

REGISTRATION NO. 333-50751

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 2
TO

FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

CAL DIVE INTERNATIONAL, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

MINNESOTA
(STATE OR OTHER JURISDICTION
OF INCORPORATION OR ORGANIZATION)

1389
1311
(PRIMARY STANDARD INDUSTRIAL
CLASSIFICATION CODE NUMBER)

95-3409686
(I.R.S. EMPLOYER
IDENTIFICATION NUMBER)

400 N. SAM HOUSTON PARKWAY E., SUITE 400
HOUSTON, TEXAS 77060
(281) 618-0400

(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER,
INCLUDING AREA CODE, OF REGISTRANTS PRINCIPAL EXECUTIVE OFFICES)

ANDREW C. BECHER
SENIOR VICE PRESIDENT AND GENERAL COUNSEL
CAL DIVE INTERNATIONAL, INC.
400 N. SAM HOUSTON PARKWAY E., SUITE 400
HOUSTON, TEXAS 77060
(281) 618-0400

(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER,
INCLUDING AREA CODE, OF AGENT FOR SERVICE)

COPIES TO:

ARTHUR H. ROGERS
FULBRIGHT & JAWORSKI L.L.P.
1301 MCKINNEY STREET, SUITE 5100
HOUSTON, TEXAS 77010
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RICHARD M. RUSSO
GIBSON, DUNN & CRUTCHER LLP
1801 CALIFORNIA STREET, SUITE 4100
DENVER, COLORADO 80202
(303) 298-5700

T. MARK KELLY
VINSON & ELKINS L.L.P.
2300 FIRST CITY TOWER
1001 FANNIN STREET
HOUSTON, TEXAS 77002
(713) 758-2222

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO PUBLIC. As soon as practicable after this Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, please check the following box. []

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. []

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933, AS AMENDED, OR UNTIL THIS REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SECTION 8(A), MAY DETERMINE.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following table sets forth the estimated costs and expenses of the Registrant in connection with the offering described in the Registration Statement. All of the amounts shown are estimates except the SEC registration fee and the NASD filing fee.

SEC Filing Fee.....	\$ 28,100
NASD Filing Fee.....	11,000
Legal Fees and Expenses.....	120,000
Accounting Fees and Expenses.....	40,000
Printing Expenses.....	120,000
Blue Sky Fees and Expenses.....	1,500
Miscellaneous Expenses.....	9,400

Total.....	\$ 330,000(1)
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(1) All of the issuance and distribution expenses will be borne by the Registrant.

14. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Minnesota Statutes Section 302A.521 provides that a corporation organized under Minnesota law shall indemnify any director, officer, employee or agent of the corporation made or threatened to be made a party to a proceeding, by reason of the former or present official capacity (as defined) of the person, against judgments, penalties, fines, settlements and reasonable expenses incurred by the person in connection with the proceedings if certain statutory standards are met. "Proceeding" means a threatened, pending or completed civil, criminal, administrative, arbitration or investigative proceeding, including one by or in the right of the corporation. Section 302A.521 contains detailed terms regarding such rights of indemnification and reference is made thereto for a complete statement of such indemnification rights.

Reference is made to the Underwriting Agreement filed as Exhibit 1 to this Registration Statement for a description of indemnification arrangements related to this Offering.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended (the "Act") may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that, in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

15. RECENT SALES OF UNREGISTERED SECURITIES.

During the last three years, the Company has sold the following securities that were not registered under the Act.

1. From November 1995 through May 1996, pursuant to the provisions of the 1995 Long Term Incentive Plan, as amended, the Company granted options to purchase an aggregate of 476,500 shares of Common Stock at an exercise price of \$4.50 per share to certain employees, including officers and directors.

2. In April 1997, the Company granted options to employees to purchase an aggregate of 435,000 shares at an exercise price of \$9.50 per share.

3. On April 11, 1997, the Company issued an aggregate of 528,541 shares of Common Stock to Coflexip at a per share price equal to \$9.46 per share in consideration for the purchase of certain assets valued at an aggregate of \$5 million and in entering into a Business Cooperation Agreement pursuant to which the Company and Coflexip intend to form a joint venture for combined services on Gulf of Mexico projects.

4. Since April 1997, the Company granted options to employees to purchase an aggregate of 220,000 shares at exercise prices ranging from \$9.50 to \$37.125.

5. Since the Company's initial public offering, 20,000 shares have been issued pursuant to the exercise of employee stock options.

No underwriting commissions or discounts were paid with respect to the sales of unregistered securities described herein.

Except as otherwise noted, all of the above sales were made in reliance on Section 4(2) of the Act for transactions not involving a public offering. With regard to the reliance by the Company upon such exemption for registration, certain inquiries were made by the Company to establish that such sales qualified for such exemption from the registration requirements. In particular, the Company confirmed that (i) each purchaser provided the Company with written assurance of investment intent, and the certificates for the shares sold accordingly bear restrictive legends and (ii) sales were made a limited number of persons.

16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(A) EXHIBITS

EXHIBIT NUMBER	DESCRIPTION
1.1(1)	-- Form of Underwriting Agreement
3.1	-- Amended and Restated Articles of Incorporation of Registrant, incorporated by reference to Exhibits 3.1 to the Form S-1 Registration Statement filed by the Registrant (Reg. No. 333-26357).
3.2	-- Bylaws of Registrant, incorporated by reference to Exhibit 3.2 to the Form S-1 Registration Statement filed by the Registrant (Reg. No. 333-26357).
4.1	-- Amended and Restated Loan and Security Agreement by and among the Company, ERT and Fleet Capital Corporation (f/n/a Shawmut Capital Corporation) dated as of May 23, 1995 incorporated by reference to Exhibit 4.1 to the Form S-1 Registration Statement filed by the Registrant (Reg. No. 333-26357).
4.2	-- Amendment No. 5 to Loan incorporated by reference to Exhibit 4.2 to the Form S-1 Registration Statement filed by the Registrant (Reg. No. 333-26357).
4.3	-- Form of Common Stock certificate, incorporated by reference to Exhibit 4.1 to the Form S-1 Registration Statement filed by the Registrant (Reg. No. 333-26357).

- 4.4 -- Shareholders Agreement by and among the Company, First Reserve Secured Energy Asset Fund, First Reserve Fund V, First Reserve Fund V-2, First Reserve Fund (collectively the "Selling Shareholders"), Messrs. Reuhl, Kratz, Nelson and other shareholders of the Company incorporated by reference to Exhibit 4.4 to the Form S-1 Registration Statement filed by the Registrant (Reg. No. 333-26357).
- 4.5 -- Registration Rights Agreement by and between the Company, the Selling Shareholders, Messrs. Reuhl, Kratz, Nelson and other shareholders of the Company incorporated by reference to Exhibit 4.5 to the Form S-1 Registration Statement filed by the Registrant (Reg. No. 333-26357).
- 4.6 -- Registration Rights Agreement by and between the Company and Coflexip incorporated by reference to Exhibit 4.6 to the Form S-1 Registration Statement filed by the Registrant (Reg. No. 333-26357).
- 4.7 -- First Amended and Restated 1995 Registration Rights Agreement dated as of April 11, 1997, among the Company, First Reserve Secured Energy Assets Fund, Limited Partnership, First Reserve Fund V, Limited Partnership, First Reserve Fund V-2, Limited Partnership, First Reserve Fund VI, Limited Partnership, Gerald G. Reuhl, Owen Kratz and S. James Nelson.
- 5.1 -- Opinion of Andrew C. Becher.
- 10.1 -- Purchase Agreement dated April 11, 1997 by and between Coflexip and the Company incorporated by reference to Exhibit 10.1 to the Form S-1 the Registration Statement filed by the Registrant (Reg. No. 333-26357).
- 10.2 -- Business Cooperation Agreement dated April 11, 1997 by and between Coflexip and the Company incorporated by reference to Exhibit 10.2 to the Form S-1 the Registration Statement filed by the Registrant (Reg. No. 333-26357).
- 10.3 -- 1995 Long Term Incentive Plan, as amended incorporated by reference to Exhibit 10.3 to the Form S-1 the Registration Statement filed by the Registrant (Reg. No. 333-26357).
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- 10.5 -- Employment Agreement between Owen Kratz and the Company incorporated by reference to Exhibit 10.5 to the Form S-1 the Registration Statement filed by the Registrant (Reg. No. 333-26357).
- 10.6 -- Employment Agreement between S. James Nelson and the Company incorporated by reference to Exhibit 10.6 to the Form S-1 the Registration Statement filed by the Registrant (Reg. No. 333-26357).
- 10.7(1) -- Employment Agreement between Louis L. Tapscott and the Company.
- 10.8 -- 1997 Annual Incentive Compensation Program incorporated by reference to Exhibit 10.7 to the Form S-1 Registration Statement filed by Registrant (Reg. No. 333-26357).
- 21 -- Subsidiaries of the Registrant. The Company has two subsidiaries, Energy Resource Technologies, Inc., a Delaware corporation, and Cal Dive Offshore, Ltd., a Cayman Islands corporation.
- 23.1(1) -- Consent of Arthur Andersen LLP.
- 23.2 -- Consent of Andrew C. Becher (included in Exhibit 5.1).
- 23.3(1) -- Consent of Miller & Lents, Ltd.
- 24(1) -- Power of Attorney.

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(1) Previously filed.

(B) FINANCIAL STATEMENT SCHEDULE

None

17. UNDERTAKINGS.

(a) Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended (the "Act") may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(b) The undersigned registrant hereby undertakes that:

(i) For purposes of determining liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of a registration statement filed pursuant to Rule 430A and contained in the form of a prospectus filed by the registrant pursuant to Rule 424(b)(1) or Rule 497(h) under the Securities Act of 1933 shall be deemed to be part of the Registration Statement as of the time it was declared effective.

(ii) For the purpose of determining liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, AS AMENDED, THE REGISTRANT CERTIFIES THAT IT HAS REASONABLE GROUNDS TO BELIEVE THAT IT MEETS ALL OF THE REQUIREMENTS FOR FILING ON FORM S-1 AND HAS DULY CAUSED THIS REGISTRATION STATEMENT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED, THEREUNTO DULY AUTHORIZED, IN THE CITY OF HOUSTON, STATE OF TEXAS, ON MAY 21, 1998.

CAL DIVE INTERNATIONAL, INC.
By: /s/ ANDREW C. BECHER

ANDREW C. BECHER
SENIOR VICE PRESIDENT
AND GENERAL COUNSEL

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, AS AMENDED, THIS REGISTRATION STATEMENT HAS BEEN SIGNED BELOW BY THE FOLLOWING PERSONS IN THE CAPACITIES INDICATED ON MAY 21, 1998.

SIGNATURE	TITLE
----- * ----- GERALD G. REUHL * ----- OWEN KRATZ	Chairman of the Board
----- * ----- S. JAMES NELSON * ----- WILLIAM E. MACAULAY * ----- GORDON F. AHALT * ----- DAVID H. KENNEDY * ----- GERALD M. HAGE * ----- THOMAS M. EHRET * ----- JEAN-BERNARD FAY * ----- KENNETH HULLS	President, Chief Executive Officer, Chief Operating Officer and Director (principal executive officer) Executive Vice President, Chief Financial Officer and Director (principal financial and accounting officer) Director Director Director Director Director Director
*By: /s/ANDREW C. BECHER ----- ANDREW C. BECHER ATTORNEY-IN-FACT	

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INDEX TO EXHIBITS -- CONTINUED

EXHIBIT
NUMBER

DESCRIPTION

10.7(1)	--	Employment Agreement between Louis L. Tapscott and the Company.
10.8	--	1997 Annual Incentive Compensation Program incorporated by reference to Exhibit 10.7 to the Form S-1 Registration Statement filed by Registrant (Reg. No. 333-26357).
21	--	Subsidiaries of the Registrant. The Company has two subsidiaries, Energy Resource Technologies, Inc., a Delaware corporation, and Cal Dive Offshore, Ltd., a Cayman Islands corporation.
23.1(1)	--	Consent of Arthur Andersen LLP.
23.2	--	Consent of Andrew C. Becher (included in Exhibit 5.1).
23.3(1)	--	Consent of Miller & Lents, Ltd.
24(1)	--	Power of Attorney.

(1) Previously filed.

FIRST AMENDED AND RESTATED
1995 REGISTRATION RIGHTS AGREEMENT

This First Amended and Restated 1995 Registration Rights Agreement, dated as of April 11, 1997 (this "First Amendment"), among Cal Dive International, Inc., a Minnesota corporation (the "Company"), First Reserve Secured Energy Assets Fund, Limited Partnership, a Delaware limited partnership (SEA"), First Reserve Fund V, Limited Partnership, a Delaware limited partnership ("Fund V"), First Reserve Fund V-2, Limited Partnership, a Delaware limited partnership ("Fund V-2"), First Reserve Fund VI, Limited Partnership, a Delaware limited partnership ("Fund VI"; together with SEA, Fund VI and Fund V-2, the "Funds"), Gerald G. Reuhl, Owen Kratz and S. James Nelson, individually (collectively, the "Executives") and as Trustees of the Cal Dive International, Inc. Voting Trust (the "Trust").

RECITALS

The Funds, the Executives (individually and as Trustees) and the Company are parties to a Registration Rights Agreement dated as of January 12, 1995 (the "Original Registration Agreement").

The Funds, the Executives, the Company and Coflexip, a French corporation ("CSO"), are parties to the 1997 Registration Rights Agreement dated as of April 11, 1997 (the "CSO Registration Agreement") which contains terms that are different than the terms of the Original Registration Agreement; and in connection with the execution and delivery of the CSO Registration Agreement and the Purchase Agreement dated as of April 11, 1997 among the Company, Coflexip and certain shareholders of the Company (the "Purchase Agreement"), the Company agreed, with the consent of Coflexip, pursuant to a Letter Agreement dated April 11, 1997, to amend the Original Registration Agreement in order to conform the terms of the Original Registration Agreement in all respects to the terms of the CSO Registration Agreement for the benefit of the Funds and the Executives.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions. (a) Unless otherwise defined herein, terms defined in the Purchase Agreement are used herein as defined therein. For purposes of this Agreement, the following terms have the meanings set forth below:

"CSO Registrable Securities" means (i) any Common Stock issued by the Company or purchased by CSO from the Selling Securityholders under the Purchase Agreement, and (ii) any other Common Stock acquired by CSO, including, without limitation, any Common Stock issued or issuable with respect to the Common Stock referred to in clause (i) above by way of a stock dividend or stock split, or in connection with a combination of shares, recapitalization, merger, consolidation, reorganization or similar event.

"Executive Registrable Securities" means (i) any Common Stock issued by the Company to the Executives (or their permitted transferees) and/or issued in the future to other employee shareholders of the Company and held by the Trust, (ii) any Common Stock issued or issuable with respect to the Common Stock referred to in clause (i) above by way of stock dividend or stock split, or in connection with a combination of shares, recapitalization, merger, consolidation, or other reorganization, and (iii) any other shares of Common Stock held by the Executives (or their permitted transferees) or by the Trust.

"Fund Registrable Securities" means (i) any Common Stock issued by the Company to the Funds, (ii) any Common Stock issued or issuable with respect to the Common Stock referred to in clause (i) above by way of stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation, or other reorganization, and (iii) any other shares of Common Stock held by the Funds.

"Public Offering" means any sale of capital stock of the Company to the public pursuant to an effective registration statement filed under the Securities Act.

"Registrable Securities" means the CSO Registrable Securities, Executive Registrable Securities and the Fund Registrable Securities. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when they have been distributed to the public pursuant to a Public Offering or sold to the public through a broker, dealer, or market maker in compliance with Rule 144 under the Securities Act (or any similar rule then in force).

"Shareholders Agreement" means the 1997 Shareholders Agreement among CSO, the Company, the Executives and the Funds dated as of the date hereof.

2. DEMAND REGISTRATIONS.

(a) REQUEST FOR REGISTRATION. At any time, and from time to time, after the earlier of (i) January 12, 2000 or (ii) a Public Offering, the holders of the Fund Registrable Securities or the holders of Executive Registrable Securities, in each case who own, in the aggregate, not less than 25% of the Fund Registrable Securities or Executive Registrable Securities then outstanding may request registration under the Securities Act of all or part of their Fund Registrable Securities or Executive Registrable Securities, respectively. Within ten days after receipt of any such request (which shall specify the amount of Registrable Securities to be registered), the Company shall give written notice of such requested registration to all other holders of Registrable Securities and shall include in such registration all Registrable Securities with respect

to which the Company has received written requests for inclusion therein within 15 days after the receipt of the Company's notice. All registrations requested pursuant to this Section 2(a) are referred to herein as "Demand Registrations."

(b) DEMAND REGISTRATIONS. The holders of the Fund Registrable Securities and the Executive Registrable Securities will each be entitled to have effected up to three (3) Demand Registrations, provided, that at the time of such request each of such groups of holders own, in the aggregate, not less than 5% of the total outstanding shares of Common Stock. A registration will not count as one of the permitted Demand Registrations until it has become effective, and a registration initiated as one of the Demand Registrations will not count as one of the permitted Demand Registrations unless the holders of the Fund Registrable Securities or the Executive Registrable Securities, as the case may be, are able to register and sell at least 50% of the Registrable Securities requested by such holders to be included in such registration. All Demand Registrations shall be underwritten registrations.

(c) PRIORITY ON DEMAND REGISTRATIONS. The Company shall not include in any Demand Registration any securities which are not Registrable Securities without the prior written consent of the holders of a majority of the Registrable Securities initially requesting such registration. If in connection with a Demand Registration the managing underwriters advise the Company and the holders of Registrable Securities in writing that in their opinion the number of Registrable Securities and, if permitted hereunder, other securities requested to be included in such offering, exceeds the number of Registrable Securities and other securities, if any, which can be sold in an orderly manner in such offering within a price range

acceptable to the holders of a majority of the Registrable Securities initially requesting such registration, the Company shall include in such registration (i) first, the Registrable Securities requested to be included in such registration, allocated pro rata among the Funds, the holders of CSO Registrable Securities and the Executives based on the number Registrable Securities owned, in the aggregate, by the Funds, the holders of CSO Registrable Securities and the Executives, respectively (with the Registrable Securities which are included in the registration for the Funds, the holders of CSO Registrable Securities and the Executives being allocated among the holders within each such group pro rata based on the number of Registrable Securities owned by each holder within the group or in such other manner as the holders within each group shall otherwise agree), and (ii) second, other securities requested to be included in such registration.

(d) RESTRICTIONS ON DEMAND REGISTRATIONS. The Company shall not be obligated to effect any Demand Registration within six months after (i) the effective date of a previous Demand Registration, (ii) the effective date of an S-3 Registration (as defined in Section 4(a) hereof), or (iii) a registration in which the holders of Registrable Securities initially requesting such registration were given piggyback rights pursuant to Section 3 and in which there was no reduction in the number of holders of Registrable Securities initially requesting such registration requested to be included. The Company may postpone for up to 90 days the filing or the effectiveness of a registration statement for a Demand Registration if the Company and the holders of a majority of the Registrable Securities initially requesting such registration agree that such Demand Registration would reasonably be expected to have a material adverse effect on any proposal or plan by the Company or any of its Subsidiaries to engage in any acquisition of assets (other than in the ordinary course of business) or any merger, consolidation, tender offer or similar transaction; provided, that in such event, the holders of the Registrable Securities requesting such Demand Registration shall be entitled to withdraw such request and, if such request is withdrawn, such Demand Registration shall not count as a Demand Registration.

(e) SELECTION OF UNDERWRITERS. The holders of a majority of the Registrable Securities included in any Demand Registration shall have the right to recommend the investment banker(s) and manager(s) to administer the offering, subject to the approval of the Company, which shall not be unreasonably withheld, delayed or conditioned.

(f) OTHER REGISTRATION RIGHTS. Except as provided in this Agreement and the CSO Registration Agreement, the Company shall not grant to any Person the right to require the Company to register any equity securities of the Company, or any securities convertible or exchangeable into or exercisable for such securities, without the prior written consent of the holders of a majority of all Registrable Securities; provided, that the Company may grant rights to other Persons who agree to be bound by the provisions of Section 8(d) of this Agreement or enter into a comparable agreement with the Company of which the holders of Registrable Shares are a third-party beneficiary to (i) participate in Piggyback Registrations so long as such rights are subordinate to the rights of the holders of Registrable Securities with respect to such Piggyback Registrations and (ii) request registrations so long as the holders of Fund Registrable Securities and Executive Registrable Securities are entitled to participate in any such registrations with such Persons pro rata on the basis of the number of shares owned by such Persons and such participating holders of Fund Registrable Securities and Executive Registrable Securities, as the case may be (assuming for this purpose that all shares owned by all participating holders of Registrable Securities are aggregated, on the one hand, and all shares owned by all other Persons participating in such Registration are aggregated, on the other hand).

(g) REGISTRATION STATEMENT FORM. If any Demand Registration which is proposed by the Company to be effected by the filing of a registration statement on Form S-3 (or any successor or similar short-form registration statement) shall be in connection with an underwritten public offering, and if the managing underwriter shall advise the Company in writing that, in its opinion, the use of another form of registration statement is of material importance to the success of such proposed offering, then such registration shall be effected on such other form.

(h) EFFECTIVE REGISTRATION STATEMENT. A Demand Registration will not be deemed to have been effected unless it has become effective; provided that if within 180 days after it has become effective, the offering of Registrable Securities pursuant to such registration is interfered with by any stop order, injunction or other order or requirement of the Securities and Exchange Commission or other governmental agency or court, such registration will be deemed not to have been effected.

3. PIGGYBACK REGISTRATIONS.

(a) RIGHT TO PIGGYBACK. Whenever the Company proposes to register any of its securities under the Securities Act (other than pursuant to a Demand Registration or S-3 Registration requested by holders of Registrable Securities) and the registration form to be used may be used for the registration of Registrable Securities (a "Piggyback Registration"), the Company shall give prompt written notice (in any event within three business days after its receipt of notice of any exercise of demand registration rights other than under this Agreement or the CSO Registration Agreement) to all holders of Registrable Securities of its intention to effect such a registration and shall include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within 15 days after such holder's receipt of the Company's notice.

(b) PIGGYBACK NOT A DEMAND REGISTRATION. The exercise by holders of Registrable Securities of their rights under this Section 3 shall not constitute

a Demand Registration under Section 2 hereof.

(c) PRIORITY ON PRIMARY REGISTRATIONS . If a Piggyback Registration is an underwritten primary registration on behalf of the Company, and the managing underwriters advise the Company and the holders of Registrable Securities in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in an orderly manner in such offering within a price range acceptable to the Company, the Company shall include in such registration (i) first, the securities the Company proposes to sell, (ii) second, the Registrable Securities requested to be included in such registration, allocated pro rata among the Funds, the holders of CSO Registrable Securities and the Executives based on the number Registrable Securities owned, in the aggregate, by the Funds, the holders of CSO Registrable Securities and the Executives, respectively (with the Registrable Securities which are included in the registration for the Funds, the holders of CSO Registrable Securities and the Executives being allocated among the holders within each such group pro rata based on the number of Registrable Securities owned by each holder within the group or in such other manner as the holders within each group shall otherwise agree), and (iii) third, other securities requested to be included in such registration.

(d) PRIORITY ON SECONDARY REGISTRATIONS. If a Piggyback Registration is an underwritten secondary registration on behalf of holders of the Company's securities, and the managing underwriters advise the Company and the holders of Registrable Securities in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in an orderly manner in such offering within a price range acceptable to the holders of a majority of the securities initially requesting such registration, the Company shall include in such registration (i) first, the securities requested to be included therein by the holders requesting such registration and the Registrable Securities requested to be included in such registration, allocated pro rata among holders requesting the registration, the Funds, the holders of CSO Registrable Securities and the Executives based on the number Registrable Securities owned, in the aggregate, by the holders requesting the registration, the Funds, the holders of CSO Registrable Securities and the Executives, respectively (with the Registrable Securities which are included in the registration for the holders requesting the registration, the Funds, the holders of CSO Registrable Securities

and the Executives being allocated among the holders within each such group pro rata based on the number of Registrable Securities owned by each holder within the group or in such other manner as the holders within each group shall otherwise agree) and (ii) second, other securities requested to be included in such registration.

(e) OTHER REGISTRATIONS. If the Company has filed a registration statement with respect to Registrable Securities pursuant to Section 2 or 4 or subject to this Section 3, and if such registration statement has not been withdrawn or abandoned, the Company shall not file or cause to be effected any other registration of any of its equity securities or securities convertible or exchangeable into or exercisable for its equity securities under the Securities Act (except on Form S-8 or any successor form), whether on its own behalf or at the request of any holder or holders of such securities, until a period of at least six months has elapsed from the effective date of such previous registration statement.

4. FORM S-3 REGISTRATIONS.

(a) If the Company becomes eligible to use Form S-3 under the Securities Act or a comparable successor form, the Company shall use its reasonable best efforts to continue to qualify at all times for registration of its capital stock on Form S-3 or such successor form. In such event, the holders of the Fund Registrable Securities or the Executive Registrable Securities, in each case owning at least 25% of the Fund Registrable Securities or the Executive Registrable Securities, respectively, then outstanding shall have the right, from time to time, to request and have effected up to three (3) registrations of shares of their Registrable Securities on Form S-3 or such successor form (which request shall specify the amount of such Registrable Securities to be registered), provided that, at the time of such request, each of the holders of the Fund Registrable Securities or the Executive Registrable Securities, as the case may be, own, in the aggregate, not less than 5% of the total outstanding shares of Common Stock. All registrations requested pursuant to this Section 4(a) are referred to herein as "S-3 Registrations." A registration will not count as one of the permitted S-3 Registrations until it has become effective. If so requested by any holder of Registrable Securities in connection with an S-3 Registration, the Company shall take such steps as are required to register such holder's Registrable Securities for sale on a delayed or continuous basis under Rule 415 and shall take such steps as are required to keep such registration effective until all of such holder's Registrable Securities registered thereunder are sold. S-3 Registrations need not be underwritten unless either the Company (if it includes shares in the S-3 Registration pursuant to Section 4(b) hereof) or the holders of a majority of the Registrable Securities demanding the registration request that it be underwritten.

(b) USE OF ALTERNATE REGISTRATION STATEMENTS; PRIORITY IN S-3 REGISTRATIONS. At the Company's option, the Company may elect to include in an S-3 Registration, Common Stock to be issued by the Company and, if required in order to effect the registration of such securities, cause the registration to be made pursuant to a registration statement on Form S-1 or S-2, which shall count as one of the three (3) S-3 Registrations. If in connection with an underwritten S-3 Registration the managing underwriters advise the Company and the holders of Registrable Securities in writing that in their opinion the number of Registrable Securities and, if permitted hereunder, other securities requested to be included in such offering, exceeds the number of Registrable Securities and other securities, if any, which can be sold in an orderly manner in such offering within a price range acceptable to the holders of a majority of the Registrable Securities requesting such registration, the Company shall include in such registration (i) first, the Registrable Securities requested to be included in such registration, allocated pro rata among the Funds, the holders of CSO Registrable Securities and the Executives based on the number Registrable Securities owned, in the aggregate, by the Funds, the holders of CSO Registrable Securities and the Executives, respectively (with the Registrable Securities which are included in the registration for the Funds, the holders of CSO Registrable Securities and the Executives being allocated among the holders within each such group pro rata based on the number of Registrable Securities owned by each holder within the group or in such other manner as the holders within

each group shall otherwise agree), and (ii) second, other securities requested to be included in such registration.

(c) RESTRICTIONS ON S-3 REGISTRATIONS. The Company shall not be obligated to effect any S-3 Registration within six months after (i) the effective date of a previous Demand Registration, (ii) the effective date of a previous S-3 Registration hereof; or (iii) a registration in which the holders of Registrable Securities were given piggyback rights pursuant to Section 3 and in which there was no reduction in the number of Registrable Securities requested to be included. The Company may postpone for up to 90 days the filing or the effectiveness of a registration statement for an S-3 Registration if the Company and the holders of a majority of the Registrable Securities agree that such S-3 Registration would reasonably be expected to have a material adverse effect on any proposal or plan by the Company or any of its Subsidiaries to engage in any acquisition of assets (other than in the ordinary course of business) or any merger, consolidation, tender offer or similar transaction; provided that in such event, the holders of the Registrable Securities requesting such S-3 Registration shall be entitled to withdraw such request and, if such request is withdrawn, such S-3 Registration shall not count as an S-3 Registration.

(d) SELECTION OF UNDERWRITERS. If an underwriter is requested pursuant to Section 4(a) hereof, the holders of a majority of the Registrable Securities included in the S-3 Registration shall have the right to recommend the investment banker(s) and manager(s) to administer the offering, subject to the approval of the Company, which shall not be unreasonably withheld, delayed or conditioned.

(e) EFFECTIVE REGISTRATION STATEMENT. An S-3 Registration will not be deemed to have been effected unless it has become effective; provided that if within 180 days after it has become effective, the offering of Registrable Securities pursuant to such registration is interfered with by any stop order, injunction or other order or requirement of the Securities and Exchange Commission or other governmental agency or court, such registration will be deemed not to have been effected.

5. HOLDBACK AGREEMENTS. Each holder of Registrable Securities agrees not to effect any public sale or distribution of equity securities of the Company, or any securities convertible into or exchangeable or exercisable for such securities, during the seven days prior to and the 90-day period beginning on the effective date of the first registration statement of the Company declared effective under the Securities Act unless the underwriters managing the related offering otherwise agree; provided that the holders of the Registrable Securities shall not be so restricted unless comparable agreements are entered into by each executive officer and director of the Company and each holder of at least 2% (on a fully-diluted basis) of its equity securities, or any securities convertible into or exchangeable or exercisable for such securities, purchased from the Company at any time after the date hereof.

6. REGISTRATION PROCEDURES.

(a) Whenever the holders of Registrable Securities have requested that any Registrable Securities be registered pursuant to this Agreement, the Company shall use its best efforts to effect the registration and the sale of such Registrable Securities in accordance with the intended method or disposition thereof, and pursuant thereto the Company shall as expeditiously as possible:

(i) prepare and file with the Securities and Exchange Commission a registration statement with respect to such Registrable Securities and use its best efforts to cause such registration statement to become effective (provided that before filing a registration statement or prospectus or any amendments or supplements thereto, the Company shall furnish to one counsel selected by the holders of Registrable Securities covered by such registration statement copies of all such documents proposed to be filed, which documents shall be subject to the review and approval of such counsel);

(ii) prepare and file with the Securities and Exchange Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period of not less than six months and comply with the provisions of the Securities Act, the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the sellers thereof disclosed to the Company by such sellers or set forth in such registration statement;

(iii) furnish to each seller of Registrable Securities such number of copies of such registration statement, each amendment and supplement thereto (in each case including all exhibits), the prospectus included in such registration statement (including each preliminary prospectus and summary prospectus) in conformity with the requirements of the Securities Act, and such other documents as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller;

(iv) use its best efforts to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any seller and the managing underwriter or underwriters may reasonably request and do any and all other acts and things which may be reasonably necessary or advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller; provided that the Company shall not be required to (i) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subsection, or (ii) subject itself to taxation in any such jurisdiction;

(v) notify each seller of such Registrable Securities and the managing underwriter or underwriters, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event as a result of which the prospectus included in such registration statement contains an untrue statement of a material fact or omits to state any fact required to be stated therein to make the statements therein not misleading in the light of the circumstances then existing, and, at the request of any such seller, the Company shall prepare a supplement or amendment to such prospectus so that, as thereafter delivered to the purchaser of such Registrable Securities, such prospectus shall not contain an untrue statement of a material fact or omit to state any fact required to be stated therein to make the statements therein not misleading in the light of the circumstances then existing;

(vi) cause all such Registrable Securities to be listed on each securities exchange (including the NASDAQ National Market) on which similar securities issued by the Company are then listed and, if not so listed, to be listed on the NASD automated quotation system;

(vii) provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such registration statement;

(viii) enter into such customary agreements (including underwriting agreements in customary form) and take all such other actions as the holders of a majority of the Registrable Securities being sold or the underwriters, if any, reasonably request in order to expedite or facilitate the disposition of such Registrable Securities (including effecting a stock split or a combination of shares);

(ix) make available for inspection by any seller of Registrable Securities, any underwriter participating in any disposition pursuant to such registration statement and any attorney, accountant or other agent retained by any such seller or underwriter, all financial and other records, pertinent corporate documents and properties of the Company, and cause the Company's officers, directors, employees, attorneys

and independent accountants to supply all information reasonably requested (and not privileged in the case of information from attorneys) by any such seller, underwriter, attorney, accountant or agent in connection with such registration statement;

(x) otherwise use its best efforts to comply with all applicable rules and regulations of the Securities and Exchange Commission, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve months beginning with the first day of the Company's first full calendar quarter after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and the rules and regulations promulgated thereunder;

(xi) obtain for the benefit of the holders of Registrable Securities included in the registration a cold comfort letter from the Company's independent public accountants in customary form and covering such matters of the type customarily covered by cold comfort letters as the holders of a majority of the Registrable Securities being sold reasonably request;

(xii) obtain for the benefit of the holders of Registrable Securities included in the registration an opinion of counsel in customary form and covering such matters of the type customarily covered by underwriters in an underwritten public offering; and

(xiii) if any such registration or comparable statement refers to any holder of Registrable Securities by name or otherwise as the holder of any securities of the Company and if in its sole and exclusive judgment, such holder is or might be deemed to be a controlling Person of the Company, such holder shall have the right to require (A) the insertion therein of language, in form and substance satisfactory to such holder and presented to the Company in writing, to the effect that the holding by such holder of such securities is not to be construed as a recommendation by such holder of the investment quality of the Company's securities covered thereby and that such holding does not imply that such holder shall assist in meeting any future financial requirements of the Company or (B) in the event that such reference to such holder by name or otherwise is not required by the Securities Act or any similar federal statute then in force, the deletion of the reference to such holder; provided that with respect to this clause (B) such holder shall furnish to the Company an opinion of counsel to such effect, which opinion of counsel shall be reasonably satisfactory to the Company.

(b) Each seller of Registrable Securities agrees that, upon receipt of any notice from the Company of the happening of any event of the type described in clause (v) of Section 6(a) hereof, such seller shall forthwith discontinue disposition of such Registrable Securities covered by such registration statement or related prospectus until such seller's receipt of the copies of the supplemental or amended prospectus contemplated by clause (v) of Section 6(a) hereof, and, if so directed by the Company, such seller will deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in such seller's possession, of the prospectus covering such Registrable Securities current at the time of receipt of such notice. In the event the Company shall give any such notice, the period mentioned in clause (ii) of Section 6(a) hereof shall be extended by the number of days during the period from and including the date of the giving of such notice pursuant to clause (v) of Section 6(a) hereof and including the date when each seller of Registrable Securities shall have received the copies of the supplemental or amended prospectus contemplated by clause (v) of Section 6(a) hereof.

(c) Each seller of Registrable Securities agrees to provide the Company, upon receipt of its request, with such information about such seller as is necessary to enable the Company to comply with the requirements of the Securities Act and to execute such certificates as the Company may reasonably request in connection with such information and otherwise to satisfy any requirements of law.

7. REGISTRATION EXPENSES.

(a) PAYMENT OF REGISTRATION EXPENSES. All expenses incident to the Company's performance of or compliance with this Agreement, including all registration and filing fees, fees and expenses of compliance with securities or blue sky laws, printing expenses, messenger and delivery expenses, fees and disbursements of counsel for the Company and all independent certified public accountants, underwriters (excluding discounts and commissions) and other Persons retained by the Company, internal expenses, liability insurance and the expenses and fees for listing the securities to be registered on each securities exchange (including the NASDAQ National Market) on which similar securities issued by the Company are then listed or, if not so listed, on the NASD automated quotation system (all such expenses being herein called "Registration Expenses"), shall be borne by the Company or such holders of Registrable Securities or other securities included in the registration (other than holders of Registrable Securities) with whom the Company has agreements regarding the payment of such Registration Expenses.

(b) COUNSEL TO HOLDERS. In connection with each Demand Registration, S-3 Registration and each Piggyback Registration in which only the Company and holders of Registrable Securities participate, the Company shall reimburse the holders of Registrable Securities covered by such registration for the reasonable fees and disbursements of one counsel chosen by the holders of a majority of the Registrable Securities requested to be included in such registration; provided such counsel shall agree to represent the other holders of Registrable Securities or other securities included in such registration if requested by such other holders. In connection with each Piggyback Registration in which holders of Registrable Securities participate which is not subject to the preceding sentence, the Company shall arrange for the holders of Registrable Securities covered by such registration to be represented, jointly with holders of other securities included in such registration and without expense to the holders of the Registrable Securities included in such registration, by counsel acceptable to the holders of a majority of the Registrable Securities requested to be included in such registration, which acceptance shall not be unreasonably withheld.

8. INDEMNIFICATION.

(a) The Company agrees to indemnify, to the extent permitted by law, each holder of Registrable Securities, its officers and directors, general and limited partners, employees and agents and each Person who controls such holder (within the meaning of the Securities Act or the Exchange Act) against any and all losses, claims, damages, liabilities and expenses (including any amount paid in settlement of any action, suit or proceeding or any claim asserted subject to Section 8(c) below) arising out of or based upon (i) any untrue or alleged untrue statement of material fact contained in any registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto, (ii) any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing or (iii) any violation by the Company of the Securities Act or any rule or regulation thereunder in connection with such registration, and the Company will reimburse such Persons for any legal or any other expenses reasonably incurred by it in connection with investigating or defending any such loss, claim, liability, action or proceeding or enforcing its rights under this Section 8; provided, that the Company shall not be liable to any Person in any such case to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon any untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement or amendment or supplement thereto or in any such preliminary, final or summary prospectus in reliance upon and in conformity with written information with respect to such seller furnished to the Company by such seller expressly for use in the preparation thereof. In connection with an underwritten offering, the Company shall indemnify such underwriters, their officers and directors, general and limited partners, employees and agents and each Person who controls such underwriters (within the meaning of the Securities Act or the Exchange Act) to the same extent as provided above with respect to the indemnification

of the holders of Registrable Securities.

(b) In connection with any registration statement in which a holder of Registrable Securities is participating, each such holder shall furnish to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such registration statement or prospectus and, to the extent permitted by law, shall indemnify the Company, its directors and officers and each Person who controls the Company (within the meaning of the Securities Act) against any losses, claims, damages, liabilities and expenses resulting from any untrue or alleged untrue statement of material fact contained in the registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or omission is contained in any information or affidavit so furnished in writing by such holder expressly for use in such Registration Statement, provided that the obligation to indemnification shall be individual to each holder and shall be limited to the net amount of proceeds received by such holder from the sale of Registrable Securities pursuant to such registration statement.

(c) Any Person entitled to indemnification hereunder shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification; provided that the failure of the indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations under the preceding subsections of this Section 8, except to the extent that the indemnifying party is actually prejudiced by such failure to give notice and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party shall not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent shall not be unreasonably withheld). An indemnifying party who is not entitled to, or elects not, to assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnifying party, a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim.

(d) The indemnification provided for under this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling Person of such indemnified party and shall survive the transfer of securities. If the indemnification provided for in this Section 8 for any reason is held by a court of competent jurisdiction to be unavailable to an indemnified party in respect of any losses, claims, damages, expenses or liabilities referred to therein, then each indemnifying party under this Section 8, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages, expenses or liabilities in such proportion as is appropriate to reflect (i) the relative benefits received by the Company, the holders of Registrable Securities or other securities sold in an offering (the "Selling Holders") and the underwriters from the offering, (ii) the relative fault of the Company, the Selling Holders and the underwriters in connection with the statements or omissions which resulted in such losses, claims, damages, expenses or liabilities, and (iii) any other relevant equitable considerations. The relative benefits received by the Company, the Selling Holders and the underwriters shall be deemed to be in the same respective proportions as the net proceeds from the offering (before deducting expenses) received by the Company and the Selling Holders and the underwriting discount received by the underwriters, in each case as set forth in the table on the cover page of the applicable prospectus, bear to the aggregate public offering price of the securities sold in the offering. The relative fault of the Company, the Selling Holders and the underwriters shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material

fact relates to information supplied by the Company, the Selling Holders or the underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the holders of the Registrable Securities agree that it would not be just and equitable if contribution pursuant to this Section 8 were determined by pro rata or per capita allocation or by any other method of allocation which does not take account of the equitable considerations referred to in this subsection. In no event, however, shall a Selling Holder be required to contribute any amount under this Section 8 in excess of the net amount of proceeds received by such Selling Holder from its sale of securities under such registration statement. No Person found guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(e) Indemnification similar to that specified in the preceding subsections of this Section 8 (with appropriate modifications) shall be given by the Company and each seller of Registrable Securities with respect to any required registration or other qualification of securities under any federal or state law or regulation or governmental authority other than the Securities Act.

(f) The obligations of the parties under this Section 8 shall be in addition to any liability which any party may otherwise have to any other party.

9. PARTICIPATION IN UNDERWRITTEN REGISTRATIONS. No Person may participate in any registration hereunder which is underwritten unless such Person (a) agrees to sell such Person's securities on the basis provided in any underwriting arrangements approved by the Person or Persons entitled hereunder to approve such arrangements and (b) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements; provided that no holder of Registrable Securities included in any underwritten registration shall be required to make any representations or warranties to the Company or the underwriters other than representations and warranties regarding such holder and such holder's intended method of distribution.

10. RULES 144 AND 144A:.

(a) RULE 144. The Company covenants that it will file the reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations promulgated thereunder (or, if the Company is not required to file such reports, it will, upon the request of any holder of Registrable Securities, make publicly available such information), and it will take such further action as any holder may reasonably request, all to the extent required from time to time to enable such holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (i) Rule 144 under the Securities Act, as such Rule may be amended from time to time, or (ii) any similar rule or regulation hereafter adopted by the Securities and Exchange Commission. Upon the request of any holder of Registrable Securities from time to time, the Company will deliver to any such holder (i) a written statement as to whether it has complied with such requirements, and (ii) at the Company's expense, an opinion of the Company's counsel as to the availability of an exemption from registration in connection with a proposed transfer of Registrable Securities by such holder. Notwithstanding anything contained in this Section 10, the Company may deregister under Section 12 of the Exchange Act if it then is permitted to do so pursuant to the Exchange Act and the rules and regulations promulgated thereunder.

(b) RULE 144A. The Company shall, at all times during which it is neither subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, promptly upon the written request of any holder of Registrable Securities, provide in writing to such holder and to any prospective transferee of any of the Registrable Securities of such holder the information concerning the Company described in Rule 144A(d)(4) under the

Securities Act ("Rule 144A Information"). The Company also shall, upon the written request of any such holder, cooperate with and assist such holder or any member of the National Association of Securities Dealers, Inc. PORTAL system in applying to designate and thereafter maintain the eligibility of the Common Stock for trading through PORTAL. The Company's obligations under this Section 10(b) shall at all times be contingent upon receipt from the prospective transferees of Registrable Securities of a written agreement to take all reasonable precautions to safeguard the Rule 144 Information from disclosure to anyone other than Persons who will assist such transferee in evaluation the purchase of the Registrable Securities.

11. MISCELLANEOUS.

(a) NO INCONSISTENT AGREEMENTS. The Company shall not hereafter enter into any agreement with respect to its securities which is inconsistent with or violates the rights granted to the holders of Registrable Securities under this Agreement.

(b) ADJUSTMENTS AFFECTING REGISTRABLE SECURITIES. The Company shall not take any action, or permit any change to occur, with respect to its securities which would materially and adversely affect the ability of the holders of Registrable Securities to include such Registrable Securities in a registration undertaken pursuant to this Agreement or which would materially and adversely affect the marketability of such Registrable Securities in any such registration (including affecting a stock split or a combination of shares).

(c) REMEDIES. Any Person having any rights under any provision of this Agreement shall be entitled to enforce such rights specifically, to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that any party may in its sole discretion apply to any court of law or equity of competent jurisdiction (without posting any bond or other security) for specific performance and for other injunctive relief in order to enforce or prevent violation of the provisions of this Agreement.

(d) CONSENT TO AMENDMENTS. Except as otherwise expressly provided herein, no modification, amendment or waiver of any provision of this Agreement shall be effective against the Company or the holders of the Registrable Securities unless such modification, amendment or waiver is approved in writing by the Company and the holders of a majority of the Fund Registrable Securities and Executive Registrable Securities. The failure of any party to enforce any of the provisions of this Agreement shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.

(e) SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. In addition, whether or not any express assignment has been made, the provisions of this Agreement which are for the benefit of purchasers or holders of Registrable Securities are also for the benefit of, and enforceable by, any subsequent holder of Registrable Securities; provided, that subsequent holders of Registrable Securities shall be permitted to have their shares registered pursuant to this Agreement only if they agree in writing to be bound by the terms of this Agreement (including without limitation Section 8(b) hereof) if requested by the Company.

(f) SEVERABILITY. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction.

(g) COUNTERPARTS. This Agreement may be executed in two or more counterparts, and by different parties on separate counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same agreement.

(h) GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAW THEREOF.

(i) SECTION HEADINGS. The Section headings of this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

(j) Notices. All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing and shall be either personally delivered or sent by reputable overnight courier service (charges prepaid) or by confirmed facsimile transmission to the recipient at the address for such recipient set forth below and to any subsequent holder of Registrable Securities subject to this Agreement at such address as indicated by the Company's records, or at such address or to the attention of such other Person as the recipient party has specified by prior written notice to the sending party. Notices shall be deemed to have been given hereunder when delivered personally or by confirmed facsimile transmission and one day after deposit with a reputable overnight courier service.

If to the Funds:

c/o First Reserve Partnerships
475 Steamboat Road
Greenwich, Connecticut 06830
Attention: William E. Macaulay

If to the Executives:

Cal Dive International,, Inc.
13430 Northwest Freeway
Suite 350
Houston, Texas 77040
Attention: Owen Kratz
Facsimile No: (713) 690-2204

If to the Company:

Cal Dive International,, Inc.
13430 Northwest Freeway
Suite 350
Houston, Texas 77040
Attention: Owen Kratz
Facsimile No: (713) 690-2204

or to such other address or to the attention of such other Person as the recipient party has specified by prior written notice to the sending party.

12. JOINDER CONSENT AND WAIVER OF CSO. By its execution of this Agreement, CSO hereby (i) consents, pursuant to Section 2(f) of the 1997 Registration Agreement, and (ii) waives the application of

Sections 11(a) and 11(b) of the 1997 Registration Agreement, evidencing its consent, as required pursuant to Sections 2(f), 11(a) and 11(b) of the 1997 Registration Agreement, to the Company entering into this Agreement and granting to the Funds and Executives the registration rights described herein, and agrees to be bound by the terms of this Section 12. The parties agree that this Agreement and the 1997 Registration Agreement are to be interpreted together so as to provide holders of Fund Registrable Securities, Executive Registrable Securities and CSO Registrable Securities with equal registration rights with respect to all registrations of Registrable Securities by the Company, except as expressly provided otherwise herein or therein. Without limiting the generality of the foregoing, CSO agrees that in any demand registration under Section 2 of the 1997 Registration Agreement or in any registration in which the holders of CSO Registrable Securities exercise their rights under Section 3 of the 1997 Registration Agreement, in each case where holders of the Fund Registrable Securities or Executive Registrable Securities participate in such registration pursuant to Section 3 of this Agreement, Section 2(c), 3(c) or 3(d) of this Agreement, as applicable, shall govern the determination of the Registrable Securities to be included in such registration so that the Funds, the Executives and the holders of CSO Registrable Securities have the same priority in such registrations.

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

CAL DIVE INTERNATIONAL, INC.

By:/s/ Owen Kratz
Owen Kratz, President

FIRST RESERVE SECURED ENERGY ASSETS FUND, LIMITED PARTNERSHIP

By: FIRST RESERVE CORPORATION, as General Partner

By:/s/ David H. Kennedy
David H. Kennedy, Managing Director

FIRST RESERVE FUND V, LIMITED PARTNERSHIP

By: FIRST RESERVE CORPORATION, as General Partner

By:/s/ David H. Kennedy
David H. Kennedy, Managing Director

FIRST RESERVE FUND V-2, LIMITED PARTNERSHIP

By: FIRST RESERVE CORPORATION, as General Partner

By:/s/ David H. Kennedy
David H. Kennedy, Managing Director

FIRST RESERVE FUND VI, LIMITED PARTNERSHIP

By: FIRST RESERVE CORPORATION, as General Partner

By:/s/ David H. Kennedy
David H. Kennedy, Managing Director

EXECUTIVES

/s/Gerald G. Reuhl

Gerald G. Reuhl individually and as
Trustee of the Trust

/s/ Owen Kratz

Owen Kratz, Individually and as
Trustee of the Trust

/s/ S. James Nelson

S. James Nelson, Individually and as
Trustee of the Trust

FOR PURPOSES OF THE CONSENT IN SECTION 12 HEREOF.

COFLEXIP

/s/ Pierre Marie Valentin

By: Pierre Marie Valentin
Title: Chairman and Chief Executive Officer

[CALDIVE INTERNATIONAL LETTERHEAD]

May 21, 1998

Cal Dive International, Inc.
400 N. Sam Houston Parkway E.
Suite 400
Houston, Texas 77060

Gentlemen:

I am acting as General Counsel for Cal Dive International, Inc., a Minnesota corporation (the "Company"), and give this opinion in connection with the registration under the Securities Act of 1933, as amended (the "Act"), of up to 2,867,070 shares of the Company's common stock, no par value per share (the "Common Stock"), to be offered upon the terms and subject to the conditions set forth in the Company's Registration Statement on Form S-1 (Registration No. 333-50751) (the "Registration Statement") relating thereto filed with the U.S. Securities and Exchange Commission.

In connection therewith, I have examined originals or copies certified or otherwise identified to my satisfaction of the Amended and Restated Articles of incorporation of the Company, the Bylaws of the Company, the corporate proceedings with respect to the offering of shares and such other documents and instruments as I have deemed necessary or appropriate for the expression of the opinions contained herein.

I have assumed the authenticity and completeness of all records, certificates and other instruments submitted to me as originals, the conformity to original documents of all records, certificates and other instruments submitted to me as copies; the authenticity and completeness of the originals of those records, certificates and other instruments submitted to me as copies and the correctness of all statements of fact contained in all records, certificates and other instruments that I have examined.

Based on the foregoing examination, I am of the opinion that the 2,867,070 shares of Common Stock (including the 373,966 shares subject to the underwriters' over-allotment option)

Cal Dive International, Inc.
May 21, 1998
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proposed to be sold by certain holders of securities of the Company have been duly and validly issued, and are fully paid and nonassessable.

I hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the references to me under the caption "Legal Opinions" in the Prospectus included as part of the Registration Statement.

Very truly yours,

/s/Andrew C. Becher

Andrew C. Becher
Senior Vice President
and General Counsel

ACB:sg