	11%	2,534	10%
Europe/Mediterranean	1,827	12%	2,238	8%
West Africa	2,107	14%	4,001	16%
Total segment general and administrative expenses	$ 9,324	12%	$ 12,238	11%

The following table presents segment depreciation and amortization expense by our four geographic segments, the related segment vessel depreciation and amortization expense as a percentage of segment vessel revenues, total segment depreciation and amortization expense and the related total segment depreciation and amortization expense as a percentage of total vessel revenues for the three months ended March 31, 2021 and 2020:

	Three Months Ended			
	March 31, 2021		March 31, 2020	
(In thousands)		%		%
Segment depreciation and amortization expense:				
Americas	$ 8,007	31%	$ 7,496	24%
Middle East/Asia Pacific	6,880	28%	5,527	22%
Europe/Mediterranean	7,484	51%	6,819	23%
West Africa	6,570	42%	6,404	25%
Total segment depreciation and amortization expense	$ 28,941	36%	$ 26,246	23%

The following table compares operating loss and other components of loss and its related percentage of total revenue for the three months ended March 31, 2021 and 2020:

	Three Months Ended			
	March 31, 2021		March 31, 2020	
(In thousands)		%		%
Vessel operating profit (loss):				
Americas	$ (1,651)	(2)%	$ (1,164)	(1)%
Middle East/Asia Pacific	(1,853)	(2)%	(856)	(1)%
Europe/Mediterranean	(8,021)	(10)%	1,547	1%
West Africa	(6,767)	(8)%	(4,863)	(4)%
Other operating profit	1,444	2%	1,721	1%
	(16,848)	(20)%	(3,615)	(3)%
Corporate expenses	(7,505)	(9)%	(10,042)	(9)%
Gain (loss) on asset dispositions, net	(1,948)	(2)%	5,331	5%
Long-lived asset impairments	—	0%	(10,207)	(9)%
Operating loss	$ (26,301)	(31)%	$ (18,533)	(16)%

Results for three months ended March 31, 2021 compared to March 31, 2020

Americas Segment Operations. Vessel revenues in the Americas segment decreased 18%, or $5.6 million, during the quarter ended March 31, 2021, as compared to the quarter ended March 31, 2020. This decrease is primarily the result of less demand due to the pandemic. We had seven less average active vessels in the quarter ended March 31, 2021 than the comparable prior year period. A decrease in utilization resulted in $5.4 million of the decrease in revenue.

Vessel operating loss for the Americas segment for the quarter ended March 31, 2021 was $1.7 million, compared to a $1.2 million operating loss for the quarter ended March 31, 2020. The increase in operating loss was due to the decrease in revenue and a $0.5 million increase in depreciation and amortization partially offset by a $4.8 million decrease in operating expenses, resulting mainly from the decrease in active vessels, and the intensive cost saving measures taken in the first quarter of 2020 in response to the effect of the pandemic and a $0.9 million reduction in general and administrative costs primarily due to our ongoing cost saving initiatives as we react to the current downturn. The increase in depreciation and amortization was due to a change in estimated vessel salvage values in the third quarter of 2020 and increased amortization of deferred drydock costs.

Middle East/Asia Pacific Segment Operations. Vessel revenues in the Middle East/Asia Pacific segment decreased 2%, or $0.4 million, during the quarter ended March 31, 2021, as compared to the quarter ended March 31, 2020. Active utilization for the quarter ended March 31, 2021 increased to 84.0% from 77.7% and average day rates increased 8% but were offset by the effect of seven less average active vessels. The improved utilization resulting in a $0.8 million increase in revenue was more than offset by a $1.6 million decrease in revenue from decreased capacity.

The Middle East/Asia Pacific segment reported an operating loss of $1.9 million for the quarter ended March 31, 2021, compared to an operating loss of $0.9 million for the quarter ended March 31, 2020 primarily due to a $1.4 million increase in depreciation and amortization due to a change in estimated vessel salvage values in the third quarter of 2020 and increased amortization of deferred drydock costs, and a $0.3 million increase in general and administrative costs. The current downturn has not significantly impacted this segment's operations.

Europe/Mediterranean Segment Operations. Vessel revenues in the Europe/Mediterranean segment decreased 50%, or $14.7 million, during the quarter ended March 31, 2021, as compared to the quarter ended March 31, 2020. The decreased revenue was primarily attributable to 13 less active vessels combined with lower average day rates and lower active utilization. The decreases in revenue are almost entirely the result of lower demand caused by the effect of the pandemic. The decrease in utilization resulted in a $11.8 million decrease in revenue and the decrease in day rates reduced revenue by another $3.0 million.

The Europe/Mediterranean segment reported an operating loss of $8.0 million for the quarter ended March 31, 2021, compared to an operating profit of $1.5 million for the quarter ended March 31, 2020 due to decreased revenue partially offset by $5.4 million in lower operating costs and a $0.4 million decrease in general and administrative costs, resulting primarily from the decrease in active vessels and the intensive cost saving measures taken in 2020 in response to the effect of the pandemic.

West Africa Segment Operations. Vessel revenues in the West Africa segment decreased 40% or $10.2 million, during the quarter ended March 31, 2021, as compared to the quarter ended March 31, 2020. The West Africa active vessel fleet decreased by 11 vessels during the comparative periods. West Africa segment active utilization decreased as well from 67.8% during the quarter ended March 31, 2020 to 59.6% during the quarter ended March 31, 2021. In addition, average day rates decreased 9% due to the change in the mix of remaining contracts. The decreases in revenue are almost entirely the result of lower demand caused by the pandemic. Decreased utilization reduced revenue by $8.8 million with reduced capacity contributing another $1.2 million to the lower revenue.

Vessel operating loss for the West Africa segment increased from $4.9 million for the quarter ended March 31, 2020 to $6.8 million in the quarter ended March 31, 2021 primarily due to decreased revenue partially offset by $6.6 million in lower operating costs primarily related to the decrease in active vessels and the cost saving measures taken in 2020. In addition, general and administrative costs decreased by $1.9 million also resulting from intensive cost saving measures taken in the first quarter of 2020 in response to the effect of the pandemic.

Vessel Utilization and Average Day Rates by Segment

Vessel utilization is determined primarily by market conditions and to a lesser extent by drydocking requirements. Vessel day rates are determined by the demand created largely through the level of offshore exploration, field development and production spending by energy companies relative to the supply of offshore support vessels. Specifications of available equipment and the scope of service provided may also influence vessel day rates. Vessel utilization rates are calculated by dividing the number of days a vessel works during a reporting period by the number of days the vessel is available to work in the reporting period. As such, stacked vessels depress utilization rates because stacked vessels are considered available to work and are included in the calculation of utilization rates. Average day rates are calculated by dividing the revenue a vessel earns during a reporting period by the number of days the vessel worked in the reporting period.

Total vessel utilization is calculated on all vessels in service (which includes stacked vessels, vessels held for sale and vessels in drydock) but do not include vessels owned by joint ventures (three vessels at both March 31, 2021 and 2020). Active utilization is calculated on active vessels (which excludes vessels held for sale). Average day rates are calculated based on total vessel days worked.

The following tables compare day-based utilization percentages, average day rates and average total, active and stacked vessels by segment for the three months ended March 31, 2021 and 2020:

	Three Months Ended	
	March 31, 2021	March 31, 2020
SEGMENT STATISTICS:		
Americas fleet:		
Utilization	61.1%	57.1%
Active utilization	87.9%	85.7%
Average vessel day rates	11,865	11,854
Average total vessels	40	52
Average stacked vessels	(12)	(17)
Average active vessels	28	35
Middle East/Asia Pacific fleet:		
Utilization	77.9%	63.0%
Active utilization	84.0%	77.7%
Average vessel day rates	8,506	7,863
Average total vessels	41	55
Average stacked vessels	(3)	(10)
Average active vessels	38	45
Europe/Mediterranean fleet:		
Utilization	44.7%	63.6%
Active utilization	81.3%	87.3%
Average vessel day rates	11,960	12,514
Average total vessels	31	41
Average stacked vessels	(14)	(11)
Average active vessels	17	30
West Africa fleet:		
Utilization	34.1%	45.7%
Active utilization	59.6%	67.8%
Average vessel day rates	8,711	9,539
Average total vessels	58	65
Average stacked vessels	(25)	(21)
Average active vessels	33	44
Worldwide fleet:		
Utilization	52.9%	56.4%
Active utilization	77.6%	78.5%
Average vessel day rates	9,993	10,267
Average total vessels	170	213
Average stacked vessels	(54)	(60)
Average active vessels	116	153

Average active vessels exclude stacked vessels. We consider a vessel to be stacked if the vessel crew is furloughed or substantially reduced and limited maintenance is being performed on the vessel. We reduce operating costs by stacking vessels when management does not foresee opportunities to profitably or strategically operate the vessels in the near future. Vessels are stacked when market conditions warrant and they are no longer considered stacked when they are returned to active service, sold, or otherwise disposed. When economically practical marketing opportunities arise, the stacked vessels can be returned to active service by performing any necessary maintenance on the vessel and either rehiring or returning fleet personnel to operate the vessel. Although not currently fulfilling charters, stacked vessels are included in the calculation of utilization statistics. We had 52 and 59 stacked vessels at March 31, 2021 and 2020, respectively. Total stacking costs (operating expenses) for the three months ended March 31, 2021 and 2020 were $5.4 million and $3.9 million, respectively.

Vessel Dispositions

We seek opportunities to sell and/or recycle our older vessels when market conditions warrant and opportunities arise. The majority of our vessels are sold to buyers who do not compete with us in the offshore energy industry. Vessels sales during the first quarter of 2021 included three vessels that were classified as assets held for sale and three vessels from our active fleet.

Liquidity, Capital Resources and Other Matters

Availability of Cash

As of March 31, 2021, we had $143.4 million in cash and cash equivalents (including restricted cash), including amounts held by foreign subsidiaries, the majority of which is available to us without adverse tax consequences. Included in foreign subsidiary cash are balances held in U.S. dollars and foreign currencies that await repatriation due to various currency conversion and repatriation constraints, partner and tax related matters, prior to the cash being made available for remittance to our domestic accounts. We currently intend that earnings by foreign subsidiaries will be indefinitely reinvested in foreign jurisdictions in order to fund strategic initiatives (such as investment, expansion and acquisitions), fund working capital requirements and repay debt (both third-party and intercompany) of our foreign subsidiaries in the normal course of business. Moreover, we do not currently intend to repatriate earnings of our foreign subsidiaries to the U. S. because cash generated from our domestic businesses and the repayment of intercompany liabilities from foreign subsidiaries are currently deemed to be sufficient to fund the cash needs of our operations in the U. S.

Our objective in financing our business is to maintain and preserve adequate financial resources and sufficient levels of liquidity. We do not have a revolving credit facility. Cash and cash equivalents and future net cash provided by operating activities provide us, in our opinion, with sufficient liquidity to meet our liquidity requirements.

Debt

As of March 31, 2021, we had $166.5 million of long-term debt on our consolidated balance sheet of which $18.2 million is due within one year. Of this amount, our Secured Notes total $135.2 million, which is due in August 2022. The Secured Notes have a quarterly minimum trailing year interest coverage requirement, however compliance with this covenant has been waived from April 2021 through December 31, 2021. Minimum liquidity requirements and other covenants are set forth in the amended Indenture. In addition, we have $36.5 million of long-term debt in a subsidiary that is collateralized by certain of the subsidiary’s vessels. This debt has similar covenants as the Secured Notes. We believe that our $143.4 million in cash on hand, plus cash generated from our operations and asset sales in 2021 will be sufficient to meet our debt obligations in 2021. Refer to Note (9) of Notes to Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for further details on our indebtedness.

We may from time to time seek to retire or purchase our outstanding debt through cash purchases and/or exchanges for equity securities, in open market purchases, privately negotiated transactions, public tenders or otherwise. Such repurchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

Operating Activities

Net cash provided by operating activities for the three months ended March 31, 2021 was $5.7 million and net cash used in operating activities for the three months ended March 31, 2020 was $27.5 million, respectively.

Net cash provided by operations for the three months ended March 31, 2021 reflects a net loss of $35.5 million, which includes non-cash depreciation and amortization of $29.7 million and net losses on asset dispositions of $1.9 million. Combined changes in operating assets and liabilities and in amounts due to/from affiliate provided $9.9 million in cash, and cash paid for deferred drydock and survey costs was $2.7 million.

Net cash used in operations for the three months ended March 31, 2020 reflects a net loss of $18.5 million, which includes non-cash depreciation and amortization of $27.1 million, asset impairments of $10.2 million, and approximately $5.3 million of gains on asset sales. Cash paid for drydock used $24.9 million, and combined changes in operating assets and liabilities and in amounts due to/due/from affiliate was a net cash used of $18.1 million.

Investing Activities

Net cash provided by investing activities for the three months ended March 31, 2021 and 2020, was $9.8 million and $7.0 million, respectively. Net cash provided by investing activities for the three months ended March 31, 2021 reflects the receipt of $11.0 million primarily related to the sale of six vessels. Additions to properties and equipment were comprised of approximately $0.8 million in capitalized upgrades to existing vessels and equipment and $0.4 million for other property and IT equipment purchases and development work.

Net cash provided by investing activities for the three months ended March 31, 2020 reflects the receipt of $9.5 million primarily related to the disposal of nine vessels. Additions to properties and equipment were comprised of approximately $2.4 million in capitalized upgrades to existing vessels and equipment and IT development work.

Financing Activities

Net cash used in financing activities for the three months ended March 31, 2021 and 2020 was $27.3 million and $3.1 million, respectively. Net cash used in financing activities for the three months ended March 31, 2021 included $11.8 million of repurchases of the Secured Notes in open market transactions, $14.6 million of scheduled semiannual principal payments and prepayments on Troms offshore debt and $0.7 million of debt modification costs.

Net cash used in financing activities for the three months ended March 31, 2020 was a result of $2.6 million of scheduled semiannual principal payments on Troms offshore debt and $0.5 million of taxes paid to related share-based compensation.

Contractual Obligations and Other Contingent Commitments

We did not have any material changes in our contractual obligations and commercial commitments since the end of fiscal year 2020. Refer to Part II, Item 7 in our Annual Report on Form 10-K for the year ended December 31, 2020, for information regarding our contractual obligations and other contingent commitments.

Application of Critical Accounting Policies and Estimates

Our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on March 4, 2021, describes the accounting policies that are critical to reporting our financial position and operating results and that require management's most difficult, subjective or complex judgments. This Quarterly Report on Form 10-Q should be read in conjunction with the discussion contained in our Annual Report on Form 10-K for the year ended December 31, 2020, regarding these critical accounting policies.

New Accounting Pronouncements

For information regarding the effect of new accounting pronouncements, refer to Note (2) of Notes to Unaudited Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There were no material changes in the quarter ended March 31, 2021 to the market risk disclosures contained in Item 7A in our Annual Report on Form 10-K for the year ended December 31, 2020.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed with the objective of ensuring that all information required to be disclosed in our reports filed under the Securities Exchange Act of 1934, as amended (Exchange Act), such as this Quarterly Report on Form 10-Q, is recorded, processed, summarized and reported, within the time periods specified in the SEC rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. However, any control system, no matter how well conceived and followed, can provide only reasonable, and not absolute, assurance that the objectives of the control system are met.

We evaluated, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2021.

Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting that occurred during the quarter ended March 31, 2021, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Various legal proceedings and claims are outstanding which arose in the ordinary course of business. In the opinion of management, the amount of ultimate liability, if any, with respect to these actions, will not have a material adverse effect on our financial position, results of operations, or cash flows. Information related to various commitments and contingencies, including legal proceedings, is disclosed in Note (10) of Notes to the Unaudited Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

ITEM 1A. RISK FACTORS

The significant factors known to us that could materially adversely affect our business, financial condition, or operating results are described in Item 2 of Part I of this Quarterly Report on Form 10-Q and in Item 1A of Part I of our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on March 4, 2021.

ITEM 6. EXHIBITS

Exhibit Number	Description
2.1	Joint Prepackaged Chapter 11 Plan of Reorganization of Tidewater Inc. and its Affiliated Debtors dated May 11, 2017 (filed with the Commission as Exhibit A to Exhibit T3E.1 to the company’s application for the qualification of indentures on Form T-3 filed on May 12, 2017, File No. 22-29043).
2.2	Disclosure Statement for Joint Prepackaged Chapter 11 Plan of Reorganization of Tidewater Inc. and its Affiliated Debtors dated May 11, 2017 (filed with the Commission as Exhibit T3E.1 to the company’s application for the qualification of indentures on Form T-3 filed on May 12, 2017, File No. 22-29043).
2.3	Second Amended Joint Prepackaged Chapter 11 Plan of Tidewater Inc. and Its Affiliated Debtors dated July 13, 2017 (filed with the Commission as Exhibit 2.1 to the company’s current report on Form 8-K filed on July 18, 2017, File No. 1-6311).
2.4	Agreement and Plan of Merger by and between Tidewater Inc. and GulfMark Offshore, Inc., dated as of July 15, 2018 (filed with the Commission as Exhibit 2.1 to the company’s current report on Form 8-K filed on July 16, 2018, File No. 1-6311).
3.1	Amended and Restated Certificate of Incorporation of Tidewater Inc. dated July 31, 2017 (filed with the Commission as Exhibit 3.1 to the company’s current report on Form 8-K filed on July 31, 2017, File No. 1-6311).
3.2	Second Amended and Restated By-Laws of Tidewater Inc. dated November 15, 2018 (filed with the Commission as Exhibit 3.2 to the company’s registration statement on Form 8-A filed on November 15, 2018, File No. 1-6311).
3.3	Certificate of Designations of Series A Junior Participating Preferred Stock of Tidewater Inc. (filed with the Commission as Exhibit 3.1 to the company’s current report on Form 8-K filed on April 14, 2020, File No. 1-6311).
4.1	Indenture for 8.00% Senior Secured Notes due 2022 among Tidewater Inc., each of the Guarantors party thereto, and Wilmington Trust, National Association, as Trustee and Collateral Agent dated as of July 31, 2017 (filed with the Commission as Exhibit 4.1 to the company’s current report on Form 8-K filed on July 31, 2017, File No. 1-6311).
4.2	Third Supplemental Indenture, dated November 22, 2019, by and among Tidewater Inc., the guarantors party thereto and Wilmington Trust, National Association, as trustee and collateral agent (filed with the Commission as Exhibit 4.1 to the company’s current report on Form 8-K on November 26, 2019, File No. 1-6311).
4.3	Fourth Supplemental Indenture, dated November 18, 2020, by and among Tidewater Inc., the guarantors party thereto and Wilmington Trust, National Association, as trustee and collateral agent (filed with the Commission as Exhibit 4.1 to the company’s current report on Form 8-K on November 23, 2020, File No. 1-6311).
4.4	Tax Benefits Preservation Plan by and between the Company and Computershare Trust Company, N.A., a federally chartered trust company, as Rights Agent, dated as of April 13, 2020, which includes the Form of Certificate of Designations as Exhibit A, Form of Right Certificate as Exhibit B and the Summary of Rights to Purchase Preferred Shares as Exhibit C. (filed with the Commission as Exhibit 3.1 to the company’s current report on Form 8-K filed on April 14, 2020, File No. 1-6311).
10.1	Restructuring Support Agreement, dated May 11, 2017 (filed with the Commission as Schedule 1 to Exhibit A to Exhibit T3E.1 to the company’s application for the qualification of indentures on Form T-3 filed on May 12, 2017, File No. 22-29043).
10.2	Amendment and Restatement Agreement No. 4 to the Troms Facility Agreement, dated May 11, 2017 (filed with the Commission as Exhibit C to Schedule 1 to Exhibit A to Exhibit T3E.1 to the company’s application for the qualification of indentures on Form T-3 filed on May 12, 2017, File No. 22-29043).
10.3	Creditor Warrant Agreement between Tidewater Inc., as Issuer and Computershare Inc. and Computershare Trust Company, N.A., collectively as Warrant Agent dated July 31, 2017 (filed with the Commission as Exhibit 10.1 to the company’s current report on Form 8-K filed on July 31, 2017, File No. 1-6311).

Exhibit Number	Description
10.4	Existing Equity Warrant Agreement between Tidewater Inc., as Issuer and Computershare Inc. and Computershare Trust Company, N.A., collectively as Warrant Agent dated July 31, 2017 (filed with the Commission as Exhibit 10.2 to the company's current report on Form 8-K filed on July 31, 2017, File No. 1- 6311).
10.5	Equity Warrant Agreement, dated as of November 14, 2017, between GulfMark Offshore, Inc. and American Stock Transfer & Trust Company, LLC, as Warrant Agent (filed with the Commission as Exhibit 4.1 to the company's registration statement on Form 8-A filed on November 15, 2018, File No. 1-6311).
10.6	Assignment, Assumption and Amendment Agreement, dated as of and effective November 15, 2018, by and among GulfMark Offshore, Inc., Tidewater Inc. and American Stock Transfer & Trust Company, LLC, as Warrant Agent (filed with the Commission as Exhibit 4.2 to the company's registration statement on Form 8-A filed on November 15, 2018, File No. 1-6311).
10.7	Noteholder Warrant Agreement, dated as of November 14, 2017, between GulfMark Offshore, Inc. and American Stock Transfer & Trust Company, LLC, as Warrant Agent (filed with the Commission as Exhibit 4.1 to the company's current report on Form 8-K filed on November 16, 2018, File No. 1-6311).
10.8	Assignment, Assumption and Amendment Agreement – Jones Act Warrants, dated as of and effective November 15, 2018, by and among GulfMark Offshore, Inc., Tidewater Inc. and American Stock Transfer & Trust Company, LLC, as Warrant Agent (filed with the Commission as Exhibit 4.2 to the company's current report on Form 8-K filed on November 16, 2018, File No. 1-6311).
10.9*	Form of Severance and Change of Control Agreement effective March 9, 2021 entered into with each of Quintin V. Kneen, Chief Executive Officer, Sam R. Rubio, Chief Financial Officer, David E. Darling, Chief Operating Officer, and Daniel A. Hudson, General Counsel.
31.1*	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document - The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed with this quarterly report on Form 10-Q.

** Furnished with the quarterly report on Form 10-Q.

SIGNATURES

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

TIDEWATER INC.
(Registrant)

Date: May 6, 2021

/s/ Samuel R. Rubio
Samuel R. Rubio
Executive Vice President, Chief Financial Officer
(Principal Financial and Accounting Officer and authorized signatory)

Exhibit 10.9

FORM OF SEVERANCE AND CHANGE OF CONTROL AGREEMENT

This Severance and Change of Control Agreement (this "Agreement") is entered into between Tidewater Inc., a Delaware corporation (the "Company") and [•] (the "Employee" and, together with the Company, the "Parties"), on [•] (the "Execution Date"), with effect from [•] (the "Effective Date"). Capitalized terms used but not defined in this Agreement have the respective meanings provided in the Appendix.

RECITALS

WHEREAS, the Employee is currently employed by the Company as [•] and the Parties are currently party to [•] ([the "Existing Agreements");

WHEREAS, the Committee has determined that it is necessary and advisable to provide the Employee with certain severance and change of control protections in a single agreement; and

WHEREAS, through his performance of services for the Company, the Employee is expected to attain substantial knowledge and expertise in the conduct and operation of the Business and certain proprietary and confidential information associated with the Business, the dissemination of or competition against which could cause the Company to be substantially and irrevocably harmed.

NOW THEREFORE, in consideration of the mutual promises, covenants, agreements, and obligations contained in this Agreement, the Employee's continuing access to confidential or proprietary information, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I
EFFECTIVENESS OF AGREEMENT

1.1 Term. This Agreement will commence on the Effective Date and will continue in effect through December 31, 2021; provided, however, that on January 1, 2022 and each subsequent January 1, the term of this Agreement will automatically be extended for one additional year unless, not later than June 30 of the preceding year, the Company has given notice to the Employee that it does not intend to extend this Agreement (as it may be truncated or extended under the terms of this Agreement, the "Term"). However, if a Change of Control occurs during the term of this Agreement, this Agreement will continue in effect through the second anniversary of the Change of Control regardless of any notice of non-extension that the Company may have provided to the Employee.

1.2 Status of Existing Agreement(s). The Parties agree that this Agreement supersedes all prior employment-related agreements between the Parties, including, but not limited to, the Existing Agreements, none of which will have any further force or effect following the Effective Date.

ARTICLE II
TERMINATION OF EMPLOYMENT

2.1 Death. In the event that the Employee dies during the Term, his employment will terminate automatically upon his death.

2.2 Disability. During the Term, the Company may terminate the Employee's employment if he becomes incapacitated due to a Disability.

2.3 Termination by the Company. During the Term, the Company may terminate the Employee's employment at any time, with or without Cause. For the avoidance of doubt, the Company giving notice of non-renewal of this Agreement in accordance with Section 1.1 without also terminating Employee's employment will not constitute a termination without Cause under this Agreement.

2.4 Termination by the Employee. During the Term, the Employee may terminate his employment at any time, with or without Good Reason.

2.5 Notice of Termination. Any termination of the Employee's employment during the Term, other than as a result of the Employee's death, will be communicated by written notice of termination to the other Party in accordance with Section 7.3, indicating the specific termination provision relied upon and the effective date of the termination.

2.6 Effect of Termination. Upon the termination of the Employee's employment for any reason during the Term, the Employee will be deemed to have resigned from any other officer, director, or manager positions he holds with the Company or any of its Affiliates.

ARTICLE III
OBLIGATIONS UPON TERMINATION OF EMPLOYMENT

3.1 Accrued Obligations. Upon termination of employment for any reason during the Term, the Employee will be entitled to receive promptly, and in addition to any other benefits specifically provided by this Agreement, (a) any earned but unpaid Base Salary through the Termination Date and (b) any other amounts or benefits required to be paid or provided or which the Employee, the Employee's family members, beneficiaries, heirs, or legal representatives is entitled to receive under any existing Compensation Plan (collectively, the "Accrued Obligations").

3.2 Termination due to Death or Disability. If, during the Term, the Employee dies or is terminated due to Disability, then, in addition to the Accrued Obligations, the Employee or, as applicable, his beneficiaries, heirs, or legal estate, will be entitled to receive (a) a Pro Rata Bonus for the year in which the Termination Date occurred, which will be paid at the same time bonuses are paid to other officers of the Company and (b) immediate vesting of all Equity Awards that are outstanding but unvested as of the Termination Date, with performance deemed to have been achieved at target performance levels for any performance-based awards.

3.3 Termination by the Company without Cause or the Employee with Good Reason (Outside of a Change of Control). Except as provided in Section 3.4, if, during the Term, the Company terminates the Employee's employment without Cause or the Employee terminates his employment for Good Reason, then, in addition to the Accrued Obligations but subject to Sections 3.7 and 5.2, the Employee will be entitled to receive the following compensation and benefits.

(a) The Employee will receive a cash severance payment equal to [•] multiplied by the sum of (1) one year of Base Salary and (2) Target Bonus, which will be paid to the Employee in equal installments (in accordance with the Company's regular payroll practices as in effect at such time) over the [•]-month period following the Termination Date; provided, however, that the first such installment will be paid on the first payroll date that is at least sixty (60) days after the Termination Date and will include all amounts that would otherwise have been paid to Employee during the period between the Termination Date and the first payment date if no delay had been imposed.

(b) The Employee will be eligible to receive a Pro Rata Bonus for the year in which the Termination Date occurred, which will be paid at the same time bonuses are paid to other officers of the Company.

(c) The Employee will receive a lump sum cash payment equal to the total premiums Employee would be required to pay for [•] months of continuation coverage under the Company's health benefit plans pursuant to COBRA, determined using the COBRA premium rate in effect for the level of coverage that the Employee had in place immediately prior to the Termination Date, which will be paid to him on the sixtieth (60th) day following the Termination Date.

(d) Notwithstanding the terms of the applicable plans or award agreements, (i) the Employee will immediately vest in any unvested portion of his time-based Equity Awards that was scheduled to vest within twelve (12) months of the Termination Date, which will settle in shares within thirty (30) days of the Termination Date; (ii) with respect to any outstanding but unvested performance-based Equity Awards, the Employee will retain any awards with a performance period ending within twelve (12) months of the Termination Date, which will remain subject to their original performance conditions and payout timing; and (iii) any remaining unvested portion of the Employee's Equity Awards will be forfeited automatically as of the Termination Date. In all other respects, the Equity Awards modified by this Section 3.3(d) remain subject to the applicable plan and award agreement.

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[1] CEO – 2x; EVP – 1.5x; SVP – 1.0x; VP – 0.5x
[2] CEO – 24; EVP – 18; SVP – 12; VP – 6
[3] CEO – 24; EVP – 18; SVP – 12; VP – 6

3.4 Termination by the Company without Cause or the Employee with Good Reason (During a Protected Period). If, during a Protected Period, the Company terminates the Employee's employment without Cause or the Employee terminates his employment for Good Reason, then, in addition to the Accrued Obligations but subject to Sections 3.7 and 5.2, the Employee will be entitled to receive the following compensation and benefits.

(a) Certain Cash Payments.

(i) The Employee will receive cash severance payment equal to [•] multiplied by the sum of (1) one year of Base Salary and (2) the greater of Average Bonus and Target Bonus.

(ii) The Employee will receive a Pro Rata Bonus for the year in which the Termination Date occurred.

(iii) If, as of the Termination Date, the Company has not yet paid to the Employee a Bonus with respect to a completed fiscal year, the Employee will receive a cash payment equal to, as applicable, (1) if the Company has already determined the amount of such Bonus, that approved amount or (2) if the Company has not yet determined the amount of such Bonus, the greater of the Target Bonus or the amount that the Employee would have earned with respect to such completed fiscal year based on actual performance of any objective performance criteria but assuming target performance on any subjective performance criteria.

(iv) The Employee will receive a lump sum cash payment equal to the total premiums Employee would be required to pay for [•] months of continuation coverage under the Company's health benefit plans pursuant to COBRA, determined using the COBRA premium rate in effect for the level of coverage that the Employee had in place immediately prior to the Termination Date.

(v) Subject to Sections 3.7 and 5.2 (including any mandatory six-month payment delay), any cash payments due to the Employee under this Section 3.4(b) will be paid to him within five (5) business days of the Termination Date; provided, however, that if the Change of Control did not qualify as a "change of control event" for purposes of Code Section 409A, the payments provided for in this Section 3.4(a) will be paid to the Employee in the form and according to the schedule provided in Section 3.3(a), (b), and (c) (for Section 3.4(a)(i), Sections 3.4(a)(ii) and (iii), and Section 3.4(a)(iv), respectively).

(b) Notwithstanding the terms of the applicable plans or award agreements, (i) the Employee will immediately vest in any Equity Awards that are outstanding but unvested as of the Termination Date; (ii) any of his or her outstanding and unexercised stock options will remain outstanding and exercisable for the remainder of their full term; and (iii) with respect to any Equity Awards for which vesting or payout is subject to performance conditions, performance will be deemed to have been achieved at target levels. All outstanding Equity Awards (other than stock options) will settle within thirty (30) days of the Termination Date; provided, however, that if the Change of Control did not qualify as a "change of control event" for purposes of Code Section 409A, settlement will occur in accordance with the schedule provided in Section 3.3(d). In all other respects, the Equity Awards modified by this Section 3.4(b) remain subject to the applicable plan and award agreement.

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4 CEO – 3x; EVP – 2x; SVP – 1.5x; VP – 1x

5 CEO – 36; EVP – 24; SVP – 18; VP – 12

(c) The Employee will immediately become fully (100%) vested in his benefit under any retirement, supplemental, or excess benefit plan of the Company in which the Employee was a participant as of the Termination Date.

(d) The Company will provide the Employee with outplacement assistance by a reputable firm specializing in such services for a two-year period beginning on the Termination Date; provided, however, that the aggregate amount paid to or on behalf of the Employee under this Section 3.4(d) shall not exceed $25,000.

3.5 Certain Pre-Change-of-Control Terminations. Notwithstanding any other provision of this Agreement, the Employee's employment will be deemed to have been terminated following a Change of Control by the Company without Cause or by the Employee with Good Reason, if (a) the Employee's employment is terminated by the Company without Cause prior to a Change of Control (regardless of whether a Change of Control actually occurs) and such termination was at the request or direction of a Person who has entered into an agreement with the Company the consummation of which would constitute a Change of Control; (b) the Employee terminates his or her employment for Good Reason prior to a Change of Control (regardless of whether a Change of Control actually occurs) and the act, circumstance, or event that constitutes Good Reason occurs at the request or direction of such Person; or (c) the Employee's employment is terminated by the Company without Cause or by the Employee for Good Reason and such termination or the act, circumstance, or event constituting Good Reason is otherwise in connection with, or in anticipation of, a Change of Control and occurred after discussions with such Person regarding a possible Change of Control transaction commenced and such discussions produced (whether before or after such termination) either a letter of intent with respect to such a transaction or a public announcement of the pending transaction (regardless of whether a Change of Control actually occurs). For purposes of any determination regarding the applicability of the immediately preceding sentence, if the Employee takes the position that such sentence applies and the Company disagrees, the Company will have the burden of proof in any such dispute.

3.6 All Other Terminations of Employment. Except as otherwise provided in this Article III, if the Employee's employment terminates during the Term, this Agreement will terminate without further obligation to the Employee, his family members, beneficiaries, or legal representatives, other than the Accrued Obligations.

3.7 Release and Continued Compliance. Notwithstanding any other provision in this Agreement to the contrary, as a condition precedent to receiving any payments or benefits under this Agreement (other than the Accrued Obligations) in connection with any applicable termination scenario, the Employee agrees to execute a separation and release agreement, in a form specified by the Company, containing a waiver of all claims against the Company (the "Release"), within the forty-five (45) day period immediately following the Termination Date, and subsequently not revoke the Release during any statutory post-execution revocation period. All revocation rights and timing restrictions will be set forth in such Release. If the Employee fails to execute and deliver the Release, or revokes the Release, the Employee agrees that he shall not be entitled to receive any payments or benefits under this Agreement (other than the Accrued Obligations) in connection with any applicable termination scenario. For purposes of this Agreement, the Release will be considered to have been executed by the Employee if it is signed by his legal representative in the case of Disability or legal incompetence or on behalf of the Employee's estate in the case of his death. The Employee's receipt and retention of any payments or benefits under this Agreement (other than the Accrued Obligations) in connection with any applicable termination scenario, will also be subject to the Employee's continued compliance with Article VI and Sections 7.6 and 7.8.

3.8 Set-Off; Mitigation. The Company's obligations to make payments, to provide benefits, and otherwise to perform their obligations under this Agreement will not be affected by any set-off, counterclaim, recoupment, defense, or other claim, right, or action that the Company may have against the Employee or others. It is the intent of this Agreement that in no event will the Employee be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Employee under any of the provisions of this Agreement.

ARTICLE IV
CHANGE OF CONTROL EMPLOYMENT PROTECTIONS

4.1 Employment Conditions. In the event that a Change of Control occurs during the Term, during the Protected Period, (a) the Employee's position (including status, offices, titles, and reporting requirements), authority, duties, and responsibilities will be at least commensurate in all material respects with the most significant of those held, exercised, and assigned at any time during the 120-day period immediately preceding the Change of Control and (b) the Employee's service will be performed during normal business hours at the Company's office where the Employee was principally employed immediately prior to the Change of Control or any relocation of such office within a radius of 50 miles.

4.2 Base Salary. During the Protected Period, the Employee's will receive a Base Salary, paid at least monthly, which initially will be equal to 12 times the highest monthly base salary that was payable to the Employee (for avoidance of doubt, including any base salary which has been earned but deferred by the Employee) by the Company and its Affiliates during any of the 12 calendar months preceding the month in which the Change of Control occurs. During the Protected Period, the Base Salary will be reviewed whenever the Company undertakes a salary review of the Employee's peer officers, but no less than once annually. Any increase in Base Salary will not serve to limit or reduce any other obligation to the Employee under this Agreement. Base Salary may not be reduced during the Protected Period, regardless of whether the Base Salary has previously been increased.

4.3 Annual Bonus. In addition to Base Salary, the Employee will be eligible to earn a Bonus for each fiscal year ending during the Protected Period. For each such Bonus, the Target Opportunity will be at least equal to the target opportunity for which the Employee is eligible for the fiscal year in which the Change of Control occurs, as such target opportunity has been established by the Company for such year under the Company's annual bonus plan, or any comparable successor plan. If the Company has not yet established a Target Opportunity for the Employee for the fiscal year in which the Change of Control occurs, then the Target Opportunity shall be at least equal to the last such target opportunity established by the Company for the Employee. Each such Bonus will be paid no later than two-and-one-half (2-1/2) months following the end of the fiscal year for which the Bonus is awarded, unless the Employee has elected to defer receipt of all or part of the Bonus pursuant to a deferral plan sponsored by the Company.

4.4 Fringe Benefits. During the Protected Period, the Employee shall be entitled to fringe benefits (including, but not limited to, automobile allowance, reimbursement for membership dues, and air travel) commensurate with those provided to the Employee's peer officers at the Company and its Affiliates.

4.5 Business Expenses. During the Protected Period, the Employee shall be entitled to receive prompt reimbursement for all reasonable business expenses incurred by the Employee in accordance with the most favorable agreements, policies, practices and procedures of the Company and its Affiliates in effect for the Employee at any time during the 120-day period immediately preceding the Change of Control or, if more favorable to the Employee, as in effect generally at any time thereafter with respect to the Employee's peer officers at the Company and its Affiliates.

4.6 Incentive, Savings, Welfare Benefit, and Retirement Plans. During the Protected Period, the Employee (and the Employee's family members or beneficiaries, as the case may be) will be entitled to participate in any and all Compensation Plans that are generally available to the Employee's peer officers at the Company and its Affiliates, subject to the eligibility requirements and all other terms and conditions of the applicable Compensation Plan; provided, however, that in no event will such Compensation Plans provide the Employee with incentive opportunities (measured with respect to both regular and special incentive opportunities, to the extent, if any, that such distinction is applicable), savings opportunities, welfare benefits scope and coverage, and retirement benefit opportunities, in each case, less favorable than the most favorable of those provided by the Company and its Affiliates for the Employee under any Compensation Plans as in effect at any time during the 120-day period immediately preceding the Change of Control or, if more favorable to the Employee, those provided generally at any time after the Change of Control to the Employee's peer officers at the Company and its Affiliates.

4.7 Office and Support Staff. During the Protected Period, the Employee will be entitled to an office or offices of a size and with furnishings and other appointments, and to secretarial and other assistance, commensurate with those provided to the Employee's peer officers at the Company and its Affiliates.

4.8 Vacation. During the Protected Period, the Employee will be entitled to paid vacation and/or personal time off in accordance with the most favorable agreements, plans, policies, programs, and practices of the Company and its Affiliates as in effect for the Employee at any time during the 120-day period immediately preceding the Change of Control or, if more favorable to the Employee, as in effect generally at any time after the Change of Control with respect to the Employee's peer officers at the Company and its Affiliates.

4.9 Indemnification. If, in connection with any agreement related to a transaction that will result in a Change of Control, an undertaking is made to provide the Board with rights to indemnification from the Company (or from any other party to such agreement), the Employee will, by virtue of this Agreement, be entitled to the same rights to indemnification as are provided to the members of the Board pursuant to such agreement. Otherwise, the Employee will be entitled to indemnification rights on terms no less favorable to Employee than those available under the Certificate of Incorporation, bylaws or resolutions of the Company at any time after the Change of Control to his or her peer executives of the Company. Such indemnification rights will be with respect to all claims, actions, suits, or proceedings to which the Employee is or is threatened to be made a party that arise out of or are connected to his or her services at any time prior to the termination of his or her employment, without regard to whether such claims, actions, suits, or proceedings are made, asserted, or arise during or after the Protected Period.

4.10 D&O Liability Insurance. If, in connection with any agreement related to a transaction that will result in a Change of Control, an undertaking is made to provide the Board with continued coverage following the Change of Control under one or more directors' and officers' liability insurance policies, then the Employee will, by virtue of this Agreement, be entitled to the same rights to continued coverage under such directors and officers liability insurance policies as are provided to the Board. Otherwise, the Company agrees to cover Employee under any directors and officers liability insurance policies as in effect generally at any time after the Change of Control that cover his or her peer executives of the Company.

ARTICLE V
TAX MATTERS

5.1 Withholding. The Employee agrees that the Company has the right to withhold, from the amounts payable pursuant to this Agreement, all amounts required to be withheld under applicable income and/or employment tax laws, or as otherwise stated in documents granting rights that are affected by this Agreement.

5.2 Section 409A. Notwithstanding any other provision of this Agreement:

(a) It is the intent of the Parties that this Agreement comply with Code Section 409A and that the payments and benefits provided under this Agreement either comply with, or are exempt from, Code Section 409A, and this Agreement should be construed and interpreted accordingly.

(b) Each payment under this Agreement is intended to be a "separate payment" and not one of a series of payments for purposes of Code Section 409A. If, as of the Termination Date, the Employee is a "specified employee" (as defined and determined under Code Section 409A) and any payment or benefit provided to him in connection with his termination of employment constitutes "non-qualified deferred compensation" subject to Code Section 409A, then the payments and benefits that may be paid to the Employee during the six-month period following the Termination Date will be limited to (i) medical benefits that are allowed to be provided during such time pursuant to Code Section 409A, (ii) any amounts that qualify for the short-term deferral exception to Code Section 409A, (iii) any amounts that qualify for the involuntary separation from service exception to Code Section 409A, and (iv) any other payments to the extent they are covered by an exception to such six-month delay applicable to specified employees. All other payments and benefits will not be paid to the Employee until the first business day that is six months after the Termination Date or, if earlier, on the Employee's death.

(c) To the extent required by Code Section 409A, all reimbursements and in-kind benefits provided under this Agreement will be made or provided in accordance with the requirements of Code Section 409A, including, where applicable, the requirement that (i) any reimbursement is for expenses incurred during the Employee's lifetime (or during a shorter period of time specified in this Agreement); (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a single calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year; (iii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred; and (iv) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

5.3 Excise Tax Provision.

(a) Notwithstanding any other provision of this Agreement, if a Change of Control occurs during the original or extended term of this Agreement, in the event that any payment or benefit received or to be received by the Employee in connection with the Change of Control or the termination of the Employee's employment (whether pursuant to the terms of this Agreement or any other plan, arrangement, or agreement with the Company, any Person whose actions result in the Change of Control, or any Person Affiliated with the Company or such Person) (all such payments and benefits, including the payments and benefits under Section 3.4, being hereinafter called "Total Payments") would be subject, in whole or in part, to an excise tax imposed by Code Section 4999 (the "Excise Tax"), then, after taking into account any reduction in the Total Payments provided by reason of Code Section 280G in such other plan, arrangement, or agreement, the Covered Payments will be either:

(i) be reduced, in the order provided in Section 5.3(b) to the minimum extent necessary to ensure that no portion of the Total Payments is subject to the Excise Tax (that amount, the "Reduced Amount"), or

(ii) be payable in full, but only if the after-tax value of the Total Payments (meaning, after subtracting the net amount of federal, state, and local income and employment taxes on such Total Payments and the amount of Excise Tax to which the Employee would be subject with respect to the unreduced Total Payments) is greater than the after-tax value of the Reduced Amount (meaning, after subtracting the net amount of federal, state, and local income and employment taxes on such Reduced Amount).

(b) Any reduction to the Total Payments required by this Section 5.3 will be made in accordance with Code Section 409A and the following principles: (i) any portion of the Total Payments that does not constitute non-qualified deferred compensation subject to Code Section 409A will be reduced first and (ii) unless the Employee elects otherwise, cash payments will be reduced before non-cash payments.

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

(d) At the time that payments are made under this Agreement, the Company will provide the Employee with a written statement setting forth the manner in which such payments were calculated and the basis for such calculations including, without limitation, any opinions or other advice the Company has received from Tax Counsel, the Auditor, or other advisors or consultants (and any such written opinions or advice will be attached to the statement).

ARTICLE VI
RESTRICTIVE COVENANTS

6.1 Confidential Information.

(a) The Parties agree and acknowledge that during the Employee's tenure with the Company, the Employee has received and will continue to receive access to some or all of the Company's Confidential Information. The Employee agrees to hold in a fiduciary capacity and for the benefit of the Company all Confidential Information that the Employee obtains during his employment (whether prior to or after the Effective Date) and will use such Confidential Information solely in the good-faith performance of his duties for the Company. During his employment and after his termination of employment, the Employee agrees (i) not to communicate or make available to any Person (other than the Company) any such Confidential Information, except upon the prior written authorization of the Company or as may be required by law or legal process, and (ii) to deliver promptly to the Company upon its written request any Confidential Information in his possession.

(b) In the event that the provisions of any applicable law or the order of any court would require the Employee to disclose or otherwise make available any Confidential Information to a governmental authority or to any other third party, the Employee agrees to give the Company, unless it is unlawful to do so, prompt prior written notice of such required disclosure and, if possible given the terms of any production order of the judicial governmental or administrative body, an opportunity to contest the requirement of such disclosure or apply for a protective order with respect to such Confidential Information by appropriate proceedings.

(c) Nothing in this Agreement will preclude, prohibit, or restrict the Employee from communicating with, participating or cooperating in any investigation conducted by, or filing a charge of discrimination with, any Governmental Agency. Nothing in this Agreement, or any other agreement between the Parties, prohibits or is intended in any manner to prohibit, the Employee from (i) reporting a possible violation of federal or other applicable law or regulation to any Governmental Agency or entity or (i) making other disclosures that are protected under whistleblower provisions of federal law or regulation. This Agreement does not limit the Employee's right to receive an award (including, without limitation, a monetary reward) for information provided to a Governmental Agency. The Employee does not need the prior authorization of anyone at the Company to make any such reports or disclosures, and the Employee is not required to notify the Company that the Employee has made such reports or disclosures. Without limiting the foregoing, nothing in this Agreement or any other agreement or policy of the Company is intended to interfere with or restrain the immunity provided under 18 U.S.C. §1833(b). The Employee cannot be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (1) (A) in confidence to a Governmental Agency official, directly or indirectly, or to an attorney, and (B) for the purpose of reporting or investigating a suspected violation of law; (2) in a complaint or other document filed in a lawsuit or other proceeding, if filed under seal; or (3) in connection with a lawsuit alleging retaliation for reporting a suspected violation of law, if filed under seal and does not disclose the trade secret, except pursuant to a court order. The foregoing provisions regarding protected disclosures are intended to comply with all applicable laws. If any laws are adopted, amended or repealed after the execution of this Agreement, this Section 6.1(c) shall be deemed to be amended to reflect the same.

(d) Upon termination of his employment, the Employee agrees that all Confidential Information and other files, documents, materials, records, notebooks, customer lists, business proposals, contracts, agreements and other repositories containing information concerning the Company or the business of the Company (together with any and all copies of the same in any physical or electronic medium) in the Employee's possession, custody or control, whether prepared by the Employee or others, shall remain with or be returned to the Company as soon as practicable after his Termination Date. The Employee agrees to provide the Company with access to his personally-owned computer, server, e-mail system, mobile phone, portable electronic and other electronic devices for the purpose of verifying that the Employee has complied with this Section 6.1(d).

6.2 Non-Disparagement. The Employee agrees that, during and after the Term, he will not at any time make, publish, or communicate to any Person any defamatory or disparaging remarks, comments, or statements concerning the Company, its Affiliates, its businesses, its products or services, or any of its employees, officers, or members of the Board; provided, however, that nothing in this Section 6.2 restricts or impedes the Employee, in any way, from (a) making factual disclosures regarding the Company (i) arising from good faith compliance with applicable law or regulation or (ii) if compelled by court order, legal proceeding, or otherwise required by law; or (b) exercising protected rights to the extent that applicable law or regulation prohibits the waiver of such rights by agreement.

6.3 Covenant Not to Compete. As part of the consideration for entering into this Agreement, to protect (x) Confidential Information of the Company and its customers and clients that have been and will be entrusted to the Employee, (y) the business goodwill of the Company and its Affiliates that will be developed in and through the Employee, and (z) the business opportunities that will be disclosed or entrusted to the Employee by the Company and its subsidiaries, the Employee agrees that, during the Restricted Period, he will not engage in competitive activities in the Restricted Area, as follows:

(a) The Employee will not, directly or indirectly, for himself or others or in association with any other Person, own, manage, operate, control, be employed in an executive, managerial, or supervisory capacity by, serve on the board of directors or managers of, or otherwise engage or participate in, or allow his or her skill, knowledge, experience or reputation to be used in connection with, the ownership, management, operation, or control of any company or other business enterprise engaged in the Business within any of the Restricted Area; provided, however, that nothing contained in this Agreement prohibits the Employee from making passive investments as long as the Employee does not Beneficially Own more than 1% of the equity interests of a publicly-traded business enterprise engaged in the Business within any of the Restricted Area.

(b) The Employee will not, directly or indirectly, for himself or others or in association with any other Person, solicit any customer of the Business or of the Company, or otherwise interfere, induce, or attempt to induce any customer, supplier, licensee, or business relation of the Company for the purpose of soliciting, diverting, interfering, or enticing away the business of such customer, supplier, licensee, or business relation, or otherwise disrupting any previously established relationship existing between such customer, supplier, licensee, or business relation and the Company.

6.4 Non-Solicitation. During the Restricted Period, the Employee agrees that he will not, directly or indirectly, for himself or others or in association with any other Person, make contact with any of the employees or independent contractors of the Company for the purpose of soliciting such employee or independent contractor for hire, whether as an employee or independent contractor, or for the purpose of inducing such Person to leave the employ of the Company or cease providing services to the Company, or otherwise to disrupt the relationship of such Person with the Company. In addition, during the Restricted Period, the Employee will not hire, on behalf of himself or any company engaged in the Business, any employee of the Company, whether or not such engagement is solicited by the Employee.

6.5 Injunctive Relief; Other Remedies. The Employee acknowledges that a breach or threatened breach by the Employee of this Article VI would cause immediate and irreparable harm to the Company not fully compensable by money damages or the exact amount of which would be difficult to ascertain, and therefore the Company will not have an adequate monetary remedy at law. Accordingly, the Employee agrees that, in the event of a breach or threatened breach by the Employee of the provisions of this Article VI, the Company will be entitled to injunctive relief to prevent or curtail any such breach or threatened breach without the necessity of posting any bond or security or showing proof of actual damage or irreparable injury. Nothing in this Agreement prohibits the Company from pursuing any other remedy at law or in equity to which the Company may be entitled under applicable law in the event of a breach or threatened breach of this Agreement by the Employee, including, without limitation, the recovery of damages, costs, and expenses, such as reasonable attorneys' fees, incurred by the Company as a result of any such breach or threatened breach. In addition to the exercise of the foregoing remedies, the Company has the right upon the occurrence of any such breach or threatened breach to cancel and/or seek recoupment of any post-employment compensatory arrangements provided in this Agreement. In particular, the Employee acknowledges that the payments and benefits provided in Article III are conditioned upon the Employee fulfilling the agreements and covenants contained in this Article VI. In the event that the Employee at any time materially breaches such agreements or covenants, the Company may suspend, eliminate, or seek recoupment of the payments or benefits under Article III during the period of such breach. The Employee acknowledges that any such suspension, elimination, or recoupment of payments or benefits would be an exercise of the Company's right to suspend or terminate its performance under this Agreement upon the Employee's breach of this Agreement and would not constitute, and should not be characterized as, the imposition of liquidated damages. Nothing contained in this Agreement impairs the Employee's right to indemnification pursuant to (a) the Company's certificate of incorporation or by-laws, (b) any Company insurance policy, (c) any indemnification agreement Employee may have with the Company, or (d) any policy, plan, or program maintained or sponsored by the Company.

6.6 Employee's Understanding of this Article VI. The Employee acknowledges that the definition of Business, as well as the geographic and temporal scope of the covenants contained in this Article VI are the result of arm's-length bargaining and are fair and reasonable in light of (a) the importance of the functions performed by the Employee, (b) the nature and wide geographic scope of the operations of the Company, and (c) the Employee's level of control over and contact with the business and operations of the Company.

ARTICLE VII
MISCELLANEOUS

7.1 Binding Effect; Successors.

(a) This Agreement is binding upon and inures to the benefit of the Company and any of its successors or assigns.

(b) This Agreement is personal to the Employee and may not be assignable by the Employee without the consent of the Company (there being no obligation to give such consent) other than such rights or benefits as are transferred by will or the laws of descent and distribution.

(c) The Company will require any successor to or assignee of (whether direct or indirect, by purchase, merger, consolidation or otherwise) all or substantially all of the assets or businesses of the Company (i) to assume unconditionally and expressly this Agreement and (ii) to agree to perform or to cause to be performed all of the obligations under this Agreement in the same manner and to the same extent as would have been required of the Company had no assignment or succession occurred, such assumption to be set forth in a writing reasonably satisfactory to the Employee.

(d) The Company will also require all entities that control or that after the transaction will control (directly or indirectly) the Company or any such successor or assignee to agree to cause to be performed all of the obligations under this Agreement, such agreement to be set forth in a writing reasonably satisfactory to the Employee.

(e) The obligations of the Company and the Employee that, by their nature, may require either partial or total performance after the expiration of the term of the Agreement will survive such expiration.

7.2 No Restrictions on Employment. The Employee represents to the Company that the execution of, and performance of his duties under, this Agreement will not constitute a breach of, or otherwise violate, any other agreement to which the Employee is a party. The Employee further represents to the Company that, in discharging his duties and responsibilities to the Company, he will not utilize or disclose any confidential information obtained by him through any prior employment or service relationship.

7.3 Notices. All notices under this Agreement must be in writing and will be deemed to have been given upon receipt of delivery by: (a) hand (against a receipt for such delivery), (b) certified or registered mail, postage prepaid, return receipt requested, (c) a nationally recognized overnight courier service (against a receipt for such service), or (d) facsimile transmission with confirmation of receipt. All notices to the Company related to this Agreement should be sent to the Company's principal executive offices as disclosed in its filings with the Securities and Exchange Commission, addressed to the Office of General Counsel. All notices to the Employee should be delivered to the most recent address as provided by the Employee to the human resources department of the Company. Either Party may update its address for receipt of notices by providing written notice to the other Party as provided under this Section 7.3.

7.4 Governing Law; Consent to Jurisdiction. This Agreement will be construed and enforced in accordance with and governed by the internal laws of the State of Texas without regard to principles of conflict of laws. The Parties agree that any action brought with respect to this Agreement and the transactions contemplated under this Agreement including, but not limited to, any action for injunctive relief for the breach or threatened breach of any agreement or covenant under Article VI, will be brought in state or federal court in Harris County, Texas, and further that such venue will be the exclusive venue for resolving any such disputes. The Parties consent to personal jurisdiction in state or federal court in Harris County, Texas and further waive any objection they may have as to such venue.

7.5 Legal Fees. Subject to Section 5.2, the Company agrees to pay as incurred, to the full extent permitted by law, all legal fees and expenses which the Employee may reasonably incur as a result of any contest (regardless of the outcome of such contest) by the Company, the Employee, or others of the validity or enforceability of, or liability under, any provision of this Agreement (including as a result of any contest by the Employee about the amount or timing of any payment pursuant to this Agreement) or which the Employee may reasonably incur in connection with any tax audit or proceeding to the extent attributable to the application of Code Section 4999 to any payment or benefit provided under this Agreement; provided, however, that the aggregate amount paid to or on behalf of the Employee under this Section 7.5 shall not exceed $25,000.

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

7.7 Survival. The Parties agree that the provisions and obligations of this Agreement which, by their nature, require or contemplate full or partial performance after the termination or expiration of this Agreement or the Employee's employment with the Company (including, without limitation, Sections 4.9 and 4.10, Article VI, and Sections 7.6 and 7.8) will survive termination of the Employee's employment or this Agreement.

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

7.9 Amendment; Waiver. No provision of this Agreement may be modified, amended or waived except by an instrument in writing signed by both Parties.

7.10 Severability. If any term or provision of this Agreement, or the application of such term or provision to any Person or circumstance, is, at any time or to any extent, invalid, illegal, or unenforceable in any respect as written, the Parties intend for any court construing this Agreement to modify or limit such provision so as to render it valid and enforceable to the fullest extent allowed by law. Any such provision that is not susceptible of such reformation will be ignored so as to not affect any other term or provision of this Agreement, and the remainder of this Agreement, or the application of such term or provision to Persons or circumstances other than those as to which it is held invalid, illegal, or unenforceable, will not be affected and each other term and provision of this Agreement will be valid and enforced to the fullest extent permitted by law.

7.11 Waiver of Breach. The waiver by either party of a breach of any provision of this Agreement will not operate or be construed as a waiver of any subsequent breach of this Agreement.

7.12 Remedies Not Exclusive. No remedy specified in this Agreement is intended to be such Party's exclusive remedy, and accordingly, in addition to all of the rights and remedies provided for in this Agreement, the Parties have all other rights and remedies provided to them by applicable law, rule, or regulation.

7.13 Company's Reservation of Rights. The Employee acknowledges and understands that the Employee serves at the pleasure of the Board and that the Company has the right at any time to terminate Employee's status as an employee and officer of the Company, or to change or diminish his or her status during the Employment Period, subject to the rights of the Employee to claim the benefits conferred by this Agreement.

7.14 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument.

[signatures appear on the following page]

IN WITNESS WHEREOF, Tidewater and the Employee have executed this Agreement on the Execution Date, with effect from the Effective Date.

TIDEWATER INC.

By: ______________________________

EMPLOYEE:

____

Appendix
Definitions

Unless otherwise defined in this Agreement (including the preamble and the recitals), the following terms (and capitalized variants of such terms) have the meanings indicated, unless the context clearly indicates otherwise:

"Accrued Obligations" has the meaning provided in Section 3.1.

"Affiliate" means a Person that controls, or is controlled by, or is under common control with, another specified Person, either directly or indirectly.

"Agreement" means this Severance and Change of Control Agreement, as it may be amended and in effect from time to time in accordance with its terms.

"Auditor" has the meaning provided in Section 5.3(c).

"Average Bonus" means the average annual bonus paid to the Employee over the three most recently-completed fiscal years of the Company (or, if the Employee has not been employed with the Company and its Affiliates for three full fiscal years, then the average annual bonus over the full fiscal years during which the Employee was employed).

"Base Salary" means the Employee's annual base salary as from time to time in effect.

"Beneficially Own" has the same meaning ascribed to that term in Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended.

"Board" means the board of directors of the Company.

"Bonus" means an annual or short-term incentive bonus that may be earned by the Employee under the terms and conditions of the applicable Compensation Plan.

"Business" means the businesses of providing vessel services for the offshore oil and gas, alternative energy, marine construction, LNG terminal support, and other related industries, or any other business in which the Company is engaged as of the Termination Date.

"Business Combination" means the consummation of a reorganization, merger, or consolidation (including a merger or consolidation of the Company or any direct or indirect subsidiary of the Company), or sale or other disposition of all or substantially all of the assets of the Company.

"Cause" means the Employee's (a) conviction of, or entry of a plea of no contest to, a felony or any crime involving dishonesty, fraud, or theft; (b) commission of an act of dishonesty (even if not a crime) resulting in the material enrichment of the Employee at the expense of the Company or its Affiliates; (c) willful violation of any law, rules, of regulations applicable to the Company or its Affiliates, including but not limited to those established by the Securities and Exchange Commission or any self-regulatory organization having jurisdiction or authority over the Company or the Employee; (d) unauthorized acts, willful misconduct, or gross negligence that could reasonably be expected to cause material financial or reputational harm to the Company or its Affiliates or materially disrupt operations of the Company or its Affiliates; (e) willful and material failure to perform the reasonable and customary duties of his position with the Company; (f) willful and material failure to follow established policies or procedures of the Company or its Affiliates of which the Employee has been provided in writing (whether on paper, via email, or online); or (g) material breach of any of the covenants set forth in Article VI of this Agreement (or any similar covenants to which the Employee may be subject from time to time in connection with his employment with the Company); provided, however, that no such termination may take place under clauses (e), (f), or (g) above unless (x) the Company has provided written notice to the Employee of such conduct within 60 days of learning of such conduct, and (y) the Employee has failed to remedy such conduct within 30 days following receipt of such notice.

"Change of Control" means:

(a) the acquisition by any Person of Beneficial Ownership of 30% or more of the outstanding shares of Common Stock or 30% or more of the combined voting power of the Company's then-outstanding securities; provided, however, that for purposes of this paragraph (a), the following shall not constitute a Change of Control:

(i) any acquisition (other than a Business Combination which constitutes a Change of Control under paragraph (c)) of Common Stock directly from the Company,

(ii) any acquisition of Common Stock by the Company or its subsidiaries,

(iii) any acquisition of Common Stock by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or

(iv) any acquisition of Common Stock by any corporation pursuant to a Business Combination which does not constitute a Change of Control under paragraph (c); or

(b) members of the Incumbent Board cease for any reason to constitute at least a majority of the Board; or

(c) a Business Combination, in each case, unless, immediately following the consummation of such Business Combination,

(i) the individuals and entities who collectively were the Beneficial Owners of the Common Stock or the Company's voting securities entitled to vote generally in the election of directors immediately prior to such Business Combination have direct or indirect collective Beneficial Ownership, respectively, of more than 50% of the then-outstanding shares of common stock, and more than 50% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of the Post-Transaction Corporation, and

(ii) except to the extent that such ownership existed prior to the Business Combination, no Person (excluding the Post-Transaction Corporation and any employee benefit plan or related trust of either the Company, the Post-Transaction Corporation, or any subsidiary of either corporation) Beneficially Owns, directly or indirectly, 30% or more of the then-outstanding shares of common stock of the corporation resulting from such Business Combination or 30% or more of the combined voting power of the then outstanding voting securities of such corporation, and

(iii) at least a majority of the members of the board of directors of the Post-Transaction Corporation were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(d) approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

"COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and includes, for each such section cited, the regulations and guidance issued under such section.

"Committee" means the Compensation Committee of the Board.

"Common Stock" means the Company's common stock, $0.001 par value per share.

"Company" means Tidewater Inc., a Delaware corporation, or its successor as provided in Section 7.1.

"Compensation Plans" means all compensatory plans of the Company, including all equity, incentive, savings, retirement, and welfare benefits plans, practices, policies, and programs, as in effect from time to time.

"Confidential Information" means confidential and proprietary information, knowledge, or data of any nature and in any form (including information that is electronically transmitted or stored on any form of magnetic or electronic storage media) of the past, current, or prospective business or operations of the Company, that is not publicly known, whether or not marked confidential, including, without limitation, information relating to any (a) services, projects, or jobs; (b) estimating or bidding procedures; (c) bidding strategies; (d) present and future business plans, actual or potential business acquisitions or joint ventures, capital expenditure projects, and cost summaries; (e) trade secrets; (f) marketing data, strategies, or techniques; (g) financial reports, budgets, projections, and cost analyses; (h) pricing information, codes, and analyses; (i) employee lists; (j) customer records, customer lists, and customer source lists; (k) confidential filings with any Governmental Agency; and (l) internal notes and memoranda relating to any of the foregoing provided that Confidential Information will not include any information, knowledge, or data that is now, or hereafter becomes, known to the public (other than by breach of this Agreement by the Employee or breach by any other party of a confidentiality obligation owed to the Company).

"Disability" means that the Employee is disabled within the meaning of Code Section 409A.

"Effective Date" has the meaning provided in the preamble.

"Equity Awards" means any outstanding but unvested equity or long-term incentive awards issued to the Employee by the Company.

"Excise Tax" has the meaning provided in Section 5.3(a).

"Execution Date" has the meaning provided in the preamble.

"Good Reason" means the existence of any of the following, without the Employee's written consent: (a) a material diminution in the Employee's authority, duties, or responsibilities; (b) a material diminution in Base Salary or Target Opportunity, except for any across-the-board reductions approved by the Board for all similarly-situated employees (not to exceed 10%); (c) a change to the Employee's primary work location to a location more than 50 miles away; or (d) a material breach of the Agreement by the Company including, but not limited to, (i) the failure of the Company or its Affiliates to obtain the assumption of their obligations under this Agreement by any successor or assign as contemplated in Section 7.1 or (ii) during a Protected Period, a material breach of Article IV. For purposes of this definition, the Employee's termination will not be considered to have been with Good Reason unless (x) he provides written notice to the Company of the condition constituting Good Reason within 90 days of the Employee having knowledge of its initial existence, (y) such condition remains uncured for at least 30 days following the Company's receipt of the Employee's notice, and (z) the Employee actually terminates employment following the expiration of any cure period but within two years of the initial occurrence of such condition.

"Governmental Agency" means any federal, state, or local governmental legislative, administrative, or regulatory entity, agency, or commission.

"Incumbent Board" means the individuals who, as of the Effective Date, constitute the Board; provided, however, that any individual who becomes a director subsequent to the Effective Date whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered a member of the Incumbent Board, unless such individual's initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Incumbent Board.

"Parties" has the meaning provided in the preamble.

"Person" means a natural person or company, and also means the group or syndicate created when two or more Persons act as a syndicate or other group (including, without limitation, a partnership or limited partnership) for the purpose of acquiring, holding, or disposing of a security, except that "Person" does not include an underwriter temporarily holding a security pursuant to an offering of the security.

"Post-Transaction Corporation" means either (a) the Company after the Change of Control or (b) if a Change of Control includes a Business Combination, the corporation resulting from the Business Combination unless, as a result of such Business Combination, an ultimate parent corporation controls the Company or all or substantially all of the Company's assets either directly or indirectly, in which case, "Post-Transaction Corporation" shall mean such ultimate parent corporation.

“Pro-Rata Bonus” means a Bonus for a given fiscal year, calculated based on actual performance as provided in the applicable short-term incentive plan, pro-rated for the portion of the fiscal year in which the Employee provided services to the Company.

“Protected Period” means the period beginning on the effective date of a Change of Control and ending on the second anniversary of such effective date, provided that a Change of Control has occurred during the Term of this Agreement.

“Reduced Amount” has the meaning provided in Section 5.3(a)(i).

“Release” has the meaning provided in Section 3.7.

“Restricted Area” means the geographic areas in which the Company conducts it businesses from time to time.

“Restricted Period” means the period beginning on the Effective Date and ending on the date that is [•] months after the Termination Date; provided, however, that the Restricted Period will end on the Termination Date in the event that, during a Protected Period, either the Employee terminates his employment with Good Reason or the Company terminates his employment without Cause.

“Target Bonus” means the target Bonus for which the Employee is eligible for a given fiscal year, as established by the Company for such year, or, if no target Bonus has been established as of the applicable date, the Base Salary multiplied by the Target Opportunity.

“Target Opportunity” means the Employee’s target annual bonus opportunity, expressed as a percentage of the Base Salary then in effect.

“Tax Counsel” has the meaning provided in Section 5.3(c).

“Term” has the meaning provided in Section 1.1.

“Termination Date” means the date that the Employee has a “separation of service,” as such term is used in Code Section 409A, regardless of the reason for termination of employment.

“Total Payments” has the meaning provided in Section 5.3(a).

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6 CEO – 24; EVP – 18; SVP – 12; VP – 6

EXHIBIT 31.1

CERTIFICATION PURSUANT TO RULE 13a-14 OR 15d-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Quintin V. Kneen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Tidewater Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a - 15(e) and 15d - 15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2021

/s/ Quintin V. Kneen

Quintin V. Kneen
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION PURSUANT TO RULE 13a-14 OR 15d-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Samuel R. Rubio, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Tidewater Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a - 15(e) and 15d - 15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2021

/s/ Samuel R. Rubio
Samuel R. Rubio
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Tidewater Inc. (the “company”) for the quarter ended March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Quintin V. Kneen, Chief Executive Officer, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the company.

Date: May 6, 2021

/s/ Quintin V. Kneen
Quintin V. Kneen
Chief Executive Officer

A signed original of this written statement has been provided to the company and will be retained by the company and furnished to the Securities and Exchange Commission or its staff upon request.

The certification the registrant furnishes in this exhibit is not deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. Registration Statements or other documents filed with the Securities and Exchange Commission shall not incorporate this exhibit by reference, except as otherwise expressly stated.

EXHIBIT 32.2

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Tidewater Inc. (the "company") for the quarter ended March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Samuel R. Rubio, Chief Financial Officer, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

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

Date: May 6, 2021

/s/ Samuel R. Rubio
Samuel R. Rubio
Chief Financial Officer

A signed original of this written statement has been provided to the company and will be retained by the company and furnished to the Securities and Exchange Commission or its staff upon request.

The certification the registrant furnishes in this exhibit is not deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. Registration Statements or other documents filed with the Securities and Exchange Commission shall not incorporate this exhibit by reference, except as otherwise expressly stated.