

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

Form 8-K

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

Date of Report (Date of earliest event reported): **December 13, 2019** (December 11, 2019)



HELIX ENERGY SOLUTIONS GROUP, INC.
(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction
of incorporation)

001-32936
(Commission
File Number)

95-3409686
(IRS Employer
Identification No.)

3505 West Sam Houston Parkway North
Suite 400
Houston, Texas
(Address of principal executive offices)

77043
(Zip Code)

Registrant's telephone number, including area code **281-618-0400**

NOT APPLICABLE
(Former name, former address and former fiscal year, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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	HLX	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

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

(e)

Clawback Policy. On December 12, 2019, the Board of Directors (the “Board”) of Helix Energy Solutions Group, Inc. (the “Company”) adopted an Incentive Award Recoupment Policy (the “Clawback Policy”) that allows recovery of certain cash incentive payments and equity-based compensation provided to the Company’s Chief Executive Officer and Chief Financial Officer (the “Covered Officers”). In the event the Company is required to prepare a financial restatement, the Board may recoup from the Covered Officers erroneously awarded incentive compensation received within the one year preceding the date on which the Board determines a financial restatement is required if the Board determines that the Covered Officer engaged in fraud, negligence or other misconduct that contributed to the need for the financial restatement. In addition, if a Covered Officer engages in misconduct that has caused material financial, operational or reputational harm to the Company, the Board may recoup incentive compensation received by the Covered Officer during and after the period in which the misconduct occurred. Misconduct subject to the Clawback Policy must have occurred within the one year preceding the date on which the Board determines that misconduct occurred.

The Board intends to revisit the Clawback Policy in accordance with any final rules and regulations issued by the Securities and Exchange Commission and/or any applicable listing exchange, in connection with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

Form of LTIP Award Agreement. On December 11, 2019, the Compensation Committee of the Board (the “Committee”) adopted a revised form of award agreement for Performance Share Unit awards issued under the Company’s 2005 Long-Term Incentive Plan, as amended and restated effective May 15, 2019 (the “LTIP”). The form of award agreement was adopted by the Committee consistent with the LTIP as approved by the Company’s shareholders on May 15, 2019. This form of award agreement will be utilized until the Committee determines otherwise.

The foregoing is only a brief description of the terms of the Clawback Policy and form of award agreement, does not purport to be complete and is qualified in its entirety by reference to the Clawback Policy and the form of award agreement, copies of which are attached hereto as Exhibits 99.1 and 10.1, respectively, and incorporated herein by reference.

Executive Officer Compensation. On December 11, 2019, the Committee approved an increase in compensation for Scotty Sparks, the Company’s Executive Vice President and Chief Operating Officer; Erik Staffeldt, the Company’s Executive Vice President and Chief Financial Officer; and Ken Neikirk, the Company’s Senior Vice President, General Counsel and Corporate Secretary. Beginning January of 2020, Mr. Sparks’s base salary will be \$460,000 (an \$85,000 increase from his current salary), and his bonus target will be \$460,000 (an \$85,000 increase from his current bonus target). Beginning January of 2020, Mr. Staffeldt’s base salary will be \$440,000 (a \$65,000 increase from his current salary), and his bonus target will be \$440,000 (a \$65,000 increase from his current bonus target). Beginning January of 2020, Mr. Neikirk’s base salary will be \$360,000 (a \$60,000 increase from his current salary), and his bonus target will be \$360,000 (a \$60,000 increase from his current bonus target).

Information related to the other elements of total compensation for the Company’s named executive officers will be disclosed in the Company’s 2020 Proxy Statement to the extent required by the rules related to proxy statements and the disclosure of executive compensation.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

<u>Exhibit Number</u>	<u>Description</u>
10.1	Form of Performance Share Unit Award Agreement.
99.1	Incentive Award Recoupment Policy, adopted December 12, 2019.
101.INS	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	XBRL Schema Document.
101.CAL	XBRL Calculation Linkbase Document.
101.DEF	XBRL Definition Linkbase Document.
101.LAB	XBRL Label Linkbase Document.
101.PRE	XBRL Presentation Linkbase Document.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

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

Date: December 13, 2019

HELIX ENERGY SOLUTIONS GROUP, INC.

By: /s/ Kenneth E. Neikirk

Kenneth E. Neikirk
Senior Vice President, General Counsel
and Corporate Secretary

PERFORMANCE SHARE UNIT AWARD AGREEMENT
Helix Energy Solutions Group, Inc.
2005 Long-Term Incentive Plan
(As Amended and Restated Effective May 15, 2019)

This Performance Share Unit Award Agreement (this "Agreement") is made by and between Helix Energy Solutions Group, Inc. (the "Company" or "Helix") and _____ (the "Employee") effective as of January __, 2020 (the "Grant Date"), pursuant to the *Helix Energy Solutions Group, Inc. 2005 Long-Term Incentive Plan (As Amended and Restated Effective May 15, 2019)* (the "Plan"), which is incorporated by reference herein in its entirety.

WHEREAS, the Company desires to grant to the Employee the performance share units specified herein (the "Units"), subject to the terms and conditions of this Agreement and the Plan; and

WHEREAS, the Employee desires to be granted the Units subject to the terms and conditions of this Agreement and the Plan;

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

1. The Plan. The Plan, a copy of which has been made available to the Employee, is incorporated by reference and made a part of this Agreement as if fully set forth herein. This Agreement uses a number of defined terms that are defined in the Plan or in the body of this Agreement. These defined terms are capitalized wherever they are used.

2. Award.

(a) The Compensation Committee of the Board of Directors of the Company (the "Committee") has awarded to the Employee, and on the Grant Date, the Company hereby grants to the Employee, _____ Units, which constitute Restricted Stock Units under the Plan and which are subject to the terms and conditions of this Agreement and the Plan. The Employee has the opportunity to earn up to 200% of the Units granted hereby, based upon the performance criteria described in Section 2(c).

(b) Depending on the Company's achievement of the performance goals specified in Section 2(c) during the three-year period beginning January 1, 2020 and ending December 31, 2022 (the "Performance Period"), the Employee shall be entitled to a payment equal to the value of the Units determined pursuant to Section 2(d) if, except as otherwise provided in Section 3, the Employee remains actively employed with the Company and/or its Affiliate(s) through the end of the Performance Period.

(c) The amount paid with respect to the Units shall be based upon the Company's Total Shareholder Return ("TSR") relative to the TSR of the Company's "Peer

Group” listed on Schedule A attached hereto, and shall be equal to the product of the Units awarded (as described in Section 2(a)) multiplied by the Adjustment Factor. The TSR of the Company and of the Peer Group shall be calculated and certified by the Committee. The percentile ranking of the Company’s TSR as compared to the TSR of each entity in the Peer Group shall determine the Adjustment Factor using the chart below. The Adjustment Factor for performance rankings between points on this chart shall be determined by linear interpolation between the values listed. In no event shall the Adjustment Factor exceed 200%. If the performance ranking is below the 30th percentile, the Adjustment Factor shall be zero:

Helix’s Performance Ranking	Adjustment Factor
90 th percentile or above	200%
70 th percentile	150%
50 th percentile (“Target”)	100%
30 th percentile	50%
Below 30 th percentile	0%

“Total Shareholder Return” or “TSR” = (Ending Stock Price - Beginning Stock Price + Dividends, if any, paid over the Performance Period)/Beginning Stock Price.

“Ending Stock Price” and “Beginning Stock Price” = the average Stock Price for the 20 trading days prior to the ending and beginning dates of the Performance Period.

“Stock Price” = the closing price for the day as reported on the applicable exchange or market.

TSR of the Company or any member of the Peer Group shall be equitably adjusted to reflect any spin off, stock split, reverse stock split, stock dividend, recapitalization, or reclassification or other similar change in the number of outstanding shares of common stock.

(d) The amount payable to the Employee pursuant to this Agreement, if any, in respect of the Units earned shall be paid in shares of Stock of the Company with one (1) share of Stock to be issued for each Unit earned. Any Units payable to the Employee shall be calculated by multiplying the number of Units awarded to the Employee by the Adjustment Factor set forth above for the level of achievement of the performance criteria set forth in Section 2(c). By way of example, if the Company’s TSR was at the 80th percentile, 175% of the Units would be payable to the Employee.

(e) Except as provided in Section 3(b), payment of amounts due shall be made on or before the March 15 immediately following the end of the Performance Period.

3. Early Termination; Change of Control.

(a) In the event of the Employee’s termination of employment prior to the end of the Performance Period due to (i) death, (ii) disability (within the meaning of Section 22(e)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) (a “Disability”), or (iii) Retirement (as hereinafter defined), the Employee shall vest in a number of Units determined by multiplying the number of Units granted by a fraction, the numerator of which

is the number of full months between the beginning of the Performance Period and the date of termination due to death, Disability or Retirement, and the denominator of which is thirty-six (36). The Committee shall determine the number of Units vested and the amount to be paid to the Employee or his or her estate in accordance with Section 2(e) based on the TSR performance for the entire Performance Period. As used herein, "Retirement" is defined as the voluntary termination of employment at or after age 55 with at least five (5) years of service and the Employee not, at any time on or before the date that is two (2) years following termination of employment, accepting employment with, acquiring a five percent (5%) or more equity or participation interest in, serving as a consultant, advisor, director or agent of, directly or indirectly soliciting or recruiting any employee of the Company who was employed at any time during Employee's service with the Company, or otherwise assisting in any other capacity or manner any company or enterprise that is directly or indirectly in competition with or acting against the interests of the Company or any of its lines of business, except for any service or assistance that is provided at the request or with the written permission of the Company. Any accelerated vesting pursuant to this Section 3(a)(i) due to the Employee's Retirement shall not affect the time of payment under this Agreement.

(b) In the event of a Change of Control during the Performance Period, the Employee shall vest in all of the Units granted to the Employee under this Agreement. The amount paid with respect to the Units will be determined based on the TSR performance criteria as set forth in Section 2(c); however, the TSR of the Company and the Peer Group will be determined over an adjusted performance period, defined as the period beginning on the original beginning date of the Performance Period and ending on the effective date of the Change of Control. If the award is payable in cash, the cash value payable shall be determined by multiplying the number of Units payable by the Fair Market Value of a share of Stock on the date of the Change of Control. Payment shall be made to the Employee upon the date of the Change of Control. Notwithstanding the foregoing, if the Change of Control does not qualify as a "change in control event" under Department of Treasury Regulation section 1.409A-3(i)(5)(i), then payment shall be made at the time specified in Section 2(e).

(c) The Units may also vest under circumstances provided in any employment agreement between the Employee and the Company or other severance arrangements established by the Company. If the Employee is a party to an employment and/or severance agreement with the Company or a participant in a severance plan of the Company that provides for accelerated vesting of restricted stock units that were scheduled to vest within a specified period, the Units will be treated as scheduled to vest within such specified period if the Performance Period for such Units is scheduled to end within such specified period and the Company's TSR for the Performance Period results in a payout for the Units in accordance with the criteria set forth in Section 2(c). By way of example, if an Employee's employment is terminated by the Company under circumstances that would entitle the Employee to the acceleration of vesting of restricted stock units that are scheduled to vest within the next twelve (12) months, the Employee would receive a payout for those Units in accordance with the terms of this Agreement based on the Company's TSR for the Performance Period. Any accelerated vesting pursuant to this Section 3(c) shall not affect the time of payment under this Agreement.

4. Tax Withholding. To the extent that the receipt or payout of the Units results in income to the Employee for federal, state or local income or employment tax purposes with respect to which the Company or any of its Affiliates has a withholding obligation, if the payment

is in cash the Company or the Affiliate, as applicable, shall withhold all applicable tax from any cash payable for the Units, or if payment is in shares of Stock of the Company, the Employee shall deliver to the Company at the time of receipt such amount of money as the Company may require to meet its or its Affiliate's obligation under applicable tax laws or regulations, and if the Employee fails to do so, the Company is authorized to withhold from any shares issued under this Agreement sufficient to satisfy the withholding obligation based on the last per share sales price of the Company's common stock for the trading day immediately preceding the date that the withholding obligation arises.

5. Employment Relationship. For purposes of this Agreement, the Employee shall be considered to be in the employment of the Company and its Affiliates as long as the Employee has an employment relationship with the Company and its Affiliates. The Committee shall determine any questions as to whether and when there has been a termination of such employment relationship, and the cause of such termination, under the Plan and the Committee's determination shall be final and binding on all persons.

6. Not an Employment Agreement. This Agreement is not an employment agreement, and no provision of this Agreement shall be construed or interpreted to create an employment relationship between the Employee and the Company or its Affiliates or guarantee the right to remain employed by the Company or its Affiliates for any specified term.

7. Notices. Any notice, instruction, authorization, request or demand required hereunder shall be in writing, and shall be delivered either by personal delivery, facsimile, certified or registered mail, return receipt requested, or by courier or delivery service, addressed to the Company at the then-current address of the Company's Principal Corporate Office, and to the Employee at the Employee's address indicated beneath the Employee's signature on the execution page of this Agreement, or at such other address and number as a party shall have previously designated by written notice given to the other party in the manner hereinabove set forth. Notices shall be deemed given when received, if sent by facsimile means (confirmation of such receipt by confirmed facsimile transmission being deemed receipt of communications sent by facsimile means), and when delivered (or upon the date of attempted delivery where delivery is refused), if hand-delivered, sent by express courier or delivery service, or sent by certified or registered mail, return receipt requested.

8. Amendment and Waiver. This Agreement may be amended, modified or superseded only by written instrument executed by the Company and the Employee. Only a written instrument executed and delivered by the party waiving compliance hereof shall make any waiver of the terms or conditions. Any waiver granted by the Company shall be effective only if executed and delivered by a duly authorized executive officer of the Company other than the Employee. The failure of any party at any time or times to require performance of any provisions hereof shall in no manner effect the right to enforce the same. No waiver by any party of any term or condition, or the breach of any term or condition contained in this Agreement, in one or more instances, shall be construed as a continuing waiver of any such condition or breach, a waiver of any other condition, or the breach of any other term or condition.

9. Governing Law and Severability. This Agreement shall be governed by the laws of the State of Texas, without regard to its conflicts of law provisions. The invalidity of any provision of this Agreement shall not affect any other provision of this Agreement, which shall remain in full force and effect.

10. Successors and Assigns. This Agreement shall bind, be enforceable by and inure to the benefit of the Company and its successors and assigns, and subject to Section 3(a), to the Employee, the Employee's permitted assigns, executors, administrators, agents, legal and personal representatives.

11. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original for all purposes but all of which taken together shall constitute but one and the same instrument.

12. Section 409A. This Agreement shall be construed and interpreted to be exempt from or to comply with Section 409A of the Code, and any regulations or other guidance promulgated thereunder. Neither the Company nor the members of the Committee shall be liable for any determination or action taken or made with respect to this Agreement or the Units granted hereunder.

13. Non-Transferability. Neither this Agreement nor the rights of the Employee hereunder shall be transferable by the Employee during his or her life other than by will or pursuant to applicable laws of descent and distribution, subject to Section 3(a) herein. No rights or privileges of the Employee in connection herewith shall be transferred, assigned, pledged or hypothecated by the Employee or by any other person in any way, whether by operation of law, or otherwise, and shall not be subject to execution, attachment, garnishment or similar process. In the event of any such occurrence, this Agreement shall automatically be terminated and shall thereafter be null and void.

14. Entire Agreement. The Plan and this Agreement contain the entire agreement between the parties with respect to the subject matter contained herein and may not be modified, except as provided herein or in the Plan or as it may be amended from time to time by a written document signed by each of the parties hereto. Any oral or written agreements, representations, warranties, written inducements, or other communications with respect to the subject matter contained herein made prior to the execution of the Agreement shall be void and ineffective for all purposes.

15. Unsecured Promise to Pay. The Company's obligation under the Plan and this Agreement is an unsecured and unfunded promise to pay benefits that may be earned in the future. The Company shall have no obligation to set aside, earmark or invest any fund or money with which to pay its obligations under this Agreement. The Employee or any successor in interest shall be and remain a general creditor of the Company in the same manner as any other creditor having a general claim for matured and unpaid compensation.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by its duly authorized representative, and the Employee has executed this Agreement, all effective as of the date first above written.

HELIX ENERGY SOLUTIONS GROUP, INC.

By: **/s/ Owen Kratz**
Owen Kratz
President and Chief Executive Officer

EMPLOYEE:

Name:
Address:

Schedule A

PEER GROUP COMPANIES

[PEER GROUP TO BE INSERTED PER DETERMINATION OF THE COMMITTEE]

If any Peer Group company files for or is the subject of any bankruptcy, insolvency, or liquidation proceeding during the Performance Period, such Peer Group company will remain in the Peer Group positioned below the lowest performing member of the Peer Group in chronological order by bankruptcy, insolvency, or liquidation date.

If a Peer Group company's TSR shall cease to be available by reason of a business combination, acquisition, merger or similar transformative event, the Committee shall exclude that company from the Peer Group and at the Committee's discretion, the Committee may select a substitute Peer Group company for the excluded company.

Once a company is removed from the Peer Group as described above, that company shall be treated as having been removed from the Peer Group for the entire Performance Period and if applicable, a substitute Peer Group company shall be treated as included in the Peer Group for the entire Performance Period.

**HELIX ENERGY SOLUTIONS GROUP, INC.
INCENTIVE AWARD RECOUPMENT POLICY**

1. **Introduction.** The Board of Directors (the “Board”) of Helix Energy Solutions Group, Inc. (the “Company”) believes that it is in the best interests of the Company and its shareholders to adopt this Incentive Award Recoupment Policy (this “Policy”). The Board intends to revisit this Policy in accordance with any final rules and regulations issued by the Securities and Exchange Commission (“SEC”) and/or any applicable listing exchange, in connection with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (“Dodd-Frank”).

2. **Definitions.** For purposes of this Policy, the following definitions shall apply:

a. “Cause” shall be defined as provided in the respective Covered Person’s employment agreement, or as provided in the most recent long-term compensation award agreement in the absence of an employment agreement, or if neither of the foregoing applies, then in the discretion of the Board.

b. “Code” means the Company’s Code of Business Conduct and Ethics.

c. “Covered Person” means the Company’s Chief Executive Officer and Chief Financial Officer (i) at any time during the performance period for Erroneously Awarded Incentive Compensation, in the event of recoupment due to Financial Restatement; or (ii) at the time of the Misconduct, in the event of recoupment due to Misconduct.

d. “Effective Date” means the date this Policy is adopted by the Board.

e. “Erroneously Awarded Incentive Compensation” means, in the event of recoupment due to Financial Restatement, the amount (if any) by which the Incentive Compensation received by the Covered Person exceeds the amount that would have been received by such Covered Person if calculated based upon the Financial Reporting Measures had such error(s) not been made.

f. “Exchange Act” means the Securities Exchange Act of 1934, as amended.

g. “Financial Reporting Measures” include consolidated and/or operating company financial reporting measures that are used in preparing the Company’s financial statements (or results that are derived from such measures), as well as stock price and measures of shareholder return. A Financial Reporting Measure need not be presented within the financial statements or included in a filing with the SEC.

h. “Financial Restatement” means a revision of previously issued Company financial statements for the purpose of correcting one or more errors that are material to such financial statements. For the avoidance of doubt, “Financial Restatement” does not include any restatement required due to changes in accounting rules or standards or changes in applicable law, or retrospective revisions or reclassifications made to reflect a change in the structure or operations of the Company.

i. “Incentive Compensation” means a Covered Individual’s (i) cash bonus awarded under the Company’s annual short-term incentive plan and (ii) any equity-based

awards granted pursuant to the Company's long-term incentive plans, in each case that are earned, paid, granted or vested (in whole or in part) upon the attainment of any financial reporting measure of the Company. Incentive Compensation shall be deemed received by the Covered Individual in the fiscal year to which the attainment of such financial performance metric is attributed, irrespective of whether such Incentive Compensation is subject to additional time or non-financial performance vesting conditions.

j. "Misconduct" means, as reasonably determined by the Board in its sole discretion, (i) the commission of an act of fraud, misappropriation or embezzlement in the course of employment with the Company, (ii) the commission of a criminal act, whether or not in the workplace, that in the Board's sole discretion constitutes a felony or crime of comparable magnitude that could subject the Company to reputational harm, (iii) the material violation of a non-compete, non-solicitation or confidentiality agreement with the Company, (iv) the willful and material breach of a Covered Person's obligations under the Code relating to compliance with laws or regulations that would give rise to dismissal under the Code or termination for Cause, or (v) any act or omission involving willful misconduct that resulted in such Covered Person's termination for Cause.

3. Recoupment Due to Financial Restatement.

a. In the event of a Financial Restatement, the Board may recoup from a Covered Person Erroneously Awarded Incentive Compensation received within the one (1) year preceding the date on which the Board determines a Financial Restatement is required if the Board determines that such Covered Person engaged in fraud, negligence or other misconduct that contributed to the need for the Financial Restatement.

b. In the event of recoupment due to a Financial Restatement, the Board in its sole discretion may recoup up to the amount of Erroneously Awarded Incentive Compensation.

4. Recoupment Due to Misconduct.

a. In the event that a Covered Person engages in Misconduct that, in the sole discretion of the Board, has caused material financial, operational or reputational harm to the Company, the Board may recoup Incentive Compensation received by such Covered Person during and after the period in which such Misconduct occurred. Misconduct subject to this Policy must have occurred within the one (1) year preceding the date on which the Board determines that Misconduct occurred.

b. In the event of recoupment due to Misconduct, the Board in its sole discretion may recoup an amount of Incentive Compensation up to the amount of Erroneously Awarded Incentive Compensation, and based upon the Covered Person's relative degree of fault or involvement, the impact of the Misconduct on the Company, the magnitude of any loss caused and other relevant facts and circumstances.

5. Administration; Considerations; Method of Recovery.

a. This Policy shall be administered by the Board or, if so delegated by the Board, a committee of independent directors of the Board. The Board may at any time amend, alter, suspend or terminate this Policy. The Board has the sole discretion to interpret the terms of this Policy and make determinations under it, and any action taken by the Board pursuant

to this Policy shall be within the absolute discretion of the Board. Any interpretations or determinations made by the Board shall be final and binding on all affected individuals.

b. In making a determination whether and to what extent to seek recovery, the Board shall take into account such considerations as it deems appropriate, including without limitation (i) the likelihood of success under governing law versus the cost and effort involved, (ii) whether the assertion of a claim may prejudice the interests of the Company, including in any related proceeding or investigation, (iii) the passage of time since the occurrence of the act(s) in question, and (iv) penalties or punishments imposed by third parties, such as law enforcement agencies, regulators or other authorities. The Board's discretion to determine appropriate action hereunder shall not be in replacement of any remedies imposed by any such third parties.

c. Before the Board determines to seek recovery pursuant to this Policy, it shall provide the Covered Person written notice and the opportunity to be heard, at a meeting of the Board (which may be in-person or telephonic, as determined by the Board), and such Covered Person shall have the right to have an attorney present at such meeting.

d. Subject to applicable law, if the Board determines to seek a recovery pursuant to this Policy, it shall make a written demand for repayment from the Covered Person and, if such Covered Person does not within a reasonable period tender repayment in response to such demand or make other arrangements for such repayment that are acceptable to the Board, and the Board determines that such Covered Person is unlikely to do so, the Board may seek a court order against such Covered Person for such repayment, or seek to recoup the recoverable amount in any other manner consistent with applicable law, including but not limited to cancelling prior awards, whether vested or unvested, or paid or unpaid, or cancelling or setting-off against planned future grants.

6. Acknowledgment by Covered Persons. The Company shall provide notice and obtain written acknowledgement of this Policy from each Covered Person substantially in the form attached hereto as Exhibit A, as soon as practicable after the later of (a) the Effective Date and (b) the date on which such person is appointed as a Covered Person, providing that, under this Policy, such Covered Person's employment agreement (if any) and relevant Incentive Compensation award agreements, the Company may recoup Incentive Compensation as provided herein and in such acknowledgement.

7. Effective Date. This Policy shall be effective as of the Effective Date and shall apply to compensation that is awarded or granted to Covered Persons on or after the Effective Date and shall not apply to compensation that is granted or awarded before the Effective Date, except to the extent agreed in writing by a Covered Person.

* * * * *

Exhibit A

**HELIX ENERGY SOLUTIONS GROUP, INC.
INCENTIVE AWARD RECOUPMENT POLICY ACKNOWLEDGMENT**

I hereby certify and acknowledge that:

1. I have received and read the Helix Energy Solutions Group, Inc. Incentive Award Recoupment Policy (the "Policy"), and understand the terms thereof; and
2. I agree that all Incentive Compensation (as defined in the Policy) awarded, earned, paid or payable to me, whether under any compensation plan, award, agreement, employment agreement or any other plan, policy or agreement of the Company ("Incentive Compensation Agreements") including amounts already awarded, earned or paid, shall be subject to recoupment by the Company, as and to the extent provided in the Policy, notwithstanding any contrary provisions of such Incentive Compensation Agreements and my employment agreement, if any.

Signature: _____
Print _____
Name: _____
Date: _____