As filed with the Securities and Exchange Commission on May 6, 2014

Registration No. 001-36246

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 4

to

Form 10

GENERAL FORM FOR REGISTRATION OF SECURITIES
PURSUANT TO SECTION 12(b) OR 12(g) OF
THE SECURITIES EXCHANGE ACT OF 1934

Civeo Corporation

(Exact name of registrant as specified in its charter)

Delaware	**46-3831207**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
Three Allen Center, 333 Clay Street, Suite 4980, Houston, Texas	**77002**
(Address of Principal Executive Offices)	*(Zip Code)*

Registrant's telephone number, including area code:

(713) 652-0582

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

Title of Each Class to be so Registered	**Name of Each Exchange on Which Each Class is to be Registered**
Common stock, par value $0.01 per share	The New York Stock Exchange, Inc.

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

None

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Securities Exchange Act of 1934, as amended. (Check one):

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒ Smaller reporting company ☐

(Do not check if a smaller reporting company)

INFORMATION REQUIRED IN REGISTRATION STATEMENT

CROSS-REFERENCE SHEET BETWEEN INFORMATION STATEMENT AND ITEMS OF FORM 10

The information required by the following Form 10 Registration Statement items is contained in the Information Statement sections that we identify below, each of which we incorporate in this report by reference:

Item 1. ***Business***

The information required by this item is contained under the sections "Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Business," "Arrangements Between Oil States and Our Company" and "Other Related Party Transactions" of the Information Statement. Those sections are incorporated herein by reference.

Item 1A. ***Risk Factors***

The information required by this item is contained under the section "Risk Factors" of the Information Statement. That section is incorporated herein by reference.

Item 2. ***Financial Information***

The information required by this item is contained under the sections "Summary," "Selected Historical Combined Financial Data," "Unaudited Pro Forma Combined Financial Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Description of Capital Stock" and "Index to Financial Statements, Supplementary Data and Schedules" of the Information Statement. Those sections are incorporated herein by reference.

Item 3. ***Properties***

The information required by this item is contained under the section "Business" of the Information Statement. That section is incorporated herein by reference.

Item 4. ***Security Ownership of Certain Beneficial Owners and Management***

The information required by this item is contained under the section "Security Ownership of Certain Beneficial Owners and Management" of the Information Statement. That section is incorporated herein by reference.

Item 5. ***Directors and Executive Officers***

The information required by this item is contained under the section "Management" of the Information Statement. That section is incorporated herein by reference.

Item 6. ***Executive Compensation***

The information required by this item is contained under the sections "Executive Compensation," "Summary Compensation Table," Grants of Plan Based Awards," "Outstanding Equity Awards at 2013 Fiscal Year End," "Options Exercised and Stock Vested," "Nonqualified Deferred Compensation," and "Potential Payments upon Termination or Change of Control" of the Information Statement. Those sections are incorporated herein by reference.

Item 7. ***Certain Relationships and Related Transactions, and Director Independence***

The information required by this item is contained under the sections "Management," "Executive Compensation," "Arrangements Between Oil States and Our Company" and "Other Related Party Transactions" of the Information Statement. Those sections are incorporated herein by reference.

Item 8. ***Legal Proceedings***

The information required by this item is contained under the section "Business—Legal Proceedings" of the Information Statement. That section is incorporated herein by reference.

Item 9. ***Market Price of and Dividends on the Registrant's Common Equity and Related Stockholder Matters***

The information required by this item is contained under the sections "Risk Factors," "The Spin-Off," "Dividend Policy," "Executive Compensation" and "Description of Capital Stock" of the Information Statement. Those sections are incorporated herein by reference.

Item 10. ***Recent Sales of Unregistered Securities***

The information required by this item is contained under the sections "Description of Capital Stock." That section is incorporated herein by reference.

Item 11. ***Description of Registrant's Securities to be Registered***

The information required by this item is contained under the section "Description of Capital Stock" of the Information Statement. That section is incorporated herein by reference.

Item 12. ***Indemnification of Directors and Officers***

The information required by this item is contained under the section "Description of Capital Stock—Limitation of Liability and Indemnification Matters" of the Information Statement. That section is incorporated herein by reference.

Item 13. ***Financial Statements and Supplementary Data***

The information required by this item is contained under the sections "Selected Historical Combined Financial Data," "Unaudited Pro Forma Combined Financial Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Description of Capital Stock" and "Index to Financial Statements, Supplementary Data and Schedules" of the Information Statement. Those sections are incorporated herein by reference.

Item 14. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 15. ***Financial Statements and Exhibits***

(a) Financial Statements

The information required by this item is contained under the section "Index to Financial Statements, Supplementary Data and Schedules" beginning on page F-1 of the Information Statement. That section is incorporated herein by reference.

(b) Exhibits

The following documents are filed as exhibits hereto:

Exhibit No.	Description
2.1**	Form of Separation and Distribution Agreement between Oil States International, Inc. and Civeo Corporation

Exhibit No.	Description
3.1	Amended and Restated Certificate of Incorporation of Civeo Corporation
3.2	Amended and Restated Bylaws of Civeo Corporation
4.1	Form of Common Stock Certificate
10.1	Form of Transition Services Agreement between Oil States International, Inc. and Civeo Corporation
10.2**	Form of Tax Sharing Agreement between Oil States International, Inc. and Civeo Corporation
10.3**	Form of Employee Matters Agreement between Oil States International, Inc. and Civeo Corporation
10.4**	Form of Indemnification and Release Agreement between Oil States International, Inc. and Civeo Corporation
10.5	Credit Agreement of Civeo Corporation
10.6**+	Form of 2014 Equity Participation Plan of Civeo Corporation
10.7**+	Form of Civeo Corporation Annual Incentive Compensation Plan
10.8**+	Form of Canadian Long-Term Incentive Plan
10.9**+	Form of Employee Non Qualified Stock Option Agreement under the 2014 Equity Participation Plan of Civeo Corporation
10.10**+	Form of Restricted Stock Agreement under the 2014 Equity Participation Plan of Civeo Corporation
10.11**+	Form of Non-Employee Director Restricted Stock Agreement
10.12**+	Form of Deferred Stock Agreement (Australia)
10.13**+	Form of Deferred Stock Agreement (Canada)
10.14**+	Form of Executive Agreement of Bradley J. Dodson
10.15**+	Form of Executive Agreement of Ron R. Green
10.16**+	Form of Consulting Agreement of Frank Steininger
10.17**+	Form of Indemnification Agreement
21.1**	List of Subsidiaries of Civeo Corporation
99.1	Information Statement, preliminary and subject to completion, dated May 6, 2014

* To be filed by amendment.
** Previously filed.
+ Management contracts or compensatory plans or arrangements.

SIGNATURES

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

Civeo Corporation

By: /s/ Bradley J. Dodson
Bradley J. Dodson
President and Chief Executive Officer
Date: May 6, 2014

Exhibit 3.1

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
CIVEO CORPORATION

The name of the corporation is "Civeo Corporation" (the "Corporation").

The original certificate of incorporation was filed with the Secretary of State of the State of Delaware on October 8, 2013, under the name "OIS Accommodations SpinCo Inc."

This Amended and Restated Certificate of Incorporation (this "Certificate of Incorporation") has been declared advisable by the board of directors of the Corporation (the "Board"), duly adopted by the stockholders of the Corporation and duly executed and acknowledged by the officers of the Corporation in accordance with Sections 103, 242 and 245 of the General Corporation Law of the State of Delaware (the "DGCL").

The text of the certificate of incorporation of the Corporation is hereby amended and restated to read in its entirety as follows:

ARTICLE I
NAME

The name of the Corporation is Civeo Corporation (the "Corporation").

ARTICLE II
REGISTERED AGENT

The address of the Corporation's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801 in the County of New Castle. The name of the Corporation's registered agent at such address is The Corporation Trust Company.

ARTICLE III
PURPOSE

The purposes of the Corporation are to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

ARTICLE IV
CAPITAL STOCK

Section 4.1 Authorized Capital Stock. The Corporation shall be authorized to issue 600,000,000 shares of capital stock, consisting of two classes: 550,000,000 shares of common stock, par value $.01 per share ("Common Stock"), and 50,000,000 shares of preferred stock, par value $.01 per share ("Preferred Stock").

Section 4.2 Preferred Stock. The authorized shares of Preferred Stock may be issued in one or more series. Subject to any provision made in this Article Four fixing and determining the designations, rights and preferences of any series of Preferred Stock, the Board of Directors is hereby authorized to issue the shares of Preferred Stock in such series and to fix from time to time before issuance the number of shares to be included in any series and the designation, relative powers, preferences and rights and qualifications, limitations or restrictions of all shares of such series. The authority of the Board of Directors with respect to each series shall include, without limiting the generality of the foregoing, the determination of any or all of the following:

(a) the number of shares of any series and the designation to distinguish the shares of such series from the shares of all other series;

(b) the voting powers, if any, and whether such voting powers are full or limited, in such series;

(c) the redemption provisions, if any, applicable to such series, including the redemption price or prices to be paid;

(d) whether dividends, if any, shall be cumulative or noncumulative, the dividend rate of such series, and the dates and preferences of dividends on such series;

(e) the rights of such series upon the voluntary or involuntary dissolution of, or upon any distribution of the assets of, the Corporation;

(f) the provisions, if any, pursuant to which the shares of such series are convertible into, or exchangeable for, shares of any other class or classes of any other series of the same or any other class or classes of stock, or any other security, of the Corporation or any other corporation, and price or prices or the rates of exchange applicable thereto;

(g) the right, if any, to subscribe for or to purchase any securities of the Corporation or any other corporation;

(h) the provisions, if any, of a sinking fund applicable to such series; and

(i) any other relative, participating, optional or other special powers, preferences, rights, qualifications, limitations or restrictions thereof;

all as shall be determined from time to time by the Board of Directors and shall be stated in a resolution or resolutions providing for the issuance of such Preferred Stock (a "Preferred Stock Designation").

Except as required by law, holders of shares of Preferred Stock shall not be entitled to receive notice of any meeting of stockholders at which they are not entitled to vote. The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the outstanding Common Stock, without a vote of the holders of the Preferred Stock, or of any series thereof, unless a vote of any such holders is required pursuant to any Preferred Stock Designation.

Section 4.3 Common Stock. The Common Stock shall be subject to the express terms of the Preferred Stock and any series thereof. The holders of shares of Common Stock shall be entitled to one vote for each such share upon all proposals on which the holders of Common Stock are entitled to vote. Except as otherwise provided by law or by the resolution or resolutions adopted by the Board designating the rights, powers and preferences of any series of Preferred Stock, the holders of Common Stock shall have the exclusive right to vote for the members of the Board (the "Directors") and for all other purposes. The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the outstanding Common Stock, without a vote of the holders of the Preferred Stock, or of any series thereof, unless a vote of any such holders is required pursuant to any Preferred Stock Designation. The Corporation shall be entitled to treat the Person in which name any share of its stock is registered as the owner thereof for all purposes and shall not be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether or not the Corporation shall have notice thereof, except as expressly provided by applicable law.

ARTICLE V
THE BOARD

To the extent not provided for in this Certificate of Incorporation, the number, nominations, qualifications, tenure, vacancies and removal of the Directors shall be as set forth in the Bylaws.

Section 5.1 Number, Election and Terms of Directors. The number of Directors which shall constitute the entire Board shall be fixed from time to time exclusively by a majority of the Directors then in office. Until the Distribution Date (as defined below), Directors shall be elected for a term of one year ending on the date of the annual meeting of stockholders following the annual meeting at which the director was elected; *provided however*, the initial term of office of members of the Board on the date hereof shall expire at the 2015 annual meeting. Upon the first business day following the day on which Oil States International, Inc. distributes to holders of shares of its common stock all of the outstanding shares of the Corporation's Common Stock (the "Distribution Date"), the Board shall be divided into three classes, as nearly equal in number as is ratably possible: Class I, Class II and Class III, and the Board shall be authorized to assign members of the Board already in office to such classes at the time such classification becomes effective. Each Director shall serve for a term ending on the third annual meeting following the annual meeting of stockholders at which such Director was elected; provided, however, that the Directors first elected to Class I shall serve for a term expiring at the annual meeting of stockholders next following the end of the calendar year 2014, the Directors first elected to Class II shall serve for a term expiring at the annual meeting of stockholders next following the end of the calendar year 2015, and the Directors first elected to Class III shall serve for a term expiring at the annual meeting of stockholders next following the end of the calendar year 2016. Each Director shall hold office until the annual meeting of stockholders at which such Director's term expires and, the foregoing notwithstanding, shall serve until his or her successor shall have been duly elected and qualified or until his or her earlier death, resignation or removal.

At such annual election, the Directors chosen to succeed those whose terms then expire shall be of the same class as the Directors they succeed, unless, by reason of any intervening changes in the authorized number of Directors, the Board shall have designated one or more Directorships whose terms then expires as Directorships of another class in order to more nearly achieve equality of number of Directors among the classes.

In the event of any changes in the authorized number of Directors, each Director then continuing to serve shall nevertheless continue as a Director of the class of which he is a member until the expiration of his or her current term, or his or her prior death, resignation or removal. The Board shall specify the class to which a newly created Directorship shall be allocated.

Election of Directors need not be by written ballot unless the Bylaws shall so provide.

Section 5.2 Removal Of Directors. No Director of the Corporation shall be removed from office as a Director by vote or other action of the stockholders or otherwise except for cause, and then only by the affirmative vote of the holders of a majority of the voting power of all outstanding shares of capital stock of the Corporation generally entitled to vote in the election of Directors, voting together as a single class.

Section 5.3 Vacancies. Subject to any requirements of law to the contrary, newly created Directorships resulting from any increase in the number of Directors and any vacancies on the Board resulting from death, resignation, removal or other cause shall be filled by the affirmative vote of a majority of the remaining Directors then in office, even though less than a quorum of the Board. Any Director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the class of Directors in which the new Directorship was created or the vacancy occurred and until such Director's successor shall have been elected and qualified or until his or her earlier death, resignation or removal. No decrease in the number of Directors constituting the Board shall shorten the term of any incumbent Director.

ARTICLE VI
BYLAWS

In furtherance and not in limitation of the powers conferred by statute, the Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board in accordance with the Bylaws.

ARTICLE VII
AMENDMENT OF CERTIFICATE OF INCORPORATION

Except as otherwise provided in this Certificate of Incorporation, the Bylaws or by applicable law, the Corporation reserves the right at any time and from time to time to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, and any other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed by law; and, except as set forth in Article Tenth, all rights, preferences and privileges of whatsoever nature conferred upon stockholders, Directors or any other persons whomsoever by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended are granted subject to the right reserved in this Article Seventh. Notwithstanding any other provision of this Certificate of Incorporation or the bylaws of the Corporation (and in addition to any other vote that may be required by law, this Certificate of Incorporation or the bylaws of the Corporation), the affirmative vote of the holders of least 66 2/3% in voting power of the outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class, shall be required to amend, alter or repeal any provision of this Certificate of Incorporation.

ARTICLE VIII
STOCKHOLDER ACTION BY WRITTEN CONSENT

Any action required or permitted to be taken by the stockholders of the Corporation must be taken at a duly held annual or special meeting of stockholders and may not be taken by any consent in writing of such stockholders.

ARTICLE IX
ANTI-DILUTION

No holder of shares of capital stock of the Corporation shall have any preemptive or other right to purchase or subscribe for or receive any shares of capital stock of the Corporation, whether now or hereafter authorized, or any warrants, options, bonds or debentures exchangeable for or carrying any right to purchase any shares of capital stock of the Corporation.

ARTICLE X
LIMITED LIABILITY OF DIRECTORS

No director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL as it now exists. In addition to the circumstances in which a director of the Corporation is not personally liable as set forth in the preceding sentence, a director of the Corporation shall not be liable to the fullest extent permitted by any amendment to the DGCL hereafter enacted that further limits the liability of a director.

ARTICLE XI
FORUM SELECTION

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer, employee or agent of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation arising pursuant to any provision of the DGCL, this Certificate of Incorporation or the Corporation's bylaws, or (iv) any action asserting a claim against the Corporation governed by the internal affairs doctrine, in each such case subject to said Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article Eleventh.

IN WITNESS WHEREOF, Civeo Corporation has caused this Amended and Restated Certificate of Incorporation to be signed by its President this 5th day of May, 2014.

/s/ Bradley J. Dodson
Bradley J. Dodson
President and Chief Executive Officer

AMENDED AND RESTATED BYLAWS

OF

CIVEO CORPORATION

DATED AS OF MAY 5, 2014

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AMENDED AND RESTATED BYLAWS
OF
CIVEO CORPORATION

These Amended and Restated Bylaws of Civeo Corporation (formerly known as OIS Accommodations SpinCo Inc.) (the "Corporation") were adopted by the Board of Directors of the Corporation (the "Board") on May 5, 2014 and duly executed and acknowledged by the officers of the Corporation in accordance with Section 109 of the General Corporation Law of the State of Delaware ("DGCL").

ARTICLE I
OFFICES AND RECORDS

The Corporation shall maintain a registered office in Delaware and may maintain other offices and keep its books, documents and records at such places within or without Delaware as may, from time to time, be designated by the Board.

ARTICLE II
STOCKHOLDERS

Section 2.1 Annual Meeting. The annual meeting of the stockholders of the Corporation, for the election of directors to succeed those whose terms expire and for the transaction of other business as may properly come before the meeting, shall be held each year on a date and at a time as may be fixed by resolution of the Board and set forth in the notice of the meeting.

Section 2.2 Special Meeting. Except as otherwise required by law and subject to the rights of the holders of any class or series of stock having a preference over the Common Stock, as defined in the Amended and Restated Certificate of Incorporation of the Corporation (the "Certificate of Incorporation"), as to dividends or upon liquidation, special meetings of the stockholders of the Corporation for any purpose or purposes may be called only by:

(a) the Board, pursuant to a resolution stating the purpose or purposes thereof approved by a majority of the Board, or

(b) the Chairman of the Board.

No business other than that stated in the notice shall be transacted at any special meeting.

Section 2.3 Place of Meetings. The Board or the Chairman of the Board, as the case may be, may designate the place of meeting for any annual or special meeting of the stockholders. If no designation is made, the place of meeting shall be the principal office of the Corporation. In lieu of holding a meeting of stockholders at a designated place, the Board may, in its sole discretion, determine that any meeting of stockholders may be held solely by means of remote communication.

Section 2.4 Closing Of Transfer Books And Fixing Record Date. For the purpose of determining stockholders entitled to notice of, or to vote at, any meeting of stockholders or any adjournment thereof, or stockholders entitled to receive a distribution by the Corporation (other than a distribution involving a purchase or redemption by the Corporation of any of its own shares) or a share dividend, or in order to make a determination of stockholders for any other proper purpose, the Board may provide that the stock transfer books shall be closed for a stated period in no case to exceed 60 days. If the stock transfer books are closed for the purpose of determining stockholders entitled to notice of or to vote at a meeting of stockholders, the books shall be closed for at least 10 days immediately preceding the meeting. In lieu of closing the stock transfer books, the Board may fix in advance a date as the record date for any such determination of stockholders, such date in no case to be more than 60 days nor, in the case of a meeting of stockholders, less than 10 days prior to the date on which the particular action requiring the determination of stockholders is to be taken. If the stock transfer books are not closed and no record date is fixed: (a) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if in accordance with these Bylaws notice is waived, at the close of business on the day next preceding the day on which the meeting is held; and (b) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto. When a determination of stockholders entitled to vote at any meeting of stockholders has been made, as provided in this Section, the determination shall apply to any adjournment thereof except where the determination has been made through the closing of stock transfer books and the stated period of closing has expired.

Section 2.5 Notice of Meeting. All notices of meetings of stockholders shall be sent or otherwise given by the Corporation not less than 10 calendar days nor more than 60 calendar days before the date of the meeting to each stockholder of record entitled to vote at the meeting. The notice shall specify the place, if any, date, hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Holders of Preferred Stock, as defined in the Certificate of Incorporation, are not entitled to receive notice of any meeting of stockholders at which they are not entitled to vote. Without limiting the manner by which notice may otherwise be given effectively to stockholders, any notice to stockholders may be given by electronic transmission in the manner provided in the DGCL. If mailed, notice to stockholders shall be deemed to be given when deposited in the United States mail with postage thereon prepaid, addressed to the stockholder at such person's address as it appears on the records of the Corporation. An affidavit of the Secretary or Assistant Secretary, proxy solicitor hired by the Corporation or of the transfer agent of the Corporation that the notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein. Only such business shall be conducted at a special meeting of stockholders as was included in the Corporation's notice of meeting. Meetings may be held without notice if all stockholders entitled to vote are present, or if notice is waived by those not present in accordance with Section 7.4 of these Bylaws. Any previously scheduled meeting of the stockholders may be postponed, and any special meeting of the stockholders may be canceled, by resolution of the Board upon public notice given prior to the date previously scheduled for the meeting of stockholders.

Section 2.6 Quorum and Adjournment; Voting. Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, the holders of a majority of the voting power of all outstanding shares of the Corporation entitled to vote generally in the election of Directors (as hereinafter defined) (the "Voting Stock"), represented in person or by proxy, shall constitute a quorum at a meeting of stockholders, except that when specified business is to be voted on by a class or series of stock voting as a class, the holders of a majority of the shares of that class or series shall constitute a quorum of the class or series for the transaction of business. The chairman of the meeting or a majority of the shares so represented may adjourn the meeting from time to time, whether or not there is a quorum. No notice of the time and place of adjourned meetings need be given except as required by law or these Bylaws. The stockholders present in person or by proxy at a duly called meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

Section 2.7 Proxies. At all meetings of stockholders, a stockholder may vote by proxy executed in writing (or in such other manner permitted by the DGCL, including electronic transmissions) by the stockholder or by the stockholder's duly authorized attorney-in-fact.

Section 2.8 List of Stockholders Entitled to Vote.

(a) A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in the name of such stockholder, shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least 10 days prior to the meeting, (1) on a reasonably accessible electronic network, provided that the information required to gain access to the list is furnished with the notice of the meeting or (2) during ordinary business hours, at the principal place of business of the Corporation.

(b) If the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that the information is available only to stockholders. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the meeting and may be inspected by any stockholder who is present at that meeting. If the meeting is to be held solely by means of remote communication, then the list also shall be open to the examination of any stockholder during the meeting on a reasonably accessible electronic network, and the information required to access the list shall be provided with the notice of that meeting. Nothing contained in this Section 2.8 shall require the Corporation to include electronic mail addresses or other electronic contact information on the list.

Section 2.9 Notice of Stockholder Business and Nominations.

(a) Annual Meetings of Stockholders.

(i) Nominations of persons for election to the Board and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders (A) pursuant to the Corporation's notice of meeting in accordance with Section 2.5 of these Bylaws, (B) by or at the direction of the Board, or (C) by any stockholder of the Corporation who was a stockholder of record at the time the notice was delivered, who is entitled to vote at the meeting and who complies with the notice procedures set forth below.

(ii) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (C) of _ hereof, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation in accordance with this _ and, in the case of business other than nominations, such other business must otherwise be a proper matter for stockholder action under the DGCL. To be considered timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the 120th calendar day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than 30 calendar days before or more than 30 calendar days after the anniversary date, notice by the stockholder to be timely must be so delivered not later than the close of business on the later of (A) the 120th calendar day prior to the annual meeting or (B) the 10th calendar day following the calendar day on which public announcement of the date of the meeting is first made by the Corporation. In no event shall the public announcement of an adjournment of an annual meeting commence a new time period for the giving of a stockholder's notice as described above.

(iii) A stockholder's notice shall set forth:

(A) to each person whom the stockholder proposes to nominate for election or re-election as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected;

(B) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the bylaws of the Corporation, the language of the proposed amendment), the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and

(C) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner, (ii) the class or series and number of shares of stock of the Corporation held of record and beneficially by such stockholder and such beneficial owner, (iii) a description of any agreement, arrangement or understanding with respect to the nomination or proposal between or among such stockholder and such beneficial owner, any of their respective affiliates or associates, and any others acting in concert with any of the foregoing, (iv) a description of any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, warrants, stock appreciation or similar rights, hedging transactions, and borrowed or loaned shares) that has been entered into as of the date of the stockholder's notice by, or on behalf of, such stockholder and such beneficial owners, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of, such stockholder or such beneficial owner, with respect to shares of stock of the Corporation, (v) the name in which all such shares of stock are registered on the stock transfer books of the Corporation, (vi) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear at the meeting in person or by proxy to submit the business or nomination specified in such notice, (vii) a representation whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends (a) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal or elect the nominee and/or (b) otherwise to solicit proxies from stockholders in support of such proposal or nomination, and (viii) all other information relating to the proposed business or nomination which may be required to be disclosed under applicable law.

In addition, a stockholder seeking to submit such business or nomination at the meeting shall promptly provide any other information reasonably requested by the Corporation. The foregoing notice requirements of this shall be deemed satisfied by a stockholder with respect to business other than a nomination if the stockholder has notified the Corporation of his, her or its intention to present a proposal at an annual meeting in compliance with applicable rules and regulations promulgated under the Exchange Act and such stockholder's proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting. The Corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Corporation.

(iv) Notwithstanding anything in the second sentence of paragraph of this Bylaw to the contrary, in the event that the number of Directors to be elected to the Board is increased and there is no public announcement by the Corporation naming all of the nominees for Director or specifying the size of the increased Board at least 120 calendar days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section 2.9 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it is delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the 10th calendar day following the day on which such public announcement is first made by the Corporation.

(b) Special Meetings of the Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting under Section 2.5 of these Bylaws. Nominations of persons for election to the Board may be made at a special meeting of stockholders at which Directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board, provided that the Board has determined that Directors shall be elected at such meeting, or (ii) by any stockholder of the Corporation who is a stockholder of record at the time of giving of notice provided for in this Section 2.9, who shall be entitled to vote at the meeting and who complies with the notice procedures set forth in this Section 2.9. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more Directors to the Board, any stockholder may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting pursuant to clause (ii) if the stockholder's notice required by paragraphs and of Section 2.9 is delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the later of the 120th calendar day prior to such special meeting or the 10th calendar day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board to be elected at such meeting. In no event shall the public announcement of an adjournment of a special meeting commence a new time period for the giving of a stockholder's notice as described above.

(c) General.

(i) Only the persons who are nominated in accordance with the procedures set forth in this Bylaw are eligible to serve as Directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 2.9. Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, the chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Bylaw and, if any proposed nomination or business in not in compliance with this Bylaw, to declare that the defective proposal or nomination will be disregarded.

(ii) For purposes of this Section 2.9, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission.

(iii) Notwithstanding the foregoing provisions, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 2.9. Nothing in this Section 2.9 shall be deemed to affect any rights (A) of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act or (B) of the holders of any series of Preferred Stock to elect Directors under an applicable Preferred Stock Designation (as defined in the Certificate of Incorporation).

Section 2.10 Procedure for Election of Directors; Required Vote. Election of Directors at all meetings of the stockholders at which Directors are to be elected need not be by written ballot unless otherwise determined by the Board prior to such meeting, and, subject to the rights of the holders of any series of Preferred Stock to elect Directors under an applicable Preferred Stock Designation, a plurality of the votes cast thereat shall elect Directors. Except as otherwise provided by law, the Certificate of Incorporation, any Preferred Stock Designation or these Bylaws, in all matters other than the election of Directors, the affirmative vote of a majority of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the matter shall be the act of the stockholders.

Section 2.11 Inspectors of Elections; Opening and Closing the Polls. The Board by resolution shall appoint, or shall authorize an officer of the Corporation to appoint, one or more inspectors, which inspector or inspectors may include individuals who serve the Corporation in other capacities, including, without limitation, as officers, employees, agents or representatives, to act at the meetings of stockholders and make a written report thereof. One or more persons may be designated as alternate inspector(s) to replace any inspector who fails to act. If no inspector or alternate has been appointed to act or is able to act at a meeting of the stockholders, the chairman of the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before discharging such person's duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of such person's ability. The inspector(s) shall have the duties prescribed by law. The chairman of the meeting shall fix and announce at the meeting the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting.

Section 2.12 Conduct of Meetings. The Board may to the extent not prohibited by law adopt such rules and regulations for the conduct of meetings of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board, the chairman of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the chairman of the meeting, may to the extent not prohibited by law include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present; (c) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (e) limitations on the time allotted to questions or comments by participants. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the person presiding over the meeting. Unless and to the extent determined by the Board or the chairman of the meeting, meetings of stockholders are not required to be held in accordance with the rules of parliamentary procedure.

Section 2.13 Meetings by Remote Communication. If authorized by the Board, and subject to any guidelines and procedures that the Board may adopt, stockholders and proxy holders not physically present at a meeting of stockholders may, by means of remote communication, participate in the meeting and be deemed present in person and vote at the meeting, whether the meeting is to be held in a designated place or solely by means of remote communication, provided that (a) the Corporation implements reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxy holder; (b) the Corporation implements reasonable measures to provide stockholders and proxy holders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including the opportunity to read or hear the proceedings in the meeting substantially concurrently with such proceedings; and (c) if the stockholder or proxy holder votes or takes other action at the meeting by means of remote communication, a record of the vote or other action is maintained by the Corporation.

ARTICLE III
THE BOARD

Section 3.1 General Powers. The business and affairs of the Corporation shall be managed under the direction of the Board. In addition to the powers and authorities expressly conferred upon the Board by these Bylaws, the Board may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute, the Certificate of Incorporation or these Bylaws required to be exercised or done by the stockholders. Except as otherwise provided by law, these Bylaws or the Certificate of Incorporation, all decisions of the Board shall require the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present.

Section 3.2 Number; Qualifications and Tenure. The number of the Directors constituting the entire Board shall be fixed form time to time by resolution of the Board. A Director need not be a stockholder of the Corporation. Any Director so chosen shall hold office for a term expiring at the annual meeting of stockholders at which the term of office of the class to which he or she has been elected expires and until the Director's successor is duly elected and qualified or until his or her earlier resignation or removal. No decrease in the number of authorized Directors shall shorten the term of any incumbent director.

Section 3.3 Regular Meetings. The Board shall hold regular meetings on such dates and at such times and places as are determined from time to time by resolution of the Board.

Section 3.4 Special Meetings. A special meeting of the Board may be called at any time at the request of (a) the Chairman of the Board or (b) any four Directors. The place of any special meeting shall be the corporate headquarters of the Corporation unless otherwise agreed by a majority of the Directors.

Section 3.5 Notice of Meetings. Notice of the time and place of regular and special meetings shall be delivered in person or by telephone to each director or sent by first-class mail, addressed to each director at that director's address as it is shown on the records of the Corporation, or electronic transmission. If the notice is mailed, it shall be deposited in the United States mail at least 7 days prior to any regular or special meeting. If the notice is delivered in person, by telephone or electronic transmission, it shall be delivered at least 3 days prior to any regular meeting and 24 hours prior to any special meeting. The notice for a special meeting need not specify the purpose or place of the meeting if the meeting is to be held at the corporate headquarters of the Corporation. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice of such meeting, except for amendments to these Bylaws, as provided under Article IX. A meeting may be held at any time without notice if all the Directors are present or if those not present waive notice of the meeting in accordance with Section 7.4 of these Bylaws. As used in these Bylaws, the term "Business Day" shall mean any day on which banks are generally open to conduct business in the State of Texas.

Section 3.6 Action by Consent of Board. To the extent permitted by applicable law, the Board and any committee thereof may act without a meeting so long as all members of the Board or committee have executed a written consent with respect to any Board action taken in lieu of a meeting.

Section 3.7 Conference Telephone Meetings. Members of the Board or any committee thereof may participate in a meeting of the Board or such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

Section 3.8 Quorum. A majority of the entire Board present in person, participating in accordance with Section 3.7 or represented by proxy, shall constitute a quorum for the transaction of business, but if at any meeting of the Board there is less than a quorum present, a majority of the Directors present may adjourn the meeting from time to time without further notice. Subject to any provisions of any law, these Bylaws or the Certificate of Incorporation, the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board. The Directors present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Directors to leave less than a quorum.

Section 3.9 Vacancies; Increases in the Number of Directors. Except as otherwise provided in the Certificate of Incorporation, vacancies and newly created directorships resulting from any increase in the authorized number of Directors may be filled by a majority of the Directors then in office, although less than a quorum, or a sole remaining Director; and any Director so chosen shall hold office for a term expiring at the annual meeting of stockholders at which the term of office of the class to which he or she has been elected expires and until the Director's successor is duly elected and qualified or until his or her earlier resignation or removal.

Section 3.10 Committees. The Board may establish one or more committees and may delegate certain of its responsibilities to such committees. Unless the Board otherwise provides, a majority of the members of any committee may fix the time and place of its meetings and may determine its action. Notice of committee meetings shall be given to each member of the committee in the manner provided for in Section 3.5 of these Bylaws. The Board shall have power at any time to fill vacancies in, to change the membership of, or to dissolve any such committee. Nothing herein shall be deemed to prevent the Board from appointing one or more committees consisting in whole or in part of persons who are not Directors; provided, however, that no such committee shall have or may exercise any authority of the Board.

Section 3.11 Removal. Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, any Director or the entire Board may be removed, with or without cause, by the holders of a majority of the Voting Stock.

Section 3.12 Records. The Board shall cause to be kept a record containing the minutes of the proceedings of the meetings of the Board and of the stockholders, appropriate stock books and registers and such books of records and accounts as may be necessary for the proper conduct of the business of the Corporation.

ARTICLE IV
OFFICERS

Section 4.1 Elected Officers. The executive officers of the Corporation shall be selected by, and serve at the pleasure of, the Board. Such officers shall have the authority and duties delegated to each of them, respectively, by the Board from time to time. The elected officers of the Corporation shall be a Chairman of the Board, a Chief Executive Officer, a President, a Secretary, a Treasurer, and such other officers (including, without limitation, Executive Vice Presidents, Senior Vice Presidents and Vice Presidents) as the Board from time to time may deem proper. The Chairman of the Board shall be chosen from among the Directors. All officers elected by the Board shall each have such powers and duties as generally pertain to their respective offices, subject to the specific provisions of this . The Board or any committee thereof may from time to time elect, or the Chairman of the Board may appoint, such other officers (including one or more Vice Presidents, Controllers, Assistant Secretaries and Assistant Treasurers), as may be necessary or desirable for the conduct of the business of the Corporation. Such other officers and agents shall have such duties and shall hold their offices for such terms as shall be provided in these Bylaws or as may be prescribed by the Board or such committee or by the Chairman of the Board, as the case may be.

Section 4.2 Election and Term of Office. The elected officers of the Corporation shall be elected from time to time by the Board. If the election of officers is not held at such meeting, the election shall be held as soon thereafter as convenient. Each officer shall hold office until such person's successor is duly elected and qualified or until such person's death or until he or she resigns or is removed pursuant to these Bylaws.

Section 4.3 Chairman of the Board. The Chairman of the Board shall preside at all meetings of the stockholders and of the Board. He shall make reports to the Board and the stockholders and shall see that all orders and resolutions of the Board and of any committee thereof are carried into effect. The Chairman of the Board may also serve as President or Chief Executive Officer, if so elected by the Board. The Directors also may elect a vice-chairman to act in the place of the Chairman upon his or her absence or inability to act.

Section 4.4 Chief Executive Officer. The Chief Executive Officer shall be responsible for the general management of the affairs of the Corporation and shall perform all duties incidental to such person's office which may be required by law and all such other duties as are properly required of him by the Board. Unless the Board has elected a vice-chairman and such vice-chairman is able to act in the place of the Chairman, the Chief Executive Officer, if he is also a Director, shall, in the absence of or because of the inability to act of the Chairman, perform all duties of the Chairman of the Board and preside at all meetings of stockholders and the Board.

Section 4.5 President. The President shall act in a general executive capacity and shall assist the Chief Executive Officer in the administration and operation of the Corporation's business and general supervision of its policies and affairs. The President shall have such other powers and shall perform such other duties as are assigned to him by the Board or the Chairman of the Board.

Section 4.6 Vice Presidents. Each Executive Vice President and Senior Vice President and any Vice President shall have such powers and perform such duties as are assigned to him by the Board or the Chairman of the Board.

Section 4.7 Treasurer. The Treasurer shall exercise general supervision over the receipt, custody and disbursement of corporate funds. The Treasurer shall cause the funds of the Corporation to be deposited in such banks as may be authorized by the Board, or in such banks as may be designated as depositories in the manner provided by resolution of the Board. The Treasurer shall, in general, perform all duties incident to the office of the Treasurer and shall have such further powers and duties and shall be subject to such directions as may be granted or imposed from time to time by the Board or the Chairman of the Board.

Section 4.8 Secretary. The Secretary shall keep or cause to be kept, in one or more books provided for that purpose, the minutes of all meetings of the Board, the committees of the Board and the stockholders. The Secretary shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by law; shall be custodian of the records and the seal of the Corporation and affix and attest the seal to all stock certificates of the Corporation (unless the seal of the Corporation on such certificates shall be a facsimile, as hereinafter provided) and affix and attest the seal to all other documents to be executed on behalf of the Corporation under its seal; and shall see that the books, reports, statements, certificates and other documents and records required by law to be kept and filed are properly kept and filed; and in general, shall perform all the duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the Board or the Chairman of the Board.

Section 4.9 Assistant Secretaries. Assistant Secretaries shall have such of the authority and perform such of the duties of the Secretary as may be provided in these Bylaws or assigned to them by the Board, the Chairman of the Board or the Secretary. Assistant Secretaries shall assist the Secretary in the performance of the duties assigned to the Secretary, and in assisting the Secretary, each Assistant Secretary shall for such purpose have the powers of the Secretary. During the Secretary's absence or inability, the Secretary's authority and duties shall be possessed by such Assistant Secretary or Assistant Secretaries as the Board or the Chairman of the Board may designate.

Section 4.10 Removal. Any officer elected, or agent appointed, by the Board may be removed by the affirmative vote of a majority of the Board or, except in the case of an officer chosen by the Board, by the Chairman of the Board or any other officer upon whom such power of removal may be conferred by the Board. No elected officer shall have any contractual rights against the Corporation for compensation by virtue of such election beyond the date of the election of such person's successor or such person's death, resignation or removal, whichever event shall first occur, except as otherwise provided in an employment contract or under an employee deferred compensation plan.

Section 4.11 Vacancies. A newly created elected office and a vacancy in any elected office because of death, resignation or removal may be filled by the Board, the Corporation's Chairman of the Board or any other officer upon whom such power may be conferred by the Board for the unexpired portion of the term.

ARTICLE V
STOCK CERTIFICATES AND TRANSFERS

Section 5.1 Stock Certificates. The interest of each stockholder of the Corporation shall be evidenced by certificates for shares of stock in such form as the appropriate officers of the Corporation may from time to time prescribe. The certificates of stock shall be signed, countersigned and registered in such manner as the Board may by resolution prescribe, which resolution may permit all or any of the signatures on such certificates to be in facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue. Notwithstanding the foregoing provisions regarding share certificates, the proper officers of the Corporation may provide that some or all of any or all classes or series of the Corporation's common or any preferred shares may be uncertificated shares.

Section 5.2 Transfers of Stock. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer, it shall be the duty of the Corporation to issue a new certificate or evidence of the issuance of uncertificated shares to the person entitled thereto, cancel the old certificate, and record the transaction in the Corporation's books.

Upon the receipt of proper transfer instructions from the registered owner of uncertificated shares, the uncertificated shares shall be cancelled, issuance of new equivalent uncertificated shares or certificated shares shall be made to the stockholder entitled thereto and the transaction shall be recorded upon the books of the Corporation. If the Corporation has a transfer agent or registrar acting on its behalf, the signature of any officer or representative thereof may be in facsimile.

The Board may appoint a transfer agent and one or more co-transfer agents and registrar and one or more co-registrars and may make or authorize the agent to make all rules and regulations deemed expedient concerning the issue, transfer and registration of shares of stock.

Section 5.3 Lost, Stolen or Destroyed Certificates. No new certificate for shares of stock or uncertificated shares of stock of the Corporation shall be issued in place of any previously issued certificate alleged to have been lost, destroyed or stolen, except on production of evidence of such loss, destruction or theft and on delivery to the Corporation of a bond of indemnity in such amount, upon such terms and secured by such surety, as the Board or any financial officer may in its or such officer's discretion require.

ARTICLE VI
INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 6.1 Right to Indemnification. Each person who was or is made a party to or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter, a "proceeding"), by reason of the fact that such person, or a person of whom such person is the legal representative, is or was a Director or officer of the Corporation or is or was serving at the request of the Corporation as a Director, officer, employee or agent of another Corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a Director, officer, employee or agent or in any other capacity while serving as a Director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, to the fullest extent permitted by law, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, amounts paid or to be paid in settlement and excise taxes or penalties arising under the Employment Retirement Income Security Act of 1974, as in effect from time to time) reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of such person's heirs, executors and administrators; provided, however, that, except as provided in Section 6.2, the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board. The right to indemnification conferred in this Section 6.1 shall be a contract right and shall include the right to have the Corporation pay the expenses incurred in defending any such proceeding in advance of its final disposition, any advance payments to be paid by the Corporation within 20 calendar days after the receipt by the Corporation of a statement or statements from the claimant requesting such advance or advances from time to time; provided, however, that, if and to the extent the DGCL requires, the payment of such expenses incurred by a Director or officer in such person's capacity as a Director or officer (and not in any other capacity in which service was or is rendered by such person while a Director or officer including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such Director or officer, to repay all amounts so advanced if it shall ultimately be determined that such Director or officer is not entitled to be indemnified under this Section 6.1 or otherwise. The Corporation may, to the extent authorized from time to time by the Board, grant rights to indemnification, and rights to have the Corporation pay the expenses incurred in defending any proceeding in advance of its final disposition, to any employee or agent of the Corporation to the fullest extent of the provisions of this with respect to the indemnification and advancement of expenses of Directors and officers of the Corporation.

Section 6.2 Right of Claimant to Bring Suit. If a claim under Section 6.1 of this _ is not paid in full by the Corporation within 60 calendar days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standard of conduct which makes it permissible under the DGCL for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board, independent legal counsel or its stockholders) to have made a determination prior to the circumstances that the claimant has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including its Board, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

Section 6.3 Non-Exclusivity of Rights. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article VI is not exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, these Bylaws, agreement, vote of stockholders or disinterested Directors or otherwise. No repeal or modification of this _ shall in any way diminish or adversely affect the rights of any Director, officer, employee or agent of the Corporation hereunder in respect of any occurrence or matter arising prior to any such repeal or modification.

Section 6.4 Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any Director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL.

Section 6.5 Severability. If any provision or provisions of this _ is held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Article VI (including, without limitation, each portion of any paragraph of this _ containing any such provision held to be invalid, illegal or unenforceable, that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (b) to the fullest extent possible, the provisions of this _ (including, without limitation, each such portion of any paragraph of this Article VI containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision or provisions held invalid, illegal or unenforceable.

ARTICLE VII
MISCELLANEOUS PROVISIONS

Section 7.1 Fiscal Year. The fiscal year of the Corporation shall begin and end on such dates as the Board at any time shall determine by resolution.

Section 7.2 Dividends. The Board may from time to time declare, and the Corporation may pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by law and the Certificate of Incorporation.

Section 7.3 Seal. The corporate seal, if any, shall have inscribed thereon the words "Corporate Seal," the year of incorporation and the word "Delaware."

Section 7.4 Waiver of Notice. Whenever any notice is required to be given to any stockholder or Director under the provisions of the DGCL or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any annual or special meeting of the stockholders or the Board or committee thereof need be specified in any waiver of notice of such meeting.

Section 7.5 Audits. The accounts, books and records of the Corporation shall be audited upon the conclusion of each fiscal year by an independent certified public accountant selected by the Board or Board committee, and it shall be the duty of the Board or Board committee to cause such audit to be done annually.

Section 7.6 Resignations. Any Director or any officer, whether elected or appointed, may resign at any time by giving notice in writing or by electronic transmission of the resignation to the Corporation, and the resignation shall be deemed to be effective as of the close of business on the date the notice is received by the Corporation, or at such later time as is specified therein. No formal action is required by the Board or the stockholders to make the resignation effective, provided however that if such resignation is tendered by a Director to the Board or a committee of the Board solely to permit the Board or committee of the Board to consider the necessity of such resignation pursuant to any corporate governance guideline or policy of the Corporation, then such resignation will not be effective unless and until it is accepted by the Board or its designee.

Section 7.7 Electronic Transmissions. For purposes of these Bylaws, "electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient, and that may be directly reproduced in paper form by that recipient through an automated process.

ARTICLE VIII
CONTRACTS, PROXIES, ETC.

Section 8.1 Contracts. Except as otherwise required by law, the Certificate of Incorporation, a Preferred Stock Designation or these Bylaws, any contracts or other instruments may be executed and delivered in the name and on the behalf of the Corporation by an officer or officers of the Corporation as the Board may from time to time direct. Such authority may be general or confined to specific instances as the Board may determine. Unless provided otherwise by resolution of the Board, the Chairman of the Board, the Chief Executive Officer, the President or any Executive Vice President, Senior Vice President or Vice President may execute bonds, contracts, deeds, leases and other instruments to be made or executed for or on behalf of the Corporation. Subject to any restrictions imposed by the Board, the Chairman of the Board, the Chief Executive Officer, the President or any Executive Vice President, Senior Vice President or Vice President of the Corporation may delegate contractual powers to others under such person's jurisdiction, it being understood, however, that any such delegation of power shall not relieve the officer of responsibility with respect to the exercise of the delegated power.

Section 8.2 Proxies. Unless otherwise provided by resolution adopted by the Board, the Chief Executive Officer, the Chairman of the Board, the President or any Executive Vice President, Senior Vice President or Vice President may from time to time appoint an attorney or attorneys or agent or agents of the Corporation, in the name and on behalf of the Corporation, to cast the votes which the Corporation may be entitled to cast as the holder of stock or other securities in any other corporation, any of whose stock or other securities may be held by the Corporation, at meetings of the holders of the stock or other securities of the other corporation, or to consent in writing, in the name of the Corporation as such holder, to any action by such other corporation, and may instruct the person or persons so appointed as to the manner of casting such votes or giving such consent, and may execute or cause to be executed in the name and on behalf of the Corporation and under its corporate seal or otherwise, all such written proxies or other instruments as he or she may deem necessary or proper.

ARTICLE IX
AMENDMENTS

These Bylaws, including this _, may be altered, amended or repealed and new Bylaws may be adopted (a) at any annual or special meeting of stockholders by the affirmative vote of the holders of 66 2/3% of the voting power of the stock issued and outstanding and entitled to vote thereat or (b) by the affirmative vote of a majority of the Board; provided, however, that, in the case of any stockholder action at a special meeting of stockholders, notice of the proposed alteration, amendment, repeal or adoption of these Bylaws must be contained in the notice of the special meeting.

CERTIFICATE BY SECRETARY

The undersigned, being the Secretary of the Corporation, hereby certifies that the foregoing Amended and Restated Bylaws were duly approved and adopted by the Board effective on May 5, 2014.

IN WITNESS WHEREOF, I have signed this certification on this 5th day of May, 2014.

/s/ Robert L. Norris

Robert L. Norris, Vice President, Corporate Development and Secretary

Signature Page to Amended and Restated Bylaws
of Civeo Corporation

ZQ|CERT#|COY|CLS|RGSTRY|ACCT#|TRANSTYPE|RUN#|TRANS#

COMMON STOCK

PAR VALUE $0.01

civeo

COMMON STOCK

THIS CERTIFICATE IS TRANSFERABLE IN CANTON, MA, JERSEY CITY, NJ AND COLLEGE STATION, TX

Certificate Number

ZQ00000000

Shares

CIVEO CORPORATION

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

THIS CERTIFIES THAT

CUSIP 178787 10 7

SEE REVERSE FOR CERTAIN DEFINITIONS

is the owner of

FULLY-PAID AND NON-ASSESSABLE SHARES OF COMMON STOCK OF

Civeo Corporation (hereinafter called the "Company"), transferable on the books of the Company in person or by duly authorized attorney, upon surrender of this Certificate properly endorsed. This Certificate and the shares represented hereby, are issued and shall be held subject to all of the provisions of the Articles of Incorporation, as amended, and the By-Laws, as amended, of the Company (copies of which are on file with the Company and with the Transfer Agent), to all of which each holder, by acceptance hereof, assents. This Certificate is not valid unless countersigned and registered by the Transfer Agent and Registrar.

Witness the facsimile seal of the Company and the facsimile signatures of its duly authorized officers.

President & Chief Executive Officer

Civeo Corporation SEAL October 6, 2013 Delaware INCORPORATED

DATED DD-MMM-YYYY

COUNTERSIGNED AND REGISTERED:
COMPUTERSHARE TRUST COMPANY, N.A.
TRANSFER AGENT AND REGISTRAR,

By _____
AUTHORIZED SIGNATURE

1234567

CIVEO CORPORATION

THE COMPANY WILL FURNISH WITHOUT CHARGE TO EACH SHAREHOLDER WHO SO REQUESTS, A COPY OF THE DESIGNATIONS, POWERS, PREFERENCES AND RELATIVE PARTICIPATION, OPTIONAL OR OTHER SPECIAL RIGHTS OF EACH CLASS OF STOCK OR SERIES THEREFOR AND THE QUALIFICATIONS, LIMITATIONS OR RESTRICTIONS OF SUCH PREFERENCES AND/OR RIGHTS APPLICABLE TO EACH CLASS OF STOCK OR SERIES THEREOF. SUCH INFORMATION MAY BE OBTAINED BY A REQUEST IN WRITING TO THE SECRETARY OF THE COMPANY AT ITS PRINCIPAL PLACE OF BUSINESS.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT -.....Custodian ...
(Cust) (Minor)
under Uniform Gifts to Minors Act...
(State)

UNIF TRF MIN ACT -.....Custodian (until age .....)
(Cust)
..under Uniform Transfers to Minors Act .....
(Minor) (State)

Additional abbreviations may also be used though not in the above list.

For value received, _____ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING POSTAL ZIP CODE, OF ASSIGNEE)

_____ Shares of the common stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____ Attorney to transfer the said stock on the books of the within-named Company with full power of substitution in the premises.

Dated _____ 20_____

Signature: _____

Signature: _____

Notice: The signature to this assignment must correspond with the name as written upon the face of the certificate, in every particular, without alteration or enlargement, or any change whatever.

Signature(s) Guaranteed: Medallion Guarantee Stamp

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (Banks, Stockbrokers, Savings and Loan Associations and Credit Unions) WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM, PURSUANT TO S.E.C. RULE 17Ad-15.

The IRS requires that we report the cost basis of certain shares acquired after January 1, 2011. If your shares were covered by the legislation and you have sold or transferred the shares and requested a specific cost basis calculation method, we have processed as requested. If you did not specify a cost basis calculation method, we have defaulted to the first in, first out (FIFO) method. Please visit our website or consult your tax advisor if you need additional information about cost basis.

If you do not keep in contact with us or do not have any activity in your account for the time periods specified by state law, your property could become subject to state unclaimed property laws and transferred to the appropriate state.

SECURITY INSTRUCTIONS

1234567

TRANSITION SERVICES AGREEMENT

BY AND BETWEEN

OIL STATES INTERNATIONAL, INC.

AND

CIVEO CORPORATION

DATED AS OF , 2014

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TRANSITION SERVICES AGREEMENT

This **TRANSITION SERVICES AGREEMENT**, made and entered into effective as of , 2014 (this "***Agreement***"), is by and between Civeo Corporation, a Delaware corporation ("***Civeo***"), and Oil States International, Inc., a Delaware corporation ("***Oil States***"). Civeo and Oil States are sometimes referred to in this Agreement collectively as the "***Parties***" and individually as a "***Party***." Capitalized terms used herein and not otherwise defined have the respective meanings assigned to them in the Separation and Distribution Agreement (as defined below).

RECITALS

WHEREAS, the board of directors of Oil States (the "***Oil States Board***") has determined that it would be in the best interests of Oil States and its stockholders to separate the Civeo Business from Oil States;

WHEREAS, Oil States and Civeo have entered into the Separation and Distribution Agreement dated , 2014 (as amended, modified or supplemented from time to time in accordance with its terms, the "***Separation and Distribution Agreement***") in connection with the separation of the Civeo Business from Oil States (the "***Separation***") and the distribution of Civeo Common Stock to stockholders of Oil States (the "***Distribution***");

WHEREAS, the Separation and Distribution Agreement also provides for the execution and delivery of certain other agreements, including this Agreement, in order to facilitate and provide for the separation of Civeo and its Subsidiaries from Oil States; and

WHEREAS, in order to ensure an orderly transition under the Separation and Distribution Agreement, the Parties agree that it will be advisable for the Parties to provide to each other certain services described herein for a transitional period.

NOW, THEREFORE, in consideration of the foregoing and the covenants and agreements set forth below and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, and intending to be legally bound, the Parties agree as follows:

ARTICLE I
SERVICES

1.01 Provision of Services.

(a) Oil States agrees to provide, or to cause its Affiliates to provide, the services (the "***Oil States Services***") set forth on Exhibit A attached hereto (as such exhibit may be amended or supplemented pursuant to the terms of this Agreement, the "***Oil States Service Exhibit***") to Civeo for the respective periods and on the other terms and conditions set forth in this Agreement and in the Oil States Service Exhibit. Civeo agrees to provide, or to cause its Affiliates to provide, the services (the "***Civeo Services***" and together with the Oil States Services, the "***Services***") set forth on Exhibit B attached hereto (as such exhibit may be amended or supplemented pursuant to the terms of this Agreement, the "***Civeo Service Exhibit***" and together with the Oil States Service Exhibits, the "***Service Exhibits***") to Oil States for the respective periods and on the other terms and conditions set forth in this Agreement and in the respective Civeo Service Exhibits.

(b) The Parties hereto acknowledge the transitional nature of the Services. Accordingly, as promptly as practicable following the execution of this Agreement, the Parties agree to use commercially reasonable efforts to make a transition of Service to their own internal organization or to obtain alternate third-party sources to provide the Services.

(c) Subject to Section 2.03 and Section 2.04 and the obligations of the Parties under this Agreement to provide Services shall terminate with respect to each Service on the end date specified in the applicable Service Exhibit (the "***End Date***"). Notwithstanding the foregoing, the Parties acknowledge and agree that the Party requesting provision of the Services (the "***Service Recipient***") may determine from time to time that it does not require all the Services set out on the applicable Service Exhibit or that it does not require such Services for the entire period up to the applicable End Date. Accordingly, the Service Recipient may terminate any Service, in whole or in part, upon notification to the Party providing the Services (the "***Service Provider***") in writing of any such determination. Upon termination of a Service, there shall be no liability on the part of either Party with respect to that Service, other than that such termination shall not (i) relieve either Party of any liabilities resulting from any pre-termination breach hereof by such Party in the performance of such terminated Service, (ii) relieve either Party of any payment obligation with respect to such Service arising prior to the date of such termination or (iii) affect any rights arising as a result of any such breach or termination.

1.02 Standard of Service.

(a) The Service Provider shall furnish the Services in accordance with applicable Law and, except as specifically provided in the Service Exhibits, (i) in the same or a similar manner as such Services were provided to the Service Recipient with respect to the Civeo Business and the Oil States Business, as applicable, preceding the date hereof and (ii) in good faith and with reasonable care, using substantially the same degree of skill and attention that the Service Provider uses in performing the same or similar services for itself and its Affiliates, and not, in any event, exercising less than a commercially reasonable degree of care. Subject to Section 1.03, the Service Provider agrees to assign sufficient resources and qualified personnel as are reasonably required to perform the Services in accordance with the standards set forth in the preceding sentence.

(b) The Service Provider shall use reasonable best efforts to provide or cause to be provided the Services to the Service Recipient in amounts up to the amount necessary for the Service Recipient to operate the Civeo Business and the Oil States Business, as applicable, at the capacity at which the Service Recipient operated prior to the date of this Agreement.

(c) Except as set forth in this Agreement (including any such Service Exhibit) or in any contract entered into hereunder, the Service Provider makes no representations and warranties of any kind, implied or expressed, with respect to the Services, including, without limitation, no warranties of merchantability or fitness for a particular purpose, which are specifically disclaimed. The Parties acknowledge and agree that this Agreement does not create a fiduciary relationship, partnership, joint venture or relationships of trust or agency between the Parties and that all Services are provided by the Service Provider or its Affiliate as an independent contractor.

1.03 Third-Party Service Providers. It is understood and agreed that the Service Provider has been retaining, and will continue to retain, third-party service providers to provide some of the Services to the Service Recipient. In addition, the Service Provider shall have the right to hire other third-party subcontractors to provide part of any Service hereunder; provided, however, that in the event such subcontracting is inconsistent with past practices, the Service Provider shall obtain the prior written consent of the Service Recipient to hire such subcontractor, such consent not to be unreasonably withheld. the Service Provider shall in all cases retain responsibility and remain liable for the provision of Services to the Service Recipient by any third party or by any of the Service Provider's Affiliates. Without the prior written consent of the Service Recipient, the Service Provider shall not enter into any new agreement or contract with any third party to provide any Services hereunder pursuant to which the Service Recipient or any of its Affiliates would remain liable following the date of termination of such Service hereunder.

1.04 Access to Premises.

(a) In order to enable the provision of the Services by the Service Provider, the Service Recipient agrees to provide to the Service Provider's and its Affiliates' employees and any third-party service providers or subcontractors who provide Services, at no cost to the Service Provider, access to the facilities, assets and books and records of the Service Recipient, in all cases to the extent necessary for the Service Provider to fulfill its obligations under this Agreement.

(b) The Service Provider agrees that all of its and its Affiliates' employees and any third-party service providers and subcontractors, when on the property of the Service Recipient or when given access to any equipment, computer, software, network or files owned or controlled by the Service Recipient, shall conform to the policies and procedures of the Service Recipient concerning health, safety and security as in effect on the date of this Agreement, and as modified hereafter if made known to the Service Provider in advance in writing.

ARTICLE II
COMPENSATION

2.01 Responsibility for Wages and Fees. For such time as any employees of the Service Provider or any of its Affiliates are providing the Services to the Service Recipient under this Agreement, (a) such employees will remain employees of the Service Provider or such Affiliate, as applicable, and shall not be deemed to be employees of the Service Recipient for any purpose, and shall remain subject to the sole control, direction and supervision of the Service Provider or Affiliate, as applicable, and (b) the Service Provider or such Affiliate, as applicable, shall be solely responsible for the payment and provision of all wages, bonuses and commissions, employee benefits, including severance and worker's compensation, and the withholding and payment of applicable Taxes relating to such employment.

2.02 Terms of Payment and Related Matters.

(a) As consideration for the provision of the Services, the Service Recipient shall pay the Service Provider the amount specified for each Service on such Service's respective Service Exhibit. In addition to such amount, in the event that the Service Provider or any of its Affiliates incurs reasonable and documented out-of-pocket expenses in the provision of any Service, but excluding payments made to employees of the Service Provider or any of its Affiliates pursuant to Section 2.01 (such included expenses, "***Out-of-Pocket Costs***"), the Service Recipient shall reimburse the Service Provider for all such Out-of-Pocket Costs to the extent required by the relevant Service Exhibit in accordance with the invoicing procedures set forth in Section 2.02(b).

(b) As more fully provided in the Service Exhibits and subject to the terms and conditions therein:

(i) The Service Provider shall provide the Service Recipient, in accordance with Section 5.01 of this Agreement, with monthly invoices ("***Invoices***"), which shall set forth in reasonable detail, with such supporting documentation as the Service Recipient may reasonably request with respect to Out-of-Pocket Costs, amounts payable under this Agreement; and

(ii) Payments pursuant to this Agreement shall be made within 30 days after the date of receipt of an Invoice by the Service Recipient from the Service Provider.

2.03 Extension of Services. If the Service Recipient requests in a notice to the Service Provider that any of the Services be performed following the applicable End Date, then the Service Provider shall be obligated to perform such Services for a period of one month (or such shorter period as is requested by the Service Recipient) following the End Date, and the applicable fee for such Services provided after the End Date shall be an amount equal to the fee for such Services set out in the relevant Service Exhibits. Except as required by the immediately preceding sentence, the Parties agree that the Service Provider shall not be obligated to perform any of the Service after the applicable End Date; *provided*, *however*, that if the Service Recipient desires and the Service Provider agrees to continue to perform any of the Services after the applicable End Date, the Parties shall negotiate in good faith to agree to the terms of such extension, including the amount the Service Recipient shall pay the Service Provider for such continued Services, *provided further, however*, that the Service Provider shall be under no obligation whatsoever to perform any of the Services after the End Date. Services performed by the Service Provider after the applicable End Date in accordance with this Section 2.03 shall continue to constitute Services under this Agreement and be subject in all respects to the provisions of this Agreement for the duration of the agreed-upon extension period.

2.04 Terminated Services. Upon termination or expiration of any or all Services pursuant to this Agreement, or upon the termination of this Agreement in its entirety, the Service Provider and its Affiliates shall have no further obligation to provide the applicable terminated Services.

2.05 Invoice Disputes. In the event of an Invoice dispute, the Service Recipient shall deliver a written statement to the Service Provider no later than 10 days prior to the date payment is due on the disputed Invoice listing all disputed items and providing a reasonably detailed description of each disputed item. Amounts not so disputed shall be deemed accepted and shall be paid, notwithstanding disputes on other items, within the time set forth in Section 2.02(b). The Parties shall seek to resolve all such disputes expeditiously and in good faith. The Service Provider shall continue performing the Services in accordance with this Agreement pending resolution of any dispute.

2.06 No Right of Setoff. Each of the Parties hereby acknowledges that it shall have no right under this Agreement to offset any amounts owed (or to become due and owing) to the other Party, whether under this Agreement or any Ancillary Agreement or otherwise, against any other amount owed (or to become due and owing) to it by the other Party.

2.07 Taxes. The Service Recipient shall be responsible for all sales or use Taxes imposed or assessed as a result of the provision of Services by the Service Provider.

ARTICLE III
TERMINATION

3.01 Termination of Agreement. Subject to Section 3.04, this Agreement shall terminate in its entirety (i) on the date upon which Oil States and Civeo or any of their Affiliates shall have no continuing obligation to perform any Services as a result of each of their expiration or termination in accordance with Section 1.01(c) or Section 3.02 or (ii) in accordance with Section 3.03.

3.02 Breach. Any Party (the "***Non-Breaching Party***") may terminate this Agreement, with respect to any Service, at any time upon prior written notice to the other Party (the "***Breaching Party***") if the Breaching Party has failed (other than pursuant to Section 5.07) to perform any of its material obligations under this Agreement relating to such Service, and such failure shall have continued without cure for a period of 15 days after receipt by the Breaching Party of a written notice of such failure from the Non-Breaching Party seeking to terminate such service. For the avoidance of doubt, non-payment by the Service Recipient for a Service provided by the Service Provider in accordance with this Agreement and not the subject of a good faith dispute shall be deemed a breach for purposes of this Section 3.02.

3.03 Insolvency. In the event that either Party hereto shall (i) file a petition in bankruptcy, (ii) become or be declared insolvent, or become the subject of any proceedings (not dismissed within 60 days) related to its liquidation, insolvency or the appointment of a receiver, (iii) make an assignment on behalf of all or substantially all of its creditors, or (iv) take any corporate action for its winding up or dissolution, then the other Party shall have the right to terminate this Agreement by providing written notice in accordance with Section 5.01.

3.04 Effect of Termination. Upon termination of this Agreement in its entirety pursuant to Section 3.01, all obligations of the Parties hereto shall terminate, except for the provisions of Section 2.04, Section 2.06, Section 2.07, Article IV and Article V which shall survive any termination or expiration of this Agreement.

ARTICLE IV
CONFIDENTIALITY

4.01 Confidentiality.

(a) During the term of this Agreement and thereafter, the Parties hereto shall, and shall instruct their respective Representatives to, maintain in confidence and not disclose the other Party's financial, technical, sales, marketing, development, personnel, and other information, records, or data, including, without limitation, customer lists, supplier lists, trade secrets, designs, product formulations, product specifications or any other proprietary or confidential information, however recorded or preserved, whether written or oral (any such information, "***Confidential Information***"). Each Party shall use the same degree of care, but no less than reasonable care, to protect the other Party's Confidential Information as it uses to protect its own Confidential Information of like nature. Unless otherwise authorized in any other agreement between the Parties, any Party receiving any Confidential Information of the other Party (the "***Receiving Party***") may use Confidential Information only for the purposes of fulfilling its obligations under this Agreement (the "***Permitted Purpose***"). Any Receiving Party may disclose such Confidential Information only to its Representatives who have a need to know such information for the Permitted Purpose and who have been advised of the terms of this Section 4.01 and the Receiving Party shall be liable for any breach of these confidentiality provisions by such Persons; *provided*, that any Receiving Party may disclose such Confidential Information to the extent such Confidential Information is required to be disclosed by applicable Law, in which case the Receiving Party shall promptly notify, to the extent possible, the disclosing Party (the "***Disclosing Party***"), so that the Disclosing Party may seek an appropriate protective order. In the event the Disclosing Party cannot obtain a protective order for all or part of the Confidential Information required to be disclosed by applicable Law, the Receiving Party shall only disclose such Confidential Information that it is advised by its counsel in writing that it is legally bound to disclose under such applicable Law.

(b) Notwithstanding the foregoing, "Confidential Information" shall not include any information that the Receiving Party can demonstrate: (i) was publicly known at the time of disclosure to it, or has become publicly known through no act of the Receiving Party or its Representatives in breach of this Section 4.01; (ii) was rightfully received from a third party without a duty of confidentiality; or (iii) was developed by it independently without any reliance on the Confidential Information.

(c) Upon demand by the Disclosing Party at any time, or upon expiration or termination of this Agreement with respect to any Service, the Receiving Party agrees promptly to return or destroy, at the Disclosing Party's option, all of the Disclosing Party's Confidential Information in the Receiving Party's possession or control. If such Confidential Information is destroyed, an authorized officer of the Receiving Party shall certify to such destruction in writing. Notwithstanding the foregoing, the Receiving Party shall not be required to destroy copies of the Confidential Information which may be electronically archived in connection with its automatic backup storage and/or document retention policies; provided, however, that all such material shall remain subject to the confidentiality obligations in this Agreement.

ARTICLE V
MISCELLANEOUS

5.01 Counterparts; Entire Agreement.

(a) This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Party.

(b) This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter and there are no agreements or understandings between the Parties other than those set forth or referred to herein or therein.

5.02 Governing Law. This Agreement (and any claims or disputes arising out of or related hereto or to the transactions contemplated hereby or to the inducement of any Party to enter herein and therein, whether for breach of contract, tortious conduct or otherwise and whether predicated on common law, statute or otherwise) shall be governed by and construed and interpreted in accordance with the Laws of the State of Delaware, irrespective of the choice of laws principles of the State of Delaware as of the date of this Agreement, including all matters of validity, construction, effect, enforceability, performance and remedies.

5.03 Assignability. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns; provided, however, that no Party hereto may assign its respective rights or delegate its respective obligations under this Agreement without the express prior written consent of the other Parties hereto.

5.04 Third-Party Beneficiaries. The provisions of this Agreement are solely for the benefit of the Parties and are not intended to confer upon any Person except the Parties any rights or remedies, and there are no third-party beneficiaries of this Agreement. This Agreement shall not provide any third person with any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without reference to this Agreement.

5.05 Notices. All notices, requests, claims, demands or other communications under this Agreement shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, by facsimile or electronic transmission with receipt confirmed (followed by delivery of an original via overnight courier service), or by registered or certified mail (postage prepaid, return receipt requested) to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 5.05):

(a) If to Oil States, to:

Oil States International, Inc.
Three Allen Center
333 Clay Street, Suite 4620
Houston, Texas 77002
Attention: Cindy Taylor and Jeff Steen
Facsimile: 713-652-0499

(b) If to Civeo, to:

Civeo Corporation
Three Allen Center
333 Clay Street, Suite 4980
Houston, Texas 77002
Attention: Bradley Dodson and Frank Steininger
Facsimile: 713-651-0369

Any Party may, by notice to the other Party, change the address and contact person to which any such notices are to be given.

5.06 Severability. If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby. Upon such determination, the Parties shall negotiate in good faith in an effort to agree upon such a suitable and equitable provision to effect the original intent of the Parties.

5.07 Force Majeure. No Party shall be deemed in default of this Agreement to the extent that any delay or failure in the performance of its obligations under this Agreement, other than a delay or failure to make a payment, results from any cause beyond its reasonable control and without its fault or negligence, such as acts of God, acts of civil or military authority, embargoes, epidemics, war, riots, insurrections, fires, explosions, earthquakes, floods, unusually severe weather conditions, labor problems or unavailability of parts, or, in the case of computer systems, any failure in electrical or air conditioning equipment. In the event of any such excused delay, the time for performance shall be extended for a period equal to the time lost by reason of the delay.

5.08 Headings. The article, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

5.09 Waivers of Default. Waiver by any Party of any default by the other Party of any provision of this Agreement shall not be deemed a waiver by the waiving Party of any subsequent or other default, nor shall it prejudice the rights of such Party. No failure or delay by any Party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof nor shall a single or partial exercise thereof prejudice any other or further exercise thereof or the exercise of any other right, power or privilege.

5.10 Specific Performance. In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the Party or Parties who are, or are to be, thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief in respect of its or their rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The Parties agree that the remedies at law for any breach or threatened breach, including monetary damages, are inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived by each of the Parties to this Agreement.

5.11 Amendments. No provisions of this Agreement shall be deemed waived, amended, supplemented or modified by any Party, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the Party against whom it is sought to enforce such waiver, amendment, supplement or modification.

5.12 Interpretation. In this Agreement, (a) words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other genders as the context requires; (b) the terms "hereof," "herein," "herewith" and words of similar import, and the term "Agreement" shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including all of the Schedules, Exhibits and Appendices hereto) and not to any particular provision of this Agreement; (c) Article, Section, Exhibit, Schedule and Appendix references are to the Articles, Sections, Exhibits, Schedules and Appendices to this Agreement unless otherwise specified; (d) the word "including" and words of similar import when used in this Agreement means "including, without limitation"; (e) the word "or" shall not be exclusive; and (f) unless expressly stated to the contrary in this Agreement, all references to "the date hereof," "the date of this Agreement," "hereby" and "hereupon" and words of similar import shall all be references to the date first stated in the preamble to this Agreement, regardless of any amendment or restatement hereof.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

OIL STATES INTERNATIONAL, INC.

By: _____
Name: _____
Title: _____

CIVEO CORPORATION

By: _____
Name: _____
Title: _____

EXHIBIT A

SERVICES PROVIDED BY OIL STATES

EXHIBIT B

SERVICES PROVIDED BY CIVEO

Exhibit 10.5

SYNDICATED FACILITY AGREEMENT

dated as of May 28, 2014

among

CIVEO CORPORATION,

CIVEO CANADA INC.,

CIVEO PREMIUM CAMP SERVICES LTD. and

CIVEO AUSTRALIA PTY LIMITED,

as Borrowers

THE LENDERS NAMED HEREIN,

ROYAL BANK OF CANADA,
as Administrative Agent, U.S. Collateral Agent,
Canadian Administrative Agent, Canadian Collateral Agent
and an Issuing Bank,

and

RBC EUROPE LIMITED,
as Australian Administrative Agent, Australian Collateral Agent
and an Issuing Bank,

RBC CAPITAL MARKETS[1]

as Lead Arranger and Sole Bookrunner

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THIS SYNDICATED FACILITY AGREEMENT dated as of May 28, 2014 (as amended, supplemented or modified from time to time, this "*Agreement*"), is among CIVEO CORPORATION, a Delaware corporation (the "*U.S. Borrower*"), CIVEO CANADA INC., a corporation amalgamated under the laws of the Province of Alberta (the "*Canadian Parent*"), CIVEO PREMIUM CAMP SERVICES LTD., a corporation amalgamated under the laws of the Province of Alberta ("*Civeo Premium*" and, together with the Canadian Parent, the "*Canadian Borrowers*"), CIVEO AUSTRALIA PTY LIMITED ACN 003 657 510, an Australian proprietary limited company (the "*Australian Borrower*" and, together with the U.S. Borrower and the Canadian Borrowers, the "*Borrowers*"), the Lenders (as defined in Article I), ROYAL BANK OF CANADA ("*RBC*"), as administrative agent (in such capacity, the "*Administrative Agent*") for the U.S. Lenders, as U.S. collateral agent (in such capacity, the "*U.S. Collateral Agent*") for the Lenders, as administrative agent (in such capacity, the "*Canadian Administrative Agent*") for the Canadian Lenders (as defined in Article I) and as Canadian collateral agent (in such capacity, the "*Canadian Collateral Agent*") for the Lenders, and RBC EUROPE LIMITED ("*RBC Europe*") as administrative agent (in such capacity, the "*Australian Administrative Agent*") for the Australian Lenders (as defined in Article I) and as Australian collateral agent (in such capacity, the "*Australian Collateral Agent*") for the Lenders.

The U.S. Borrower has requested the U.S. Lenders to extend credit in the form of U.S. Loans to the U.S. Borrower in an aggregate principal amount at any time outstanding not in excess of U.S.$1,225,000,000; the Canadian Borrowers have requested the Canadian Lenders to extend credit in the form of Canadian Revolving Credit Loans to the Canadian Borrowers in an aggregate principal amount at any time outstanding not in excess of U.S.$100,000,000 (or the Canadian Dollar Equivalent thereof); and the Australian Borrower has requested the Australian Lenders to extend credit in the form of Australian Revolving Credit Loans to the Australian Borrower in an aggregate principal amount at any time outstanding not in excess of U.S.$100,000,000 (or the Australian Dollar Equivalent thereof), in each case, as such principal amounts may be modified in accordance with the terms hereof. The Borrowers have requested the Issuing Banks to issue Letters of Credit to support payment obligations of the Borrowers and the Subsidiaries incurred in the ordinary course of business.
In consideration of the mutual covenants and agreements herein contained, the parties hereto hereby agree as follows:

ARTICLE I

Definitions

SECTION 1.01 ***Defined Terms***. As used in this Agreement, the following terms shall have the meanings specified below:

"*ABR*", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

"*Acceptance Fee*" shall mean a fee payable in Canadian dollars by a Canadian Borrower to the Canadian Administrative Agent for the account of a Canadian Lender with respect to the acceptance of a B/A or the making of a B/A Equivalent Loan on the date of such acceptance or loan, calculated on the face amount of the B/A or the B/A Equivalent Loan at the rate per annum applicable on such date as set forth in the row labeled "Eurocurrency/B/A Spread" in the definition of the term "Applicable Percentage" on the basis of the number of days in the applicable Contract Period (including the date of acceptance and excluding the date of maturity) and a year of 365 days (it being agreed that the rate per annum applicable to any B/A Equivalent Loan is equivalent to the rate per annum otherwise applicable to the Bankers' Acceptance which has been replaced by the making of such B/A Equivalent Loan pursuant to Section 2.22).

"*Adjusted LIBO Rate*" shall mean, with respect to any Eurocurrency Borrowing for any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the nearest whole 1/100 of 1%) equal to the product of (a) the LIBO Rate in effect for such Interest Period and (b) Statutory Reserves.

"*Administrative Agents*" shall mean the Administrative Agent, the Canadian Administrative Agent and the Australian Administrative Agent.

"*Administrative Questionnaire*" shall mean an administrative questionnaire in a form supplied from time to time by the Applicable Administrative Agent.

"*Affiliate*" shall mean, when used with respect to a specified person, another person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the person specified; *provided, however,* that for purposes of Section 6.07, the term "Affiliate" shall also include any person that directly or indirectly owns 5% or more of any class of Equity Interests of the person specified or that is an officer or director of the person specified.

"*Affiliate Australian Land Company"* means The MAC Property Services Pty Ltd (ACN 160 463 463), a company incorporated in Australia.

"*Agents*" shall mean, collectively, the Administrative Agents and the Collateral Agents.

"*Aggregate L/C Exposure*" shall mean, at any time, the sum of the U.S. L/C Exposure, the U.S. Dollar Equivalent of the Canadian L/C Exposure and the U.S. Dollar Equivalent of the Australian L/C Exposure at such time.

"*Aggregate Pro Rata Percentage*" of any Lender, subject to any adjustment as provided in Section 2.24(c) or 2.25(a), shall mean the percentage of the aggregate Commitments represented by such Lender's Commitment; *provided* that if the Commitments have terminated, the Aggregate Pro Rata Percentages of the Lenders shall be determined based upon the Commitments most recently in effect, giving effect to any assignments.

"*Agreement*" shall have the meaning assigned to such term in the preamble hereto.

"*Alternate Base Rate*" shall mean, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus ½ of 1.0% and (c) the Adjusted LIBO Rate for such day (or if such day is not a Business Day, the immediately preceding Business Day) for a deposit in U.S. dollars with a maturity of one month plus 1.0%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate shall be effective on the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate, respectively.

"*Alternative Currency*" shall mean the Euro, Pounds Sterling, Japanese Yen, Singapore Dollar, Hong Kong Dollar, Mexican Peso, Indian Rupee, Kuwaiti Dinar and each other currency (other than U.S. dollars, Canadian dollars or Australian dollars) that is approved in accordance with Section 1.05.

"*Anti-Corruption Laws*" shall mean all statutes, enactments, by-laws, rules, regulations, notifications, circulars, case-law, orders, ordinances, guidelines, policies, directions and judgments of any Governmental Authority, in relation to anti-corruption issued, administered or enforceable against any Borrower or any of their Subsidiaries, including, without limitation, the FCPA and the UKBA.

"*Anti-Money Laundering Laws*" shall mean all applicable financial recordkeeping and reporting requirements and the money laundering statutes and the rules and regulations thereunder and any related or similar rules, regulations or guidelines, which in each case are issued, administered or enforced by any Governmental Authority having jurisdiction over any Borrower or any of their Subsidiaries, or to which any Borrower or any of their Subsidiaries is subject, including, without limitation, the Patriot Act.

"*Applicable Administrative Agent*" shall mean (a) the Administrative Agent, with respect to any U.S. Loan or U.S. Letter of Credit, (b) the Canadian Administrative Agent, with respect to any Canadian Revolving Credit Loan or Canadian Letter of Credit and (c) the Australian Administrative Agent, with respect to any Australian Revolving Credit Loan or Australian Letter of Credit.

"*Applicable Borrower*" shall mean (a) the U.S. Borrower, with respect to the U.S. Revolving Credit Facility or the U.S. Term Loan Facility, (b) either the Canadian Parent or Civeo Premium, with respect to the Canadian Revolving Credit Facility and (c) the Australian Borrower, with respect to the Australian Revolving Credit Facility.

"*Applicable Collateral Agent*" shall mean (a) the U.S. Collateral Agent, with respect to the U.S. Security Documents and the U.S. Collateral, (b) the Canadian Collateral Agent, with respect to the Canadian Security Documents and the Canadian Collateral or (c) the Australian Collateral Agent, with respect to the Australian Security Documents and the Australian Collateral.

"*Applicable Issuing Bank*" shall mean (a) RBC, Wells Fargo Bank, N.A., Capital One, N.A., or any other Issuing Bank that has issued, or has a commitment to issue, U.S. Letters of Credit, (b) RBC, The Toronto-Dominion Bank, The Bank of Nova Scotia or any other Issuing Bank that has issued, or has a commitment to issue, Canadian Letters of Credit, or (c) RBC Europe, National Australia Bank or any other Issuing Bank that has issued, or has a commitment to issue, Australian Letters of Credit.

"*Applicable Lender*" shall mean (a) when used with respect to the U.S. Revolving Credit Facility, the U.S. Term Loan Facility, the Canadian Revolving Credit Facility or the Australian Revolving Credit Facility, a Lender that has a Commitment or holds a Loan with respect to such Facility, (b) with respect to any Letter of Credit, (i) the Issuing Banks and (ii) if any L/C Disbursements have been made by an Issuing Bank and not reimbursed or refinanced by Section 2.02(g), the Canadian Lenders, the U.S. Revolving Lenders or the Australian Lenders, as the case may be, and (c) with respect to the U.S. Swing Line Sublimit or the Canadian Swing Line Sublimit, the Applicable Swing Line Lender.

"*Applicable Percentage*" shall mean, for any day, with respect to any Eurocurrency Loan, ABR Loan, B/A Loan, Canadian Prime Rate Loan, U.S. Base Rate Loan, BBSY Rate Loan or the Commitment Fee, the applicable percentage set forth below under the applicable caption, based upon the Leverage Ratio as of the relevant date of determination:

Leverage Ratio	Eurocurrency/BBSY Rate/B/A Spread	ABR, Canadian Prime Rate and U.S. Base Rate Spread	Commitment Fee Percentage
Category 1			
Less than 1.50 to 1.00	1.75%	0.75%	0.375%
Category 2			
Greater than or equal to 1.50 to 1.00 but less than 2.00 to 1.00	2.00%	1.00%	0.375%
Category 3			
Greater than or equal to 2.00 to 1.00 but less than 2.50 to 1.00	2.25%	1.25%	0.375%
Category 4			
Greater than or equal to 2.50 to 1.00 but less than 3.00 to 1.00	2.50%	1.50%	0.50%
Category 5			
Greater than or equal to 3.00 to 1.00	2.75%	1.75%	0.50%

Each change in the Applicable Percentage resulting from a change in the Leverage Ratio shall be effective with respect to all Loans and Letters of Credit outstanding on and after the date of delivery to the Administrative Agent of the financial statements required by Section 5.04(a) or (b) and the Compliance Certificate required by Section 5.04(c), respectively, indicating such change until the date immediately preceding the next date of delivery of such financial statements indicating another such change; *provided*, *however*, that at any time during which the U.S. Borrower has failed to deliver when due the financial statements required by Section 5.04(a) or (b) and the Compliance Certificate required by Section 5.04(c), respectively, the Leverage Ratio shall be deemed to be in Category 5 for purposes of determining the Applicable Percentage. Notwithstanding the foregoing, (x) from the Funding Date through but excluding the date of delivery to the Administrative Agent of financial statements required by Section 5.04(a) or (b) and the Compliance Certificate required by Section 5.04(c), respectively, the Leverage Ratio shall be deemed to be in Category 3 for purposes of determining the Applicable Percentage and (y) thereafter, the Applicable Percentage shall be based on the Leverage Ratio reflected in the most recently delivered financial statements required by Section 5.04(a) or (b) and the Compliance Certificate required by Section 5.04(c), respectively.

"*Applicable Pro Rata Percentage*" shall mean the Canadian Revolving Pro Rata Percentage, the Australian Revolving Pro Rate Percentage or the U.S. Applicable Pro Rata Percentage, as the context may require.

"*Applicable Required Lenders*" shall mean (a) the Required U.S. Revolving Lenders with respect to the U.S. Revolving Credit Facility, (b) the Required U.S. Term Lenders with respect to the U.S. Term Loan Facility, (c) the Required Canadian Lenders with respect to the Canadian Revolving Credit Facility or (d) the Required Australian Lenders with respect to the Australian Revolving Credit Facility.

"*Applicable Swing Line Lender*" shall mean (a) with respect to the U.S. Swing Line Sublimit, (i) the U.S. Swing Line Lender and (ii) if any U.S. Swing Line Loans are outstanding pursuant to Section 2.23(c), the U.S. Revolving Lenders and (b) with respect to the Canadian Swing Line Sublimit, (i) the Canadian Swing Line Lender and (ii) if any Canadian Swing Line Loans are outstanding pursuant to Section 2.23(c), the Canadian Lenders.

"*Approved Fund*" shall mean any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"*Asset Sale*" shall mean the sale, transfer or other disposition (by way of merger, casualty, condemnation or otherwise) of any or all of the property of the U.S. Borrower or any of its Subsidiaries to any person other than the U.S. Borrower or any of its Subsidiaries (other than (a) Equity Interests in the U.S. Borrower or directors' qualifying shares in any Subsidiary, (b) inventory, damaged, obsolete or worn out assets, scrap and Permitted Investments, in each case disposed of in the ordinary course of business, or (c) dispositions between or among Subsidiaries that are not Loan Parties)), *provided* that any asset sale or series of related asset sales described above having a value not in excess of U.S.$1,000,000 shall be deemed not to be an "Asset Sale" for purposes of this Agreement.

"*Assignee Group*" shall mean two or more Eligible Assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor.

"*Assignment and Acceptance*" shall mean an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04) and accepted by the Applicable Administrative Agent, in substantially the form of Exhibit A or such other form as shall be approved by the Applicable Administrative Agent.

"*Associate*" shall mean an "associate" as defined in section 128F(9) of the Australian Tax Act.

"*Attorneys*" shall have the meaning assigned to such term in Section 1.03(b).

"*Australian Collateral*" shall mean all "Collateral" or "Secured Property" as defined in any Australian Security Document.

"*Australian Commitment Fee*" shall have the meaning assigned to such term in Section 2.05(a).

"*Australian Corporations Act*" shall mean the *Corporations Act 2001* (Cth).

"*Australian Dollar Equivalent*" shall mean, on any date of determination, with respect to any amount in U.S. dollars, the equivalent in Australian dollars of such amount, determined by the Administrative Agent using the Exchange Rate then in effect.

"*Australian dollars*", "*AUD*" and "*AUD$*" shall mean the lawful money of the Commonwealth of Australia.

"*Australian GAAP*" shall mean generally accepted accounting principles, standards and practices in Australia.

"*Australian Guarantee Agreement*" shall mean the Australian Guarantee Agreement, substantially in the form of Exhibit C-1, in favor of the Australian Collateral Agent, for the benefit of the Australian Secured Parties and the Canadian Secured Parties.

"*Australian GST*" has the meaning given in *A New Tax System (Goods and Services Tax) Act 1999 (Cth)*.

"*Australian Holdco*" shall mean PTI Holding Company 2 Pty Limited, a proprietary limited company organized and existing under the laws of Australia, and the direct owner of 100% of the Equity Interests of the Australian Borrower.

"*Australian Land Access Agreement*" means a land access and use agreement between (a) an Affiliate Australian Land Company, the Australian Collateral Agent and, where the land the subject of such agreement is not owned by an Affiliate Australian Land Company, the registered proprietor of that land or (b) for an Australian Third Party Lease, the relevant Australian Loan Party, relevant Affiliate Australian Land Company, if applicable, and the registered proprietor of the land the subject of that Australian Third Party Lease, in each case, in form reasonably satisfactory to the Australian Collateral Agent, that includes (among other matters) provisions consenting to the creation of the Liens under the Security Documents and enforcement of rights under the Security Documents.

"*Australian L/C Exposure*" shall mean at any time the sum of (a) the aggregate undrawn amount of all outstanding Australian Letters of Credit at such time *plus* (b) the aggregate principal amount of all L/C Disbursements in respect of Australian Letters of Credit that have not yet been reimbursed at such time. The Australian L/C Exposure of any Australian Lender at any time shall mean its Australian Revolving Pro Rata Percentage of the aggregate Australian L/C Exposure at such time.

"*Australian L/C Participation Fee*" shall have the meaning assigned to such term in Section 2.05(c).

"*Australian Lenders*" shall mean Lenders having Australian Revolving Commitments, outstanding Australian Revolving Credit Loans or participations in Australian Letters of Credit.

"*Australian Loan Parties*" shall mean the Australian Borrower and the Australian Subsidiary Guarantors.

"*Australian Revolving Borrowing*" shall mean a group of Australian Revolving Credit Loans of a single Type made, converted or continued by the Australian Lenders on a single date and as to which a single Interest Period is in effect.

"*Australian Revolving Commitment*" shall mean, with respect to each Australian Lender, the commitment of such Australian Lender to (a) make Australian Revolving Credit Loans hereunder and (b) purchase participations in the Australian L/C Exposure, in an aggregate principal amount not to exceed the amount set forth opposite such Lender's name on Schedule 2.01 under the caption "Australian Revolving Commitment", or in the Assignment and Acceptance or Lender Joinder Agreement pursuant to which such Australian Lender assumed its Australian Revolving Commitment, as applicable, as the same may be (i) reduced from time to time pursuant to Section 2.09 and (ii) reduced or increased from time to time pursuant to assignments by or to such Australian Lender pursuant to Section 9.04. The aggregate amount of the Australian Revolving Commitments as of the Closing Date is U.S.$100,000,000.

"*Australian Revolving Credit Exposure*" shall mean, with respect to any Australian Lender at any time, the aggregate principal amount at such time of all outstanding Australian Revolving Credit Loans of such Lender denominated in U.S. dollars, *plus* the U.S. Dollar Equivalent of the aggregate principal amount at such time of all outstanding Australian Revolving Credit Loans of such Australian Lender denominated in Australian dollars, *plus* the U.S. Dollar Equivalent of the aggregate amount at such time of such Australian Lender's Australian Revolving Pro Rata Percentage of the Australian L/C Exposure.

"*Australian Revolving Credit Facility*" shall mean at any time the aggregate amount of the Australian Revolving Commitments of the Australian Lenders at such time.

"*Australian Revolving Credit Loans"* shall mean (a) the Australian dollar-denominated Revolving Credit Loans made by the Australian Lenders to the Australian Borrower hereunder and (b) the U.S. dollar-denominated Revolving Credit Loans made by the Australian Lenders to the Australian Borrower. Each Australian Revolving Credit Loan shall be a BBSY Rate Loan.

"*Australian Revolving Pro Rata Percentage*" of any Australian Lender, subject to any adjustment as provided in Section 2.24(c) or 2.25(a), shall mean the percentage of the aggregate Australian Revolving Commitments represented by such Australian Lender's Australian Revolving Commitment; *provided* that if the Australian Revolving Commitments have terminated, the Australian Pro Rata Percentages of the Australian Lenders shall be determined based upon the Australian Revolving Commitments most recently in effect, giving effect to any assignments.

"*Australian Secured Parties*" shall have the meaning assigned to such term in the Australian Security Deed.

"*Australian Security Deed*" shall mean the Australian General Security Deed governed by the laws of New South Wales, Australia, substantially in the form of Exhibit E-1, among the Australian Borrower and the Australian Subsidiary Guarantors, as grantors, and the Australian Collateral Agent for the benefit of the Australian Secured Parties and the Canadian Secured Parties.

"*Australian Security Documents*" shall mean Australian Security Deed, the Australian Security Trust Deed and each other Security Document to which the Australian Borrower, any Australian Subsidiary Guarantor or any subsidiary of the Australian Borrower is a party and that purports to grant a Lien in the assets of any such person in favor of the Australian Collateral Agent for the benefit of the Australian Secured Parties.

"*Australian Security Trust Deed*" shall mean the security trust deed granted by the Australian Collateral Agent, as security trustee.

"*Australian Share Security Deed*" shall mean the Australian Specific Security Deed governed by the laws of New South Wales, Australia, substantially in the form of Exhibit D-1, among the Australian Holdco as grantor and the Australian Collateral Agent for the benefit of the Australian Secured Parties and the Canadian Secured Parties.

"*Australian Subsidiaries*" shall mean the Subsidiaries (other than the Australian Borrower) organized under the laws of the Commonwealth of Australia or any state, territory or other political subdivision thereof.

"*Australian Subsidiary Guarantor*" shall mean each Australia Subsidiary listed on Schedule 1.01(b), and each other Australian Subsidiary that is or becomes a party to the Australian Guarantee Agreement.

"*Australian Tax Act*" shall mean the Income Tax Assessment Act 1936 (Cth) (Australia) or the Income Tax Assessment Act 1997 (Cth) (Australia) as applicable.

"*Australian Third Party Leases*" shall mean (a) leasehold property or interest of an Australian Loan Party of land as to which an Affiliate Australian Land Company is not the registered proprietor of such land and (b) leasehold property or interest of an Affiliate Australian Land Company of land as to which an Australian Loan Party also has rights through a sublease, license or other agreement with such Affiliate Australian Land Company.

"*Australian Withholding Tax*" shall mean any Australian Tax required to be withheld or deducted from any interest or other payment under Division 11A of Part III of the Tax Act or Subdivision 12-F of Schedule 1 to the *Taxation Administration Act 1953* (Commonwealth of Australia).

"*AutoBorrow Agreement*" shall mean any agreement providing for automatic borrowing services between a Loan Party and a Swing Line Lender.

"*B/A Discount Rate*" shall mean:

(a) with respect to an issue of Bankers' Acceptances having the same Contract Period accepted by a Lender that is a Canadian chartered bank listed on Schedule I of the *Bank Act* (Canada), the CDOR Rate; and

(b) with respect to an issue of Bankers' Acceptances having the same Contract Period accepted by a Lender that is not a bank under Schedule I to the *Bank Act* (Canada), the CDOR Rate plus 0.10%;

Notwithstanding the foregoing, the B/A Discount Rate for purposes of this Agreement shall at no time be less than 0%.

"*B/A Equivalent Loan*" shall have the meaning assigned to such term in Section 2.22(h).

"*B/A Loan*" shall mean a Borrowing comprised of one or more Bankers' Acceptances or, as applicable, B/A Equivalent Loans. For greater certainty, all provisions of this Agreement that are applicable to Bankers' Acceptances are also applicable, *mutatis mutandis*, to B/A Equivalent Loans.

"*Bankers' Acceptance*" and "*B/A*" shall mean a non-interest bearing draft denominated in Canadian dollars, drawn by a Canadian Borrower, and accepted by a Canadian Lender in accordance with this Agreement, and may include a depository note within the meaning of the *Depository Bills and Notes Act* (Canada) and a bill of exchange within the meaning of the *Bills of Exchange Act* (Canada).

"*Banking Services*" shall mean each and any of the following bank services provided to the U.S. Borrower or any Subsidiary by any Lender or any Affiliate of a Lender: (a) commercial credit cards, (b) stored value cards and (c) treasury management services (including, without limitation, controlled disbursement, automated clearinghouse transactions, return items, overdrafts and interstate depository network services).

"*Banking Services Obligations*" shall mean any and all obligations of the U.S. Borrower or any Subsidiary, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor) in connection with Banking Services.

"*BBSY Rate*" shall mean, for the relevant Interest Period: (a) the rate per annum which is equal to the average bid rate displayed at or about 10:30 a.m. (Sydney time) on the date that is two Business Days prior to the first day of that period on the Bloomberg BBSY page for a term equivalent to that period; or (b) if a rate for a term cannot be determined in accordance with clause (a) above because a rate is not displayed for a term equivalent to that period or if the basis on which that rate is displayed is changed and in the opinion of the Australian Administrative Agent ceases to reflect the Australian Lenders' cost of funding to the same extent as of the date of this Agreement, the BBSY Rate for that period will be the rate determined by the Australian Administrative Agent at or about 10:30 a.m. (Sydney time) on the day of calculation (which day shall be two Business Days prior to the first day of that period) to be the average of the buying rates quoted to the Australian Administrative Agent by three Reference Banks selected by the Australian Administrative Agent (after consultation with the Australian Borrower) at or about that time on that date for bills of exchange that are accepted by an Australian bank and that have a term equivalent to the relevant period.

"*Board*" shall mean the Board of Governors of the Federal Reserve System of the United States of America.

"*Borrower Materials*" shall have the meaning assigned to such term in Section 5.04.

"*Borrowing*" shall mean a Canadian Revolving Borrowing, an Australian Revolving Borrowing, a U.S. Revolving Borrowing, a U.S. Term Borrowing or a Swing Line Borrowing.

"*Borrowing Request*" shall mean a request by a Borrower in accordance with the terms of Section 2.03 and substantially in the form of Exhibit B-1, B-2, B-3 or B-4, as applicable, or such other form as shall be reasonably approved by the Applicable Administrative Agent.

"*Breakage Event*" shall have the meaning assigned to such term in Section 2.15.

"*Business Day*" shall mean (a) when used in connection with a Loan, Letter of Credit or payment denominated in U.S. dollars, any day other than a Saturday, Sunday or any day on which banks in Houston and New York City are authorized or required by law to close; *provided*, *however*, that when used in connection with a Eurocurrency Loan, the term "Business Day" shall also exclude any day on which banks are not open for dealings in deposits in U.S. dollars in the London interbank market, (b) when used in connection with a Canadian Revolving Credit Loan, Canadian Letter of Credit or payment denominated in Canadian dollars or U.S. dollars under the Canadian Revolving Credit Facility, any day other than a Saturday, Sunday or any day on which banks in Toronto, Ontario and Calgary, Alberta are authorized or required by law to close, (c) when used in connection with an Australian Revolving Credit Loan, Australian Letter of Credit or payment denominated in Australian dollars or U.S. dollars under the Australian Revolving Credit Facility, any day other than a Saturday, Sunday or any day on which banks in Houston, New York City, Singapore, London, Hong Kong or Sydney, Australia are authorized or required by law to close and (d) when used in connection with a Letter of Credit or payment denominated in an Alternative Currency, any day on which banks are open for foreign exchange business in the principal financial center of the country of such Alternate Currency and on which the relevant office of the Applicable Issuing Bank is not authorized or required by law to close.

"*Canadian Benefit Plans*" shall mean all employee benefit plans of any nature or kind whatsoever that are not Canadian Pension Plans and are maintained or contributed to by the Canadian Parent or any of the Canadian Subsidiaries, in each case covering employees in Canada.

"*Canadian Collateral*" shall mean all "Collateral" as defined in any Canadian Security Document.

"*Canadian Commitment Fee*" shall have the meaning assigned to such term in Section 2.05(a).

"*Canadian Dollar Equivalent*" shall mean, on any date of determination, with respect to any amount in U.S. dollars, the equivalent in Canadian dollars of such amount, determined by the Administrative Agent using the Exchange Rate then in effect.

"*Canadian dollars*" and "*C$*" shall mean lawful currency of Canada.

"*Canadian GAAP*" shall mean generally accepted accounting principles in Canada, as recommended from time to time by the Canadian Institute of Chartered Accountants, applied on a consistent basis, and which shall include the implementation of International Financial Reporting Standards to the extent required by the Canadian Accounting Standards Board.

"*Canadian Guarantee Agreement*" shall mean the Canadian Guarantee Agreement, substantially in the form of Exhibit C-2, in favor of the Canadian Collateral Agent, for the benefit of the Canadian Secured Parties and the Australian Secured Parties.

"*Canadian L/C Exposure*" shall mean at any time the sum of (a) the U.S. Dollar Equivalent of the aggregate undrawn amount of all outstanding Canadian Letters of Credit at such time *plus* (b) the U.S. Dollar Equivalent of the aggregate principal amount of all L/C Disbursements in respect of Canadian Letters of Credit that have not yet been reimbursed at such time. The Canadian L/C Exposure of any Canadian Lender at any time shall mean its Canadian Revolving Pro Rata Percentage of the aggregate Canadian L/C Exposure at such time.

"*Canadian L/C Participation Fee*" shall have the meaning assigned to such term in Section 2.05(c).

"*Canadian Lenders*" shall mean Lenders having Canadian Revolving Commitments, outstanding Canadian Revolving Credit Loans or participations in Canadian Letters of Credit or Canadian Swing Line Loans.

"*Canadian Pension Plans*" shall mean each plan that is considered to be a pension plan for the purposes of any applicable pension benefits standards statute and/or regulation in Canada established, maintained or contributed to by a Canadian Borrower or any of the Canadian Subsidiaries for its employees or former employees.

"*Canadian Pledge Agreement*" shall mean the Canadian Pledge Agreement, substantially in the form of Exhibit D-2, among U.S. Borrower, the U.S. Subsidiary Guarantors, the Canadian Borrowers, PTI Holdco Sub and the Canadian Subsidiary Guarantors, as pledgors, and the Canadian Collateral Agent, for the benefit of the Canadian Secured Parties and the Australian Secured Parties.

"*Canadian Prime Rate*" shall mean, on any day, the annual rate of interest equal to the greater of: (a) the annual rate of interest announced from time to time by the Canadian Administrative Agent as its prime rate in effect at its principal office in Toronto, Ontario on such day for determining interest rates on Canadian dollar-denominated commercial loans made in Canada; and (b) the annual rate of interest equal to the sum of (i) the CDOR Rate in effect on such day and (ii) 1%. When used in reference to any Loan or Borrowing, "Canadian Prime Rate" refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Canadian Prime Rate.

"*Canadian Revolving Borrowing*" shall mean a group of Canadian Revolving Credit Loans of a single Type made, converted or continued by the Canadian Lenders on a single date and, in the case of a Eurocurrency Borrowing, as to which a single Interest Period is in effect and, in the case of a B/A Borrowing, as to which a single Contract Period is in effect.

"*Canadian Revolving Commitment*" shall mean, with respect to each Canadian Lender, the commitment of such Canadian Lender to (a) make Canadian Revolving Credit Loans hereunder, (b) purchase participations in the Canadian L/C Exposure and (c) purchase participations in Canadian Swing Line Loans, in an aggregate principal amount not to exceed the amount set forth opposite such Lender's name on Schedule 2.01 under the caption "Canadian Revolving Commitment", or in the Assignment and Acceptance or Lender Joinder Agreement pursuant to which such Canadian Lender assumed its Canadian Revolving Commitment, as applicable, as the same may be (i) reduced from time to time pursuant to Section 2.09 and (ii) reduced or increased from time to time pursuant to assignments by or to such Canadian Lender pursuant to Section 9.04. The aggregate amount of the Canadian Revolving Commitments as of the Closing Date is U.S.$100,000,000.

"*Canadian Revolving Credit Exposure*" shall mean, with respect to any Canadian Lender at any time, the aggregate principal amount at such time of all outstanding Canadian Revolving Credit Loans of such Lender denominated in U.S. dollars, *plus* the U.S. Dollar Equivalent of the aggregate principal amount at such time of all outstanding Canadian Revolving Credit Loans of such Canadian Lender denominated in Canadian dollars, *plus* the U.S. Dollar Equivalent of the aggregate amount at such time of such Canadian Lender's Canadian Revolving Pro Rata Percentage of the Canadian L/C Exposure *plus* such Canadian Lender's Canadian Revolving Pro Rata Percentage of the outstanding amount of all Canadian Swing Line Loans.

"*Canadian Revolving Credit Facility*" shall mean at any time the aggregate amount of the Canadian Revolving Commitments of the Canadian Lenders at such time.

"*Canadian Revolving Credit Loans"* shall mean (a) the Canadian dollar-denominated Revolving Credit Loans (including the aggregate face amount of outstanding B/As) made by the Canadian Lenders to the Canadian Borrowers hereunder and (b) the U.S. dollar-denominated Revolving Credit Loans made by the Canadian Lenders to the Canadian Borrowers. Each Canadian Revolving Credit Loan denominated in Canadian dollars shall be a Canadian Prime Rate Loan or a B/A Loan. Each Canadian Revolving Credit Loan denominated in U.S. dollars and made to a Canadian Borrower shall be a Eurocurrency Loan or a U.S. Base Rate Loan.

"*Canadian Revolving Pro Rata Percentage*" of any Canadian Lender, subject to any adjustment as provided in Section 2.24(c) or 2.25(a), shall mean the percentage of the aggregate Canadian Revolving Commitments represented by such Canadian Lender's Canadian Revolving Commitment; *provided* that if the Canadian Revolving Commitments have terminated, the Canadian Revolving Pro Rata Percentages of the Canadian Lenders shall be determined based upon the Canadian Revolving Commitments most recently in effect, giving effect to any assignments.

"*Canadian Secured Parties*" shall have the meaning assigned to such term in the Canadian Security Agreement.

"*Canadian Security Agreement*" shall mean the Canadian Security Agreement, substantially in the form of Exhibit E-2, among the Canadian Borrowers and the Canadian Subsidiary Guarantors, as grantors, and the Canadian Collateral Agent, for the benefit of the Canadian Secured Parties and the Australian Secured Parties.

"*Canadian Security Documents*" shall mean the Canadian Security Agreement, the Canadian Pledge Agreement, and each other Security Document to which any Canadian Borrower, any Canadian Subsidiary Guarantor or any Subsidiary of a Canadian Borrower is a party and that purports to grant a Lien in the assets of any such person in favor of the Canadian Collateral Agent for the benefit of the Canadian Secured Parties.

"*Canadian Subsidiaries*" shall mean the Subsidiaries (other than the Canadian Parent) organized under the laws of Canada or any province, territory or other political subdivision thereof.

"*Canadian Subsidiary Guarantor*" shall mean each Canadian Subsidiary (other than a Canadian Borrower) listed on Schedule 1.01(c), and each other Canadian Subsidiary that is or becomes a party to the Canadian Guarantee Agreement.

"*Canadian Swing Line Borrowing*" shall mean a borrowing of a Canadian Swing Line Loan pursuant to Section 2.23(a)(ii) or, if an AutoBorrow Agreement is in effect, any transfer of funds pursuant to such AutoBorrow Agreement.

"*Canadian Swing Line Lender*" shall mean The Toronto-Dominion Bank in its capacity as provider of Canadian Swing Line Loans, or any successor swing line lender hereunder.

"*Canadian Swing Line Loan*" has the meaning assigned to such term in Section 2.23(a)(ii).

"*Canadian Swing Line Sublimit*" shall mean U.S.$10,000,000. The Canadian Swing Line Sublimit is part of, and not in addition to, the Canadian Revolving Commitments.

"*Capital Lease Obligations*" of any person shall mean the obligations of such person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP; provided that any lease that was treated as an operating lease under GAAP at the time it was entered into that later becomes a capital lease as a result of a change in GAAP during the life of such lease, including any renewals, shall be treated as an operating lease for all purposes under this Agreement.

"*Cash Collateralize*" shall mean to pledge and deposit with or deliver to the Applicable Collateral Agent, for the benefit of the U.S. Secured Parties, the Canadian Secured Parties or the Australian Secured Parties, as applicable, as collateral for the U.S. L/C Exposure, the Canadian L/C Exposure or the Australian L/C Exposure, as applicable, cash or deposit account balances pursuant to documentation in form and substance reasonably satisfactory to the Applicable Borrower, the Applicable Collateral Agent and the Applicable Issuing Banks (which documentation is hereby consented to by the Lenders). Derivatives of such term have corresponding meanings.

"*CDOR Rate*" shall mean, for each day in any period, the annual rate of interest that is the rate based on an average rate applicable to Canadian dollar bankers' acceptances for a term equal to the term of the relevant Contract Period (or for a term of one month for purposes of determining the Canadian Prime Rate) appearing on the Reuters Screen CDOR Page at approximately 10:00 a.m. (Standard Time), on such date, or if such date is not a Business Day, on the immediately preceding Business Day; *provided* that if such rate does not appear on the Reuters Screen CDOR Page on such date as contemplated, then the CDOR Rate on such date shall be the Discount Rate quoted by the Canadian Administrative Agent (determined as of 10:00 a.m. (Standard Time) on such date) that would be applicable to Canadian dollar bankers' acceptances in a comparable amount and with comparable maturity dates to the Bankers' Acceptances requested by the applicable Canadian Borrower on such date or, if such date is not a Business Day, on the immediately preceding Business Day.

"*Change in Control*" shall mean, at any time after the Spin-Off: (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect on the date hereof) of Equity Interests representing more than 35% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of the U.S. Borrower; (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of the U.S. Borrower by persons who were neither (i) nominated by the board of directors of the U.S. Borrower nor (ii) appointed by the directors so nominated or (c) the failure, without giving effect to the Exchangeable Shares, by the U.S. Borrower to own, directly or indirectly, beneficially and of record, 100% of the issued and outstanding Equity Interests of the Canadian Parent.

"*Change in Law*" shall mean (a) the adoption of any law, rule, regulation or treaty after the Closing Date, (b) any change in any law, rule or regulation or in the administration, interpretation, implementation or application thereof by any Governmental Authority after the Closing Date or (c) compliance by any Lender or an Issuing Bank (or, for purposes of Section 2.13, by any lending office of such Lender or by such Lender's or such Issuing Bank's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the Closing Date; *provided however*, for purposes of this Agreement and notwithstanding anything to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"*Class*", when used in reference to (a) any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Canadian Revolving Credit Loans, Australian Revolving Credit Loans, U.S. Revolving Credit Loans or U.S. Term Loans, and (b) any Commitment, refers to whether such Commitment is a Canadian Revolving Commitment, Australian Revolving Commitment, a U.S. Revolving Commitment or U.S. Term Commitment.

"*Closing Date*" shall mean the date upon which all of the conditions set forth in Sections 4.01 and 4.02 are satisfied or waived in accordance with Section 9.08(b).

"*Code*" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"*Collateral*" shall mean, collectively, all of the U.S. Collateral, the Canadian Collateral and the Australian Collateral.

"*Collateral Agents*" shall mean, collectively, the U.S. Collateral Agent, the Canadian Collateral Agent and the Australian Collateral Agent.

"*Commitment*" shall mean, with respect to any Lender, such Lender's U.S. Revolving Commitment, U.S. Term Commitment, Canadian Revolving Commitment, Australian Revolving Commitment or any Incremental Revolving Commitment, and "*Commitments*" shall mean the U.S. Commitments, the Canadian Revolving Commitments, the Australian Revolving Commitments and any Incremental Revolving Commitments.

"*Commitment Fees*" shall have the meaning assigned to such term in Section 2.05(a).

"*Compliance Certificate*" shall have the meaning assigned to such term in Section 5.04(c).

"*Confidential Information Memorandum*" shall mean the Confidential Information Memorandum of the U.S. Borrower dated _____, 2014.

"*Consolidated EBITDA*" shall mean, for any period, EBITDA of the U.S. Borrower and the subsidiaries for such period, all determined on a consolidated basis.

"*Consolidated Interest Expense*" shall mean, for any person for any period, the sum of (a) the interest expense (including imputed interest expense in respect of Capital Lease Obligations but excluding the amortization of debt discount and debt issuance costs) of such person for such period, determined on a consolidated basis in accordance with GAAP, plus (b) any interest accrued during such period in respect of Indebtedness of such person that is required to be capitalized rather than included in consolidated interest expense for such period in accordance with GAAP. For purposes of the foregoing, interest expense shall be determined after giving effect to any net payments made or received by such person with respect to interest rate Hedging Agreements.

"*Consolidated Net Income*" shall mean, for any person for any period, the net income or loss of such person for such period determined on a consolidated basis in accordance with GAAP; *provided* that there shall be excluded (a) the income of any subsidiary of such person to the extent that the declaration or payment of dividends or similar distributions by such subsidiary of that income is not at the time permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, statute, rule or governmental regulation applicable to such subsidiary, (b) the income of any person in which any other person (other than such person or a wholly owned subsidiary thereof or any director holding qualifying shares in accordance with applicable law) has a joint interest, except to the extent of the amount of dividends or other distributions actually paid to such person or a wholly owned subsidiary thereof by such person during such period, and (c) any gains or losses attributable to sales of assets out of the ordinary course of business.

"*Consolidated Net Worth*" shall mean, at any time, the net worth or total shareholders' equity of the U.S. Borrower and its subsidiaries on a consolidated basis determined in accordance with GAAP.

"*Contract Period*" shall mean the term of a B/A Loan selected by a Canadian Borrower in accordance with Section 2.22, commencing on the date of such B/A Loan and expiring on a Business Day which shall be either 30 days, 60 days, 90 days or 180 days thereafter, *provided* that (a) subject to clause (b) below, each such period shall be subject to such extensions or reductions as may be reasonably determined by the Canadian Administrative Agent to ensure that each Contract Period shall expire on a Business Day, and (b) no Contract Period shall extend beyond the Maturity Date.

"*Control*" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person, whether through the ownership of voting securities, by contract or otherwise, and the terms "*Controlling*" and "*Controlled*" shall have meanings correlative thereto.

"*Credit Event*" shall have the meaning assigned to such term in Section 4.01.

"*Default*" shall mean any event or condition which upon notice, lapse of time or both would constitute an Event of Default.

"*Defaulting Lender*" shall mean, subject to Section 2.24(d), any Lender that:

(a) has failed to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies an Administrative Agent and the U.S. Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to an Administrative Agent, any Issuing Bank, and any Swing Line Lender of any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit or Swing Line Loans) within two (2) Business Days of the date when due;

(b) has notified any Borrower, an Administrative Agent or any Issuing Bank or Swing Line Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied);

(c) has failed, within three (3) Business Days after request by an Administrative Agent or any Borrower, to confirm in writing to such Administrative Agent and such Borrower that it will comply with its funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by such Administrative Agent and such Borrower); or

(d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Insolvency Law, or (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity;

provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by an Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.24(b)) upon delivery of written notice of such determination to each Borrower, each Issuing Bank, each Swing Line Lender and each Lender.

"*Designated Person*" shall mean a person or entity (a) listed in the annex to, or otherwise subject to the provisions of, any Executive Order (as defined in the definition of "Sanctions Laws and Regulations" below); (b) named as a "Specially Designated National and Blocked Person" ("*SDN*") on the most current list published by OFAC at its official website or any replacement website or other replacement official publication of such list ("*SDN List*"); or (c) listed in any sanctions-related list of designated persons maintained by the United Nations Security Council, the European Union or any European Union member state.

"*Discount Proceeds*" shall mean, in respect of any Bankers' Acceptance required to be purchased by a Lender hereunder, an amount (rounded to the nearest whole cent with one-half of one cent being rounded up) determined as of the applicable date of Borrowing that is equal to the Face Amount multiplied by the Price, where "*Face Amount*" is the face amount of such Bankers' Acceptance and "*Price*" is equal to:

$$\frac{1}{(1 + (\text{Rate} \times \text{Term})) \times 365}$$

where the "*Rate*" is the applicable Discount Rate expressed as a decimal on the day of purchase; the "*Term*" is the term of such Bankers' Acceptance expressed as a number of days; and the Price as so determined is rounded up or down to the fifth decimal place with .000005 being rounded up.

"*Discount Rate*" shall mean, with respect to the issuance of a Bankers' Acceptance, the rate of interest per annum, calculated on the basis of a year of 365 days, (rounded upwards, if necessary, to the nearest whole multiple of 1/100th of one percent) which is equal to the discount exacted by a purchaser taking initial delivery of such Bankers' Acceptance, calculated as a rate per annum and as if the issuer thereof received the discount proceeds in respect of such Bankers' Acceptance on its date of issuance and had repaid the respective face amount of such Bankers' Acceptance on the maturity date thereof.

"*Documents*" shall have the meaning assigned to such term in Section 1.03(b).

"*dollars*", "*U.S. dollars*", "*U.S.$*" or "*$*" shall mean lawful money of the United States of America.

"*Domestic Subsidiaries*" shall mean all Subsidiaries incorporated or organized under the laws of the United States of America, any State thereof or the District of Columbia.

"*EBITDA*" shall mean, for any person for any period, Consolidated Net Income of such person for such period plus (a) without duplication and to the extent deducted in determining such Consolidated Net Income, the sum of (i) Consolidated Interest Expense for such period, (ii) consolidated income tax expense for such period, (iii) all amounts attributable to depreciation and amortization for such period, (iv) any noncash charges or extraordinary losses for such period and (v) transaction costs associated with the Transactions in an aggregate amount not to exceed $25,000,000 plus such additional amounts as a result of currency exchange fluctuations in an amount reasonably acceptable to the Administrative Agent, and minus (b) without duplication (i) all cash payments made during such period on account of reserves, restructuring charges and other noncash charges added to Consolidated Net Income pursuant to clause (a)(iv) above in a previous period and (ii) to the extent included in determining such Consolidated Net Income, any extraordinary gains and all noncash items of income for such period, all determined for such person on a consolidated basis in accordance with GAAP.

"*Eligible Assignee*" shall mean (a) a Lender, (b) an Affiliate of a Lender, (c) an Approved Fund, and (d) any other person (other than a natural person).

"*Environmental Laws*" shall mean all former, current and future federal, state, provincial, local and foreign laws (including common law), treaties, regulations, rules, ordinances, codes, decrees, judgments, directives, orders (including consent orders), and agreements in each case, relating to protection of the environment, natural resources, human health and safety or the presence, Release of, or exposure to, Hazardous Materials, or the generation, manufacture, processing, distribution, use, treatment, storage, transport, recycling or handling of, or the arrangement for such activities with respect to, Hazardous Materials.

"*Environmental Liability*" shall mean all liabilities, obligations, damages, losses, claims, actions, suits, judgments, orders, fines, penalties, fees, expenses and costs (including administrative oversight costs, natural resource damages and remediation costs), whether contingent or otherwise, arising out of or relating to (a) compliance or noncompliance with any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the Release of any Hazardous Materials or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"*Equity Interests*" shall mean shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity interests in any person, or any obligations convertible into or exchangeable for, or giving any person a right, option or warrant to acquire such equity interests or such convertible or exchangeable obligations.

"*ERISA*" shall mean the Employee Retirement Income Security Act of 1974, as the same may be amended from time to time.

"*ERISA Affiliate*" shall mean any trade or business (whether or not incorporated) that, together with a Borrower, is treated as a single employer under Section 414(b) or (c) of the Code, or solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

"*ERISA Event*" shall mean (a) any "reportable event", as defined in Section 4043 of ERISA or the regulations issued thereunder, with respect to a Plan (other than an event for which the 30-day notice period is waived); (b) the failure of any Plan to satisfy the Pension Funding Rules; (c) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by a Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan or the withdrawal or partial withdrawal of a Borrower or any of its ERISA Affiliates from any Plan or Multiemployer Plan; (e) the receipt by a Borrower or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice relating to the intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the receipt by a Borrower or any of its ERISA Affiliates of any notice, or the receipt by any Multiemployer Plan from a Borrower or any of its ERISA Affiliates of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA; (g) the occurrence of a "prohibited transaction" with respect to which a Borrower or any of the Subsidiaries is a "disqualified person" (within the meaning of Section 4975 of the Code) or with respect to which a Borrower or any such Subsidiary could otherwise be liable; or (h) any other event or condition with respect to a Plan or Multiemployer Plan that could result in liability of a Borrower or any Subsidiary.

"*Eurocurrency*", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted LIBO Rate.

"*Event of Default*" shall have the meaning assigned to such term in Article VII.

"*Exchange Rate*" shall mean, on any day, (a) with respect to the Canadian Revolving Credit Facility only, for purposes of determining the U.S. Dollar Equivalent of Canadian dollars and the Canadian Dollar Equivalent, the Bank of Canada spot rate of exchange at which Canadian dollars may be exchanged into U.S. Dollars or at which U.S. Dollars may be exchanged into Canadian dollars, respectively at approximately 12:00 p.m. (Standard Time) on such day, and (b) (i) for purposes of determining the U.S. Dollar Equivalent, the rate at which Canadian dollars, Australian dollars or the applicable Alternative Currency may be exchanged into U.S. dollars, (ii) for purposes of determining the Canadian Dollar Equivalent, the rate at which U.S. dollars may be exchanged into Canadian dollars as set forth at approximately 12:00 p.m. (Standard Time) on such day on the applicable Bloomberg Currency Page and, (iii) for purposes of determining the Australian Dollar Equivalent, the Australian Administrative Agent's spot rate of exchange at which U.S. dollars may be exchanged into Australian dollars as at 12:00 p.m. (London time) on such day. In the event that the rate at which U.S. dollars may be exchanged into Canadian dollars does not appear on such Bloomberg Currency Page, such Exchange Rate shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and the U.S. Borrower, or, in the absence of such agreement, such Exchange Rate shall instead be the arithmetic average of the spot rates of exchange of the Administrative Agent in the market where its foreign currency exchange operations in respect of Canadian dollars or U.S. dollars, as applicable, are then being conducted, at or about 12:00 p.m. (Standard Time) on such day for the purchase of U.S. dollars or Canadian dollars or Alternative Currencies, as the case may be, for delivery two Business Days later; *provided* that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Administrative Agent may use any method it deems commercially reasonable and appropriate to determine such rate, and such determination shall be presumed correct absent manifest error.

"*Exchangeable Shares*" shall mean the non-voting Exchangeable Shares in the capital of PTI Holdco, issued to certain current or former shareholders of the Canadian Parent outstanding as of the Closing Date.

"*Excluded Taxes*" shall mean any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender or Swing Line Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof), or if different, the jurisdiction (or jurisdictions) in which that Recipient is treated as resident for tax purposes, or (ii) that are Other Connection Taxes, (b) in the case of a Lender, any withholding tax imposed by the jurisdiction of a Borrower on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 2.20(a)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.19, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office; (c) Taxes attributable to such Recipient's failure to comply with Section 2.19(g), (d) any U.S. federal withholding Taxes imposed under FATCA; (e) any Australian Withholding Taxes which arise in respect of interest paid or payable to a Lender that is an Offshore Associate of the Australian Borrower, or as a result of there being less than two Lenders under this Agreement; (f) Taxes that are a result of any representation or warranty given by the Lead Arranger or a Lender under Section 9.22 being untrue or that are a result of the Lead Arranger or a Lender breaching an undertaking contained in Section 9.22; (g) Taxes which arise from the failure of (1) a Lender whose lending office is located in Australia, or (2) a party that is making or proposes to make, a supply under a Loan Document to a Borrower in the course or furtherance of an enterprise carried on in Australia by that party, to provide such Borrower with its Australian tax file number or Australian business number or exemption details such Borrower may reasonably require to establish that the relevant Tax is not payable; and (h) Taxes which arise in respect of any withholding or deduction on account of such Borrower receiving a direction under section 255 of the Australian Tax Act or section 260-5 of Schedule 1 to the Taxation Administration Act 1953 (Commonwealth of Australia) or any similar law.

"*Existing OSI Credit Agreement*" shall mean that certain Amended and Restated Credit Agreement, dated December 10, 2010, as amended from time to time, among Oil States, the other borrowers party thereto, the lenders party thereto from time to time, Wells Fargo Bank, N.A., as administrative agent and the other agents party thereto.

"*Existing MAC Group Credit Agreement*" shall mean that certain Syndicated Facility Agreement, dated as of September 18, 2012, among the Australian Borrower, J.P. Morgan Australia Limited, as Australian agent and security trustee, the other agents and issuing banks party thereto and the lenders from time to time party thereto.

"*Facility*" shall mean the U.S. Revolving Credit Facility, the U.S. Term Loan Facility, the Canadian Revolving Credit Facility or the Australian Revolving Facility, in each case as the context may require.

"*FATCA*" shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any intergovernmental agreements (or related legislation or official administrative rules or practices) implementing the foregoing.

"*FCPA*" shall mean the United States Foreign Corrupt Practices Act of 1977.

"*Federal Funds Effective Rate*" shall mean, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the rate (rounded upwards, if necessary, to the next 1/100 of 1%) for such transactions as determined by the Administrative Agent.

"*Fee Letter*" shall mean the letter agreement dated as of April 4, 2014 between the U.S. Borrower and RBC.

"*Fees*" shall mean, collectively, the Commitment Fees, the L/C Participation Fees, the Issuing Bank Fees and all fees set forth in the Fee Letter.

"*Financial Officer*" of any person shall mean the chief financial officer, principal accounting officer, treasurer or controller of such person.

"*Foreign Lender*" shall mean, with respect to a Borrower, any Lender that is organized under the laws of a jurisdiction other than that in which such Borrower is resident for tax purposes. For purposes of this definition, the United States of America, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction, Canada and each province thereof shall be deemed to constitute a single jurisdiction and Australia and each state and territory thereof shall be deemed to constitute a single jurisdiction.

"*Foreign Subsidiary*" shall mean any Subsidiary that is not a Domestic Subsidiary.

"*Form 10*" shall mean the registration statement on Form 10 (No. 001-36246), including all exhibits and schedules thereto, filed by the U.S. Borrower with the SEC on December 12, 2013, as amended or supplemented to (but not including) the Closing Date, or by any amendment or supplement thereto filed on or after the Closing Date so long as such amendment or supplement is not adverse in any material respect to the interests of the Lenders or as otherwise approved by the Lead Arranger.

"*Fronting Exposure*" shall mean, at any time there is a Defaulting Lender, with respect to an Issuing Bank, (a) such Defaulting Lender's U.S. Revolving Pro Rata Percentage, Canadian Revolving Pro Rata Percentage or Australian Revolving Pro Rata Percentage, as applicable (determined, for the avoidance of doubt, without giving effect to any adjustment provided for in Section 2.24(c) or 2.25(a)) of the outstanding U.S. L/C Exposure, Canadian L/C Exposure or Australian L/C Exposure, as applicable, *less* (b) any portion of the amount calculated under clause (a) above the risk participation with respect to which has been reallocated to other Applicable Lenders or Cash Collateralized in accordance with the terms hereof.

"*FSHCO*" shall mean any Subsidiary that is a disregarded entity for U.S. federal income tax purposes substantially all of the assets of which consist of, directly or indirectly, Equity Interests in or Indebtedness of Foreign Subsidiaries.

"*Fund*" shall mean any person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"*Funding Date*" shall mean the date upon which all of the conditions set forth in Section 4.03 are satisfied or waived in accordance with Section 9.08(b) and the funding of the U.S. Term Loans is made.

"*GAAP*" shall mean United States generally accepted accounting principles applied on a consistent basis.

"*Governmental Authority*" shall mean the government of the United States or any other nation, or of any political subdivision thereof, whether state, provincial or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"*Granting Lender*" shall have the meaning assigned to such term in Section 9.04(g).

"*Guarantee*" of or by any person shall mean (a) any obligation, contingent or otherwise, of such person guaranteeing or having the economic effect of guaranteeing any Indebtedness of any other person (the "*primary obligor*") in any manner, whether directly or indirectly, and including any obligation of such person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment of such Indebtedness, (ii) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness of the payment of such Indebtedness or, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing person in good faith. The term "Guarantee" as a verb has a corresponding meaning; *provided*, *however*, that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business.

"*Guarantee Agreements*" shall mean, collectively, the U.S. Subsidiary Guarantee Agreement, and, following the execution and delivery thereof by the parties thereto, the Australian Guarantee Agreement and the Canadian Guarantee Agreement

"*Guarantors*" shall mean, collectively, the Borrowers and the Subsidiary Guarantors.

"*Hazardous Materials*" shall mean (a) any petroleum products or byproducts and all other hydrocarbons, coal ash, radon gas, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, chlorofluorocarbons and all other ozone-depleting substances and (b) any chemical, material, substance or waste that is prohibited, limited or regulated by or pursuant to any Environmental Law.

"*Hedging Agreement*" shall mean any interest rate protection agreement, foreign currency exchange agreement, commodity price protection agreement or other interest or currency exchange rate or commodity price hedging arrangement.

"*Increased Amount Date*" shall have the meaning assigned to such term in Section 2.25.

"*Incremental Lender*" shall have the meaning assigned to such term in Section 2.25.

"*Incremental Revolving Commitment*" shall have the meaning assigned to such term in Section 2.25.

"*Incremental Revolving Credit Increase*" shall have the meaning assigned to such term in Section 2.25.

"*Indebtedness*" of any person shall mean, without duplication, (a) all obligations of such person for borrowed money, (b) all obligations of such person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such person upon which interest charges are customarily paid (excluding trade accounts payable and accrued obligations incurred in the ordinary course of business), (d) all obligations of such person under conditional sale or other title retention agreements relating to property or assets purchased by such person, (e) all obligations of such person issued or assumed as the deferred purchase price of property or services (excluding trade accounts payable and accrued obligations incurred in the ordinary course of business), (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such person, whether or not the obligations secured thereby have been assumed (*provided* that, for purposes hereof, the amount thereof shall be limited to the lesser of (i) the amount of such Indebtedness and (ii) the fair market value of such property), (g) all Guarantees by such person of Indebtedness of others, (h) all Capital Lease Obligations of such person, (i) all obligations of such person as an account party in respect of letters of credit and (j) all obligations of such person in respect of bankers' acceptances. The Indebtedness of any person shall include the Indebtedness of any partnership in which such person is a general partner, except to the extent that, by its terms, such Indebtedness is nonrecourse to such person.

"*Indemnified Taxes*" shall mean (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of a Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"*Insolvency Law*" shall mean, to the extent applicable, (a) Title 11 of the United States Code, (b) the *Bankruptcy and Insolvency Act* (Canada), (c) the *Companies' Creditors Arrangement Act* (Canada), (d) Chapter 5 of the Australian Corporations Act; (e) any similar federal, provincial, state, local or foreign bankruptcy or insolvency law applicable to the U.S. Borrower or any of its Subsidiaries and (f) any other law relating to insolvency, sequestration, administration, liquidation, winding up or bankruptcy (including any law relating to the avoidance of conveyances in fraud of creditors or of preferences and any law under which a liquidator or trustee may set aside or avoid transactions), in each case as now constituted or hereafter amended or enacted.

"*Interest Coverage Ratio*" for any period shall mean the ratio of (a) Consolidated EBITDA for such period to (b) Consolidated Interest Expense for the U.S. Borrower and the subsidiaries for such period. Solely for purposes of this definition, if, at any time the Interest Coverage Ratio is being determined, the U.S. Borrower or any subsidiary shall have completed a Permitted Acquisition or Asset Sale the consideration of which is greater than $25,000,000 since the beginning of the relevant four fiscal quarter period, the Interest Coverage Ratio shall be determined on a *pro forma* basis (using the criteria therefor described in Section 6.04(i)) as if such Permitted Acquisition or Asset Sale and any related incurrence or repayment of Indebtedness, had occurred at the beginning of such period.

"*Interest Payment Date*" shall mean (a) with respect to any ABR Loan, Canadian Prime Rate Loan, U.S. Base Rate Loan or Swing Line Loan, the last Business Day of each March, June, September and December, and the earlier of the Maturity Date and the date on which the applicable Commitment shall expire or be terminated as provided herein, and (b) with respect to any Eurocurrency Loan or BBSY Rate Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and the earlier of the Maturity Date and the date on which the applicable Commitment shall expire or be terminated as provided herein, and in the case of a Eurocurrency Borrowing or BBSY Rate Borrowing with an Interest Period of more than three months' duration, each day that would have been an Interest Payment Date had successive Interest Periods of three months' duration been applicable to such Borrowing.

"*Interest Period*" shall mean, with respect to any Eurocurrency Borrowing or BBSY Rate Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day (or, if there is no numerically corresponding day, on the last day) in the calendar month that is 1, 3 or 6 months thereafter (or if available to all Lenders, 12 months or a shorter period), as a Borrower may elect; *provided*, *however*, that if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day. Interest shall accrue from and including the first day of an Interest Period to but excluding the last day of such Interest Period. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

"*IRS*" means the United States Internal Revenue Service.

"*Issuing Bank*" shall mean, as the context may require, (a) RBC, with respect to Letters of Credit issued by it, (b) RBC Europe, with respect to Letters of Credit issued by it, (c) Wells Fargo Bank, N.A., with respect to Letters of Credit issued by it, (d) The Toronto Dominion Bank, with respect to Letters of Credit issued by it, (e) The Bank of Nova Scotia, with respect to Letters of Credit issued by it, (f) National Australia Bank, with respect to Letters of Credit issued by it, (g) with respect to each Rolled Letter of Credit, the Lender that issued such Rolled Letter of Credit and (h) any other Lender that may become an Issuing Bank pursuant to Section 2.21(j) or (l) with respect to Letters of Credit issued by such Lender, or (i) collectively, all the foregoing. Any Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of such Issuing Bank, in which case the term "Issuing Bank" shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate.

"*Issuing Bank Fees*" shall have the meaning assigned to such term in Section 2.05(c).

"*ITA*" shall mean the *Income Tax Act* (Canada), as amended, and any successor thereto, and any regulations promulgated thereunder.

"*L/C Commitment*" shall mean the commitment of each Issuing Bank to issue Letters of Credit pursuant to Section 2.21.

"*L/C Disbursement*" shall mean a payment or disbursement made by an Issuing Bank pursuant to a Letter of Credit.

"*L/C Participation Fee*" shall have the meaning assigned to such term in Section 2.05(c).

"*Lead Arranger*" shall mean RBC Capital Markets.

"*Lender Joinder Agreement*" shall mean a joinder agreement in form and substance reasonably satisfactory to the Applicable Administrative Agent delivered in connection with Section 2.25.

"*Lenders*" shall mean (a) the persons listed on Schedule 2.01 (other than any such person that has ceased to be a party hereto pursuant to an Assignment and Acceptance or pursuant to Section 2.24), (b) any person that has become a party hereto pursuant to an Assignment and Acceptance or a Lender Joinder Agreement and (c) the Swing Line Lenders.

"*Letter of Credit*" shall mean any standby or commercial letter of credit issued (or, in the case of a Rolled Letter of Credit, deemed issued) pursuant to Section 2.21. A Letter of Credit shall be a "U.S. Letter of Credit" if issued for the account of the U.S. Borrower in U.S. dollars or an Alternative Currency, a "Canadian Letter of Credit" if issued for the account of a Canadian Borrower in Canadian dollars and an "Australian Letter of Credit" issued for the account of an Australian Borrower in Australian dollars; *provided* that no commercial letter of credit shall be issued under the Australian Revolving Credit Facility.

"*Letter of Credit Application*" shall mean an application and agreement for the issuance, amendment or extension of a Letter of Credit in the form from time to time in use by an Issuing Bank.

"*Letter of Credit Documents*" shall mean, with respect to any Letter of Credit, such Letter of Credit, the related Letter of Credit Application and any agreements, documents, and instruments entered into in connection with or relating to such Letter of Credit.

"*Leverage Ratio*" shall mean, on any date, the ratio of Total Debt on such date to Consolidated EBITDA for the period of four consecutive fiscal quarters most recently ended on or prior to such date for which financial statements have been delivered pursuant to Section 5.04(a) or (b). Solely for purposes of this definition, if, at any time the Leverage Ratio is being determined, the U.S. Borrower or any subsidiary shall have completed a Permitted Acquisition or Asset Sale the consideration of which is greater than $25,000,000 since the beginning of the relevant four fiscal quarter period, the Leverage Ratio shall be determined on a *pro forma* basis (using the criteria therefor described in Section 6.04(i)) as if such Permitted Acquisition or Asset Sale, and any related incurrence or repayment of Indebtedness, had occurred at the beginning of such period.

"*LIBO Rate*" shall mean, with respect to any Eurocurrency Borrowing for any Interest Period, the interest rate per annum (rounded upward to the nearest whole multiple of 1/100 of 1%) determined by the Applicable Administrative Agent at approximately 11:00 a.m. (London time), on the date that is two Business Days prior to the commencement of such Interest Period by reference to the rate set by ICE Benchmark Administration for deposits in U.S. dollars (as set forth by any service selected by the Applicable Administrative Agent that has been nominated by ICE Benchmark Administration as an authorized information vendor for the purpose of displaying such rates) for a period of comparable term and amount and having a maturity equal to such Interest Period; provided, however, that, to the extent that an interest rate is not ascertainable pursuant to the foregoing provisions of this definition, the "LIBO Rate" shall be the interest rate per annum determined by the Applicable Administrative Agent to be the average of the rates per annum at which deposits in U.S. dollars are offered for such relevant Interest Period to major banks in the London interbank market in London, England by the Applicable Administrative Agent at approximately 11:00 a.m. (London time) on the date that is two Business Days prior to the beginning of such Interest Period.

"*Lien*" shall mean, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, encumbrance, charge, hypothec or security interest in or on such asset and (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) any security interest (as that term is defined in either the PPSA (Alberta) or the PPSA (Australia)) but excluding any transfer of an "account" or "chattel paper", any "commercial consignment" or any "PPS lease" which, in any case, does not secure the payment of money or performance of obligations. The words in quotes have the same meaning in this definition as the PPSA (Australia).

"*Loan Documents*" shall mean, collectively, this Agreement, any Notes, if any, issued pursuant to Section 2.04(h), the Guarantee Agreements, the Security Documents, the Australian Land Access Agreements, the Letter of Credit Documents, the Fee Letter and each other certificate, agreement, instrument or other document executed and delivered, in each case, by or on behalf of any Loan Party pursuant to the foregoing; *provided*, *however*, that for purposes of Section 9.08, "Loan Documents" shall mean this Agreement, the Guarantee Agreements and the Security Documents.

"*Loan Parties*" shall mean the Borrowers and the Guarantors.

"*Loans*" shall mean, collectively, the U.S. Loans, the Canadian Revolving Credit Loans, the Australian Revolving Credit Loans and the Swing Line Loans.

"*Margin Stock*" shall have the meaning assigned to such term in Regulation U.

"*Material Adverse Effect*" shall mean (a) a materially adverse effect on the business, assets, operations or condition (financial or otherwise) of the U.S. Borrower and its subsidiaries, taken as a whole, (b) material impairment of the ability of any Borrower or any other Loan Party to perform any of its obligations under any Loan Document to which it is or will be a party or (c) material impairment of the rights of or benefits available to the Lenders and the Agents under any Loan Document.

"*Material Indebtedness*" shall mean Indebtedness (other than the Loans and Letters of Credit), or obligations in respect of one or more Hedging Agreements, of any one or more of the Borrowers and the Subsidiaries in an aggregate principal amount exceeding U.S.$25,000,000. For purposes of determining Material Indebtedness, the "principal amount" of the obligations of a Borrower or any Subsidiary in respect of any Hedging Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that such Borrower or Subsidiary would be required to pay if such Hedging Agreement were terminated at such time.

"*Material Subsidiary*" shall mean any Subsidiary of the U.S. Borrower that, as of the most recent date for which financial statements required to be delivered pursuant to Sections 5.04(a) or (b) are available, has either (a) net tangible assets (excluding assets that are eliminated in the calculation of consolidated net tangible assets of the U.S. Borrower and its Subsidiaries) that constitute more than 5% of the consolidated net tangible assets of the U.S. Borrower and its subsidiaries or (b) EBITDA greater than 5% of the total EBITDA of the U.S. Borrower and its subsidiaries on consolidated basis; *provided* that if (i) the combined net tangible assets of the Subsidiaries that are not considered to be Material Subsidiaries (referred to herein as the "*Immaterial Subsidiaries*") exceeds 15% of consolidated net tangible assets of the U.S. Borrower and its Subsidiaries, or (ii) the combined EBITDA of the Immaterial Subsidiaries exceeds 15% of the total EBITDA of the U.S. Borrower and its Subsidiaries on consolidated basis, then one or more of such Immaterial Subsidiaries shall be deemed to be Material Subsidiaries in descending order based on the respective percentage of consolidated net tangible assets or percentage of the total EBITDA of the U.S. Borrower and its Subsidiaries on consolidated basis until such excess shall have been eliminated. Each Material Subsidiary listed on Schedules 1.01(a), 1.01(b) and 1.01(c) is a Guarantor as of the Closing Date.

"*Maturity Date*" shall mean May [●], 2019.

"*Moody's*" shall mean Moody's Investors Service, Inc. and any successor thereto which is a nationally recognized statistical rating organization.

"*Multiemployer Plan*" shall mean a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"*Net Cash Proceeds*" shall mean, as applicable, with respect to any Asset Sale, the cash (which term, for purposes of this definition, shall include any Permitted Investments, deferred payment pursuant to, or by monetization of, a note receivable or otherwise, but only as and when received) proceeds received by the U.S. Borrower or any of its Subsidiaries therefrom, less the sum of (a) all income taxes and other taxes payable (or reasonably estimated to be payable) to a Governmental Authority as a result of such transaction, (b) all reasonable and customary out-of-pocket fees (including, without limitation, legal, accounting and advisory fees, and sales commissions) and expenses incurred in connection with such transaction or event, (c) the principal amount of, premium or penalty, if any, and interest on any Indebtedness secured by a Lien on the asset (or a portion thereof) disposed of, which Indebtedness is required to be repaid in connection with such transaction or event, (d) any amounts paid in respect of Hedging Agreement terminated as a result of the payment of Indebtedness under clause (c), (e) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures or to holders of royalty or similar interests as a result of such Asset Sale and (f) the amount of any reserves established by the U.S. Borrower or any of its Subsidiaries in accordance with GAAP, Canadian GAAP or Australian GAAP, as applicable, to fund purchase price adjustments, indemnification and similar contingent liabilities reasonably estimated to be payable, in each case during the year that such event occurred or the next succeeding year and that are directly attributable to the occurrence of such event (as determined reasonably and in good faith by a Financial Officer); *provided* that to the extent any such Net Cash Proceeds received by any Foreign Subsidiary may not be distributed as a cash dividend or a similar cash distribution to a Loan Party without the U.S. Borrower and its subsidiaries incurring adverse tax consequences, as reasonably determined by the U.S. Borrower, such proceeds shall, so long as no Event of Default shall have occurred and be continuing at the time of the receipt thereof, not constitute "Net Cash Proceeds".

"*Non-Consenting Lender*" shall mean any Lender that does not approve any proposed consent, waiver, amendment, modification or termination with respect to any provision hereof or any other Loan Document that (i) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 9.08 and (ii) has been approved by the Applicable Required Lenders.

"*Non-Defaulting Lender*" shall mean, at any time, each Lender that is not a Defaulting Lender at such time.

"*Obligations*" shall mean all obligations defined as "Obligations" in the Guarantee Agreements and the Security Documents.

"*OFAC*" shall mean the Office of Foreign Assets Control of the U.S. Department of the Treasury.

"*Offshore Associate*" shall mean an Associate:

(a) which is a non-resident of Australia and does not become a Lender or receive a payment in carrying on a business in Australia at or through a permanent establishment of the Associate in Australia; or

(b) which is a resident of Australia and which becomes a Lender or receives a payment in carrying on a business in a country outside Australia at or through a permanent establishment of the Associate in that country,

and, in either case, which does not become a Lender and receive payment in the capacity of a clearing house, custodian, funds manager or responsible entity of a registered scheme. (with each such term having the meaning given for the purposes of section 128F of the Australian Tax Act).

"*Oil States*" shall mean Oil States International, Inc., a Delaware corporation.

"*Other Connection Taxes*" shall mean, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Agent, Lender or Issuing Bank having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"*Other Taxes* shall mean any and all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under any Loan Document or from the execution, delivery or enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.20).

"*Outstanding BAs Collateral*" shall have the meaning assigned to such term in Section 2.22(k).

"*Participant*" has the meaning assigned to such term in Section 9.04(d).

"*Participant Register*" shall have the meaning assigned to such term in Section 9.04(d).

"*PBGC*" shall mean the Pension Benefit Guaranty Corporation referred to and defined in ERISA.

"*Pension Act*" shall mean the Pension Protection Act of 2006.

"*Pension Funding Rules*" shall mean the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Plans and set forth in, with respect to plan years ending prior to the effective date of the Pension Act, Section 412 of the Code and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Section 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

"*Permitted Acquisition*" shall have the meaning assigned to such term in Section 6.04(i).

"*Permitted Investments*" shall mean:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, United States of America, Canada, the United Kingdom, Australia or any other country that is a signatory to the Convention on the Organization for Economic Co-operation and Development (or by any agency, state, province or territory thereof to the extent such obligations are backed by the full faith and credit of such country or applicable state, province or territory), in each case maturing within one year from the date of acquisition thereof;

(c) investments in commercial paper maturing within 270 days from the date of acquisition thereof and having, at such date of acquisition, the highest credit rating obtainable from S&P, Moody's, Canadian Bond Rating Service or Dominion Bond Rating Service Limited;

(d) investments in certificates of deposit, banker's acceptances and time deposits maturing within one year from the date of acquisition thereof issued or guaranteed by or placed with, and money market and other deposit accounts issued or offered by, any domestic office of any Lender or any commercial bank organized under the laws of the United States of America, Canada, the United Kingdom or Australia or any state, province of territory thereof, that has a combined capital and surplus and undivided profits of not less than U.S.$500,000,000 (or, in the case of any bank that is a Lender, U.S.$200,000,000);

(e) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria of clause (c) above; and

(f) other short-term investments utilized by Foreign Subsidiaries in accordance with normal investment practices for cash management in investments of a type analogous to the foregoing.

"*person*" shall mean any natural person, corporation, business trust, joint venture, association, company, limited liability company, partnership, Governmental Authority or other entity.

"*Plan*" shall mean any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code, and in respect of which the U.S. Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"*Platform*" shall have the meaning assigned to such term in Section 5.04.

"*Pledge Agreements*" shall mean, collectively, the U.S. Pledge Agreement, the Canadian Pledge Agreement and following the execution and delivery thereof by the parties thereto the Australian Share Security Deed.

"*Potential Defaulting Lender*" shall mean, at any time, a Lender that has, or whose parent company has, a non-investment grade rating from Moody's or S&P or another nationally recognized rating agency. Any determination that a Lender is a Potential Defaulting Lender will be made by an Administrative Agent in its sole discretion acting in good faith.

"*PPSA (Alberta)*" shall mean the Personal Property Security Act, RSA 2000, c. P-7 (Alberta).

"*PPSA (Australia)*" shall mean the Australian *Personal Property Securities Act 2009* (Cth).

"*PPS Law*" shall mean (a) the PPSA (Australia) and any regulation made at any time under the PPSA (Australia), including the PPS Regulations (each as amended from time to time) and (b) any amendment made at any time to any other legislation as a consequence of a law or regulation referred to in paragraph (a).

"*PPS Register*" shall mean the Personal Property Securities Register established pursuant to the PPSA (Australia).

"*PPS Regulations*" means the *Personal Property Securities Regulations 2010* (Cth).

"*Prime Rate*" shall mean, at any time, the rate of interest most recently announced by the Administrative Agent as its U.S. prime rate, with the understanding that the Prime Rate is one of the Administrative Agent's base rates and serves as the basis upon which effective rates of interest are calculated for those loans making reference thereto, and is evidenced by the recording thereof after its announcement in such internal publication or publications as the Administrative Agent may designate. Each change in the Prime Rate shall be effective on the date such change is publicly announced as being effective.

"*Proceeding*" shall have the meaning assigned to such term in Section 9.05(b).

"*PTI Holdco*" shall mean 892489 Alberta Inc., a corporation organized and existing under the laws of the Province of Alberta.

"*PTI Holdco Sub*" shall mean 892493 Alberta Inc., a corporation organized and existing under the laws of the Province of Alberta, and the direct owner of 100% of the Equity Interests of the Canadian Parent.

"*Public Lender*" shall have the meaning assigned to such term in Section 5.04.

"*Recipient*" shall mean (a) the Administrative Agent, (b) any Lender (c) any Issuing Bank, and (d) the Swing Line Lender, as applicable.

"Reference Banks" shall mean Australia and New Zealand Banking Group Limited (ACN 005 357 522), Commonwealth Bank of Australia (ACN 123 123 124), Westpac Banking Corporation (ACN 007 457 141) and National Australia Bank Limited (ACN 004 044 937), or such other banks as may be selected by the Australian Administrative Agent in consultation with the Australian Borrower.

"*Refinancing Transactions*" shall mean (i) the termination of the commitments to extend credit and the payment in full all obligations under the Existing MAC Group Credit Agreement and the release of all guarantees and Liens thereunder and (ii) the release of all obligations, guarantees and Liens under the Existing OSI Credit Agreement.

"*Register*" shall have the meaning assigned to such term in Section 9.04(c).

"*Regulation T*" shall mean Regulation T of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"*Regulation U*" shall mean Regulation U of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"*Regulation X*" shall mean Regulation X of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"*Related Parties*" shall mean, with respect to any specified person, such person's Affiliates and the respective partners, directors, officers, employees, agents and advisors of such person and such person's Affiliates.

"*Release*" shall mean any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into or through the environment or within or upon any building, structure, facility or fixture.

"*Required Australian Lenders*" shall mean, at any time, Australian Lenders having Australian Revolving Credit Loans, a share of the Australian L/C Exposure and unused Australian Revolving Commitments representing at least a majority of the sum of all Australian Revolving Credit Loans outstanding, the Australian L/C Exposure and unused Australian Revolving Commitments at such time; *provided* that the Australian Revolving Credit Loans outstanding, share of Australian L/C Exposure and unused Australian Revolving Commitments of any Defaulting Lender shall be disregarded in determining Required Australian Lenders at any time. For purposes of determining the Required Australian Lenders at any time, the amount of any Australian Revolving Credit Loans denominated in Australian dollars and the Australian L/C Exposure shall be the U.S. Dollar Equivalent thereof at such time, as determined by the Administrative Agent using the then-applicable Exchange Rate.

"*Required Canadian Lenders*" shall mean, at any time, Canadian Lenders having Canadian Revolving Credit Loans, a share of the Canadian L/C Exposure and unused Canadian Revolving Commitments representing at least a majority of the sum of all Canadian Revolving Credit Loans outstanding, the Canadian L/C Exposure and unused Canadian Revolving Commitments at such time; *provided* that the Canadian Revolving Credit Loans outstanding, share of Canadian L/C Exposure and unused Canadian Revolving Commitments of any Defaulting Lender shall be disregarded in determining Required Canadian Lenders at any time. For purposes of determining the Required Canadian Lenders at any time, the amount of any Canadian Revolving Credit Loans denominated in Canadian dollars and the Canadian L/C Exposure shall be the U.S. Dollar Equivalent thereof at such time, as determined by the Administrative Agent using the then-applicable Exchange Rate.

"*Required Lenders*" shall mean, at any time, Lenders having Loans, a share of the Aggregate L/C Exposure and unused Revolving Commitments representing at least a majority of the sum of all Loans outstanding, the Aggregate L/C Exposure and unused Revolving Commitments at such time; *provided* that the Loans outstanding, share of L/C Exposure and unused Revolving Commitments of any Defaulting Lender shall be disregarded in determining Required Lenders at any time. For purposes of determining the Required Lenders at any time, (i) the amount of any Canadian Revolving Credit Loans denominated in Canadian dollars and Canadian L/C Exposure shall be the U.S. Dollar Equivalent thereof at such time, as determined by the Administrative Agent using the then-applicable Exchange Rate and (ii) the amount of any Australian Revolving Credit Loans denominated in Australian dollars and Australian L/C Exposure shall be the U.S. Dollar Equivalent thereof at such time, as determined by the Administrative Agent using the then-applicable Exchange Rate.

"*Required U.S. Lenders*" shall mean, at any time, U.S. Lenders having U.S. Loans, a share of the U.S. L/C Exposure and unused U.S. Revolving Commitments representing at least a majority of the sum of all U.S. Loans outstanding, the U.S. L/C Exposure and unused U.S. Revolving Commitments at such time; *provided* that the U.S. Loans outstanding, share of U.S. L/C Exposure and unused U.S. Revolving Commitments of any Defaulting Lender shall be disregarded in determining Required U.S. Lenders at any time.

"*Required U.S. Revolving Lenders*" shall mean, at any time, U.S. Revolving Lenders having U.S. Revolving Credit Loans, a share of the U.S. L/C Exposure and unused U.S. Revolving Commitments representing at least a majority of the sum of all U.S. Revolving Credit Loans outstanding, the U.S. L/C Exposure and unused U.S. Revolving Commitments at such time; *provided* that the U.S. Revolving Credit Loans outstanding, share of U.S. L/C Exposure and unused U.S. Revolving Commitments of any Defaulting Lender shall be disregarded in determining Required U.S. Revolving Lenders at any time.

"*Required U.S. Term Lenders*" shall mean, at any time, U.S. Term Lenders having U.S. Term Loans representing at least a majority of the sum of all U.S. Term Loans outstanding at such time; *provided* that the U.S. Term Loans outstanding of any Defaulting Lender shall be disregarded in determining Required U.S. Term Lenders at any time.

"*Responsible Officer*" of any person shall mean any executive officer or Financial Officer of such person and any other officer or similar official thereof responsible for the administration of the obligations of such person in respect of this Agreement or any other Loan Document.

"*Restricted Indebtedness*" shall mean Subordinated Indebtedness of the U.S. Borrower or any Subsidiary, the payment, prepayment, repurchase or defeasance of which is restricted under Section 6.09(b).

"*Restricted Payment*" shall mean any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the U.S. Borrower or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Equity Interests in the U.S. Borrower or any Subsidiary or any option, warrant or other right to acquire any such Equity Interests in the U.S. Borrower or any Subsidiary.

"*Revolving Commitments*" shall mean the Canadian Revolving Commitments, the U.S. Revolving Commitments and the Australian Revolving Commitments.

"*Revolving Credit Loans*" shall mean U.S. Revolving Credit Loans, Canadian Revolving Credit Loans or Australian Revolving Credit Loans, as the context may require.

"*Revolving Lenders*" shall mean U.S. Revolving Lenders, Canadian Lenders or Australian Lenders, as the context may require.

"*Rolled Letter of Credit*" shall mean each Letter of Credit previously issued for the account of a Borrower that (a) is outstanding on the Closing Date and (b) is listed on Schedule 1.01(a).

"*Sanctions Laws and Regulations*" shall mean (a) any economic or financial sanctions, prohibitions or requirements imposed, administered or enforced by any executive order of the President of the United States (an "*Executive Order*") or by any economic sanctions program administered by OFAC or the U.S. Department of State; and (b) any sanctions measures imposed by the United Nations Security Council, European Union, the United Kingdom or Australia.

"*SEC*" shall mean the Securities and Exchange Commission, and any successor entity.

"*Secured Parties*" shall mean, collectively, the U.S. Secured Parties, the Canadian Secured Parties and the Australian Secured Parties.

"*Security Agreements*" shall mean, collectively, the U.S. Security Agreement, the Canadian Security Agreement and following the execution and delivery thereof by the parties thereto, the Australian Security Deed.

"*Security Documents*" shall mean the Security Agreements, the Pledge Agreements, and each of the security agreements, and other instruments and documents executed and delivered pursuant to any of the foregoing or pursuant to Section 5.09.

"*Separation Agreement*" shall mean the separation and distribution agreement between the U.S. Borrower and Oil States dated as of May [28], 2014.

"*Solvent*" shall mean, with respect to any person, (a) the fair value of the assets of such person exceeds its debts and liabilities, contingent or otherwise; (b) the present fair saleable value of the property of such person are greater than the amount that will be required to pay the probable liability associated with its debts and other liabilities, contingent or otherwise, as such debts and other liabilities become absolute and matured; (c) such person is able to pay its debts and liabilities, contingent or otherwise, as such debts and liabilities become absolute and matured; and (d) such person does not have unreasonably small capital with which to conduct its business in which it is engaged as such business is now conducted and is proposed to be conducted following the Funding Date.

"*S&P*" shall mean Standard & Poor's Ratings Service, a division of The McGraw-Hill Companies, Inc., or any successor thereof which is a nationally recognized statistical rating organization.

"*SPC*" shall have the meaning assigned to such term in Section 9.04(g).

"*Special Purpose Business Entity*" shall mean each entity listed on Schedule 3.08 as being a Special Purpose Business Entity and any other entity formed by the Canadian Parent or any of its Subsidiaries, or in which the Canadian Parent or any of its Subsidiaries acquires an Equity Interest, in each case so long as (i) such entity is formed, or such Equity Interest is acquired, after October 30, 2003, (ii) such entity is, or proposes to engage in, a joint venture with persons that are, or are owned or controlled by, aboriginal peoples in Alaska or Canada, (iii) any loans or advances to, or investments in such Special Purpose Business Entity is permitted by Section 6.04, and (iv) the Canadian Parent delivers a certificate of a Responsible Officer to the Administrative Agents designating such Special Purpose Business Entity as such and certifying compliance with the foregoing requirements of this definition.

"*Spin Documents*" shall mean, the Form 10, the Separation Agreement and all exhibits, schedules and amendments thereto.

"*Spin-Off*" shall mean (a) the separation of certain assets (including the Equity Interests of certain subsidiaries of Oil States) and certain liabilities related to Oil States' remote site accommodations business from Oil States and the transfer of those assets (including the Equity Interests of certain Subsidiaries of Oil States) and liabilities to the U.S. Borrower pursuant to the Separation Agreement and (b) the distribution by Oil States of all of the issued and outstanding shares of common stock of the U.S. Borrower.

"*Standard Time*" shall mean eastern standard time or eastern daylight savings time, as applicable on the relevant date.

"*Statutory Reserves*" shall mean a fraction (expressed as a decimal carried out to five decimal places), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal carried out to five decimal places established by the Board for Eurocurrency Liabilities (as defined in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. Eurocurrency Loans shall be deemed to constitute Eurocurrency Liabilities and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D. Statutory Reserves shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"*Subordinated Indebtedness*" shall mean Indebtedness of a Loan Party that is subordinated to the prior payment in full of the Obligations on terms reasonably satisfactory to the Administrative Agent.

"*subsidiary*" shall mean, with respect to any person (herein referred to as the "*parent*"), any corporation, partnership, association or other business entity of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power are, at the time any determination is being made, owned, controlled or held by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"*Subsidiary*" shall mean any subsidiary of a Borrower, other than a Special Purpose Business Entity.

"*Subsidiary Guarantors*" shall mean, collectively, the U.S. Subsidiary Guarantors, the Canadian Subsidiary Guarantors, and the Australian Subsidiary Guarantors.

"*Swing Line Borrowing*" shall mean a U.S. Swing Line Borrowing or a Canadian Swing Line Borrowing, as the context may require.

"*Swing Line Lender*" shall mean the U.S. Swing Line Lender or the Canadian Swing Line Lender, as the context may require.

"*Swing Line Loan*" shall mean a U.S. Swing Line Loan or a Canadian Swing Line Loan, as the context may require.

"*Swing Line Payment Date*" shall mean (a) if an AutoBorrow Agreement is in effect, the earliest to occur of (i) the date required by such AutoBorrow Agreement, (ii) demand is made by the Applicable Swing Line Lender and (iii) the Maturity Date, or (b) if an AutoBorrow Agreement is not in effect, the earlier to occur of (i) three (3) Business Days after demand is made by the Applicable Swing Line Lender if no Default or Event of Default exists, and otherwise upon demand by the Applicable Swing Line Lender and (ii) the Maturity Date.

"*Swing Line Sublimit*" shall mean the U.S. Swing Line Sublimit or the Canadian Swing Line Sublimit, as the context may require.

"*Synthetic Purchase Agreement*" shall mean any swap, derivative or other agreement or combination of agreements pursuant to which the U.S. Borrower or any Subsidiary is or may become obligated to make (a) any payment in connection with a purchase by any third party from a person other than the U.S. Borrower or any Subsidiary of any Equity Interest or Restricted Indebtedness or (b) any payment (other than on account of a permitted purchase by it of any Equity Interest or Restricted Indebtedness) the amount of which is determined by reference to the price or value at any time of any Equity Interest or Restricted Indebtedness; *provided* that no phantom stock or similar plan providing for payments only to current or former directors, officers or employees of the U.S. Borrower or the Subsidiaries (or to their heirs or estates) shall be deemed to be a Synthetic Purchase Agreement.

"*Taxes*" shall mean any and all present or future taxes, levies, imposts, duties, deductions, assessments, charges, liabilities or withholdings imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"*Total Australian Revolving Commitment*" shall mean, at any time, the aggregate amount of the Australian Revolving Commitments, as in effect at such time.

"*Total Canadian Revolving Commitment*" shall mean, at any time, the aggregate amount of the Canadian Revolving Commitments, as in effect at such time.

"*Total Debt*" at any time shall mean the Indebtedness of the U.S. Borrower and its subsidiaries at such time (excluding Indebtedness of the type described in clause (i) of the definition of such term, except to the extent of any unreimbursed drawings thereunder).

"*Total U.S. Revolving Commitment*" shall mean, at any time, the aggregate amount of the U.S. Revolving Commitments, as in effect at such time.

"*Transactions*" shall mean, collectively, (a) the consummation of the Spin-Off, (b) the entering by the Loan Parties into Loan Documents to which they are to be a party, (c) the Refinancing Transactions, and (d) the payment of the fees and expenses incurred in connection with the consummation of the foregoing.

"*Type*", when used in respect of any Loan or Borrowing, shall refer to the Rate by reference to which interest on such Loan or on the Loans comprising such Borrowing is determined. For purposes hereof, the term "*Rate*" shall include the Adjusted LIBO Rate, the Alternate Base Rate, the Canadian Prime Rate, the U.S. Base Rate, the BBSY Rate and the B/A Discount Rate applicable to Bankers' Acceptances and B/A Equivalent Loans.

"*UKBA*" shall mean the U.K. Bribery Act 2010.

"*U.S. Applicable Pro Rata Percentage*" shall mean with respect to any U.S. Revolving Lender or U.S. Term Lender, the U.S. Revolving Pro Rata Percentage or the U.S. Term Loan Pro Rata Percentage, respectively.

"*U.S. Base Rate*" shall mean, for any day, a rate per annum equal to the greatest of (a) the rate of interest per annum publicly announced from time to time by the Canadian Administrative Agent as its base rate in effect at its principal office in Toronto, Ontario for determining interest rates on U.S. dollar-denominated commercial loans made in Canada, (b) the Federal Funds Effective Rate in effect on such day plus ½ of 1.0% and (c) the sum of the Adjusted LIBO Rate in effect for such day (or if such day is not a Business Day, the immediately preceding Business Day) for a deposit in U.S. dollars with a maturity of one month plus 1.0%. Each change in the U.S. Base Rate shall be effective on the date such change is publicly announced as being effective.

"*U.S. Borrower Guarantee Agreement*" shall mean the U.S. Borrower Guarantee Agreement, substantially in the form of Exhibit C-2, between the U.S. Borrower and the Canadian Collateral Agent for the benefit of the Canadian Secured Parties.

"*U.S. Collateral*" shall mean all "Collateral" as defined in any Security Document, other than Canadian Collateral and the Australian Collateral.

"*U.S. Commitment*" shall mean a U.S. Revolving Commitment or a U.S. Term Commitment, as the context requires.

"*U.S. Commitment Fee*" shall have the meaning assigned to such term in Section 2.05(a).

"*U.S. Dollar Equivalent*" shall mean, on any date of determination, with respect to any amount in Canadian dollars, Australian dollars or an Alternative Currency, the equivalent in U.S. dollars of such amount, determined by the Administrative Agent using the Exchange Rate then in effect.

"*U.S. L/C Exposure*" shall mean at any time the sum of (a) the U.S. Dollar Equivalent of the aggregate undrawn amount of all outstanding U.S. Letters of Credit at such time *plus* (b) the U.S. Dollar Equivalent of the aggregate principal amount of all L/C Disbursements in respect of U.S. Letters of Credit that have not yet been reimbursed at such time. The U.S. L/C Exposure of any U.S. Revolving Lender at any time shall mean its U.S. Revolving Pro Rata Percentage of the aggregate U.S. L/C Exposure at such time.

"*U.S. L/C Participation Fee*" shall have the meaning assigned to such term in Section 2.05(c).

"*U.S. Lenders*" shall mean the Lenders having U.S. Commitments or outstanding U.S. Loans.

"*U.S. Loan*" shall mean a U.S. Revolving Credit Loan or a U.S. Term Loan. Each U.S. Loan shall be an ABR Loan or a Eurocurrency Loan.

"*U.S. Person*" shall mean any person that is a "United States person" as defined in Section 7701(a)(30) of the Code.

"*U.S. Pledge Agreement*" shall mean the U.S. Pledge Agreement, substantially in the form of Exhibit D-3, among the U.S. Borrower, the Subsidiaries party thereto and the U.S. Collateral Agent for the benefit of the Secured Parties.

"*U.S. Revolving Borrowing*" shall mean group of U.S. Revolving Credit Loans of a single Type made, converted or continued by the U.S. Revolving Lenders on a single date and, in the case of a Eurocurrency Borrowing, as to which a single Interest Period is in effect.

"*U.S. Revolving Commitment*" shall mean, with respect to each U.S. Revolving Lender, the commitment of such U.S. Revolving Lender to (a) make U.S. Revolving Credit Loans hereunder, (b) purchase participations in the U.S. L/C Exposure and (c) purchase participations in U.S. Swing Line Loans, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender's name on Schedule 2.01 under the caption "U.S. Revolving Commitment", or in the Assignment and Acceptance or Lender Joinder Agreement pursuant to which such U.S. Revolving Lender assumed its U.S. Revolving Commitment, as applicable, as the same may be (i) reduced from time to time pursuant to Section 2.09 and (ii) reduced or increased from time to time pursuant to assignments by or to such U.S. Revolving Lender pursuant to Section 9.04. The aggregate amount of the U.S. Revolving Commitments as of the Closing Date is $450,000,000.

"*U.S. Revolving Credit Exposure*" shall mean, with respect to any U.S. Revolving Lender at any time, the aggregate principal amount at such time of all outstanding U.S. Revolving Credit Loans of such U.S. Revolving Lender, *plus* the U.S. Dollar Equivalent of the aggregate amount at such time of such U.S. Revolving Lender's U.S. Revolving Pro Rata Percentage of the U.S. L/C Exposure *plus* such U.S. Revolving Lender's U.S. Revolving Pro Rata Percentage of the outstanding amount all U.S. Swing Line Loans.

"*U.S. Revolving Credit Facility*" shall mean at any time the aggregate amount of the U.S. Revolving Commitments of the U.S. Revolving Lenders at such time.

"*U.S. Revolving Credit Loan*" shall mean the U.S. dollar-denominated Revolving Credit Loans made by the U.S. Revolving Lenders to the U.S. Borrower.

"*U.S. Revolving Lenders*" shall mean Lenders having U.S. Revolving Commitments, outstanding U.S. Revolving Credit Loans, participations in U.S. Letters of Credit or outstanding U.S. Swing Line Loans.

"*U.S. Revolving Pro Rata Percentage*" of any U.S. Revolving Lender, subject to any adjustment as provided in Section 2.24(c) or 2.25(a), the percentage of the aggregate U.S. Revolving Commitments represented by such U.S. Revolving Lender's U.S. Revolving Commitment; *provided* that if the U.S. Revolving Commitments have terminated, the U.S. Revolving Pro Rata Percentages of the U.S. Revolving Lenders shall be determined based upon the U.S. Revolving Commitments most recently in effect, giving effect to any assignments.

"*U.S. Secured Parties*" shall have the meaning assigned to such term in the U.S. Security Agreement.

"*U.S. Security Agreement*" shall mean the U.S. Security Agreement, substantially in the form of Exhibit E-3, among the U.S. Borrower, the Subsidiaries party thereto and the U.S. Collateral Agent for the benefit of the Secured Parties.

"*U.S. Security Documents*" shall mean the U.S. Security Agreement, the U.S. Pledge Agreement and each other Security Document to which the U.S. Borrower or any Domestic Subsidiary is a party and that purports to grant a Lien in the assets of any such person in favor of the U.S. Collateral Agent for the benefit of the Secured Parties.

"*U.S. Subsidiary Guarantee Agreement*" shall mean the U.S. Subsidiary Guarantee Agreement, substantially in the form of Exhibit C-3, between the U.S. Subsidiary Guarantors and the U.S. Collateral Agent for the benefit of the Secured Parties.

"*U.S. Subsidiary Guarantor*" shall mean each Domestic Subsidiary of the U.S. Borrower listed on Schedule 1.01(a), and each other Material Subsidiary that is or becomes a party to the U.S. Subsidiary Guarantee Agreement.

"*U.S. Swing Line Borrowing*" shall mean a borrowing of a U.S. Swing Line Loan pursuant to Section 2.23(a)(i) or, if an AutoBorrow Agreement is in effect, any transfer of funds pursuant to such AutoBorrow Agreement.

"*U.S. Swing Line Lender*" shall mean Wells Fargo Bank, N.A. in its capacity as provider of U.S. Swing Line Loans, or any successor swing line lender hereunder.

"*U.S. Swing Line Loan*" has the meaning assigned to such term in Section 2.23(a)(i).

"*U.S. Swing Line Sublimit*" shall mean U.S.$40,000,000. The U.S. Swing Line Sublimit is part of, and not in addition to, the U.S. Revolving Commitments.

"*U.S. Tax Compliance Certificate*" has the meaning assigned to such term in paragraph (g) of Section 2.19(b)(3).

"*U.S. Term Borrowing*" shall mean a group of U.S. Term Loans of a single Type made, converted or continued by the U.S. Term Lenders on a single date and, in the case of a Eurocurrency Borrowing, as to which a single Interest Period is in effect.

"*U.S. Term Commitment*" shall mean, with respect to each U.S. Term Lender, the commitment of such U.S. Term Lender to make a single U.S. Term Loan to the U.S. Borrower on the Funding Date in an aggregate principal amount not to exceed the U.S. dollar amount set forth opposite such Lender's name on Schedule 2.01. The aggregate amount of the U.S. Term Commitments as of the Closing Date is $775,000,000.

"*U.S. Term Lender*" shall mean any U.S. Lender that has a U.S. Term Commitment or holds a Term Credit Loan.

"*U.S. Term Loan*" shall mean the U.S. dollar-denominated term loans made by the U.S. Term Lenders to the U.S. Borrower.

"*U.S. Term Loan Facility*" shall mean (a) at any time on or prior to the Funding Date, the aggregate amount of the U.S. Term Commitments at such time and (b) at any time after the Funding Date, the aggregate principal amount of the U.S. Term Loans of all U.S. Term Lenders outstanding at such time.

"*U.S. Term Loan Pro Rata Percentage*" with respect to any U.S. Term Lender, (a) prior to the termination of the U.S. Term Commitments, the percentage of the aggregate U.S. Term Commitments represented by such U.S. Lender's U.S. Term Commitment at such time and (b) following the termination of the U.S. Term Commitments, the percentage of the aggregate principal amount of the U.S. Term Loans represented by such U.S. Lender's U.S. Term Loans at such time.

"*wholly owned Subsidiary*" of any person shall mean (a) any subsidiary of such person of which securities (except for directors' qualifying shares and, in the case of PTI Holdco, the Exchangeable Shares) or other ownership interests representing 100% of the equity or 100% of the ordinary voting power are, at the time any determination is being made, owned, controlled or held by such person or one or more wholly owned subsidiaries of such person or by such person and one or more wholly owned subsidiaries of such person or (b) any subsidiary that is organized in a foreign jurisdiction and is required by the applicable laws and regulations of such foreign jurisdiction to be partially owned by the government of such foreign jurisdiction or individual or corporate citizens of such foreign jurisdiction, provided that such person, directly or indirectly, owns the remaining Equity Interests in such subsidiary and, by contract or otherwise, controls the management and business of such subsidiary and derives economic benefits of ownership of such subsidiary to substantially the same extent as if such subsidiary were a wholly owned subsidiary.

"*Withdrawal Liability*" shall mean liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

"*Withholding Agent*" means any Loan Party and the Administrative Agent.

SECTION 1.02 ***Terms Generally***. The definitions in Section 1.01 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall"; and the words "asset" and "property" shall be construed as having the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any person shall be construed to include such person's successors and assigns, (c) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be deemed references to Articles and Sections of, and Exhibits and Schedules to, this Agreement, any references to a term defined in the PPSA (Alberta) or the PPSA (Australia) herein shall, unless otherwise specified, have the same meaning given to that term in the PPSA (Alberta) or PPSA (Australia) (as applicable) and (f) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; *provided*, *however*, that if the U.S. Borrower notifies the Administrative Agent that the Borrowers wish to amend any covenant in Article VI or any related definition to eliminate the effect of any change in GAAP occurring after the Closing Date on the operation of such covenant (or if the Administrative Agent notifies the U.S. Borrower that the Required Lenders wish to amend Article VI or any related definition for such purpose), then the Borrowers' compliance with such covenant shall be determined on the basis of GAAP in effect immediately before the relevant change in GAAP became effective, until either such notice is withdrawn or such covenant is amended in a manner satisfactory to the U.S. Borrower and the Required Lenders.

SECTION 1.03 ***Several Obligations; Power of Attorney***. (a) The Canadian Borrowers, any Canadian Subsidiaries, the Australian Borrower and any Australian Subsidiaries shall not be liable for the payment obligations of the U.S. Borrower hereunder.

(b) Each of the Canadian Borrowers and the Australian Borrower hereby appoints the U.S. Borrower and each of its officers to be its attorneys in fact (its "*Attorneys*") and in its name and on its behalf and as its act and deed or otherwise to sign all documents and carry out all such acts as are necessary or appropriate in connection with executing any Borrowing Request, any Loan Documents or any other instruments, certificates or documents delivered thereunder or in connection therewith (collectively, the "*Documents*"). This Power of Attorney shall be valid for the duration of the term of this Agreement. Each Canadian Borrower and the Australian Borrower hereby ratifies any and all acts which any of its Attorneys shall do in order to execute on its behalf, or in connection with, the Documents mentioned herein.

SECTION 1.04 ***Classification of Loans and Borrowings***. For purposes of this Agreement, Loans may be classified and referred to by Class (*e.g.*, a "U.S. Revolving Credit Loan") or by Type (*e.g.*, a "Eurocurrency Loan") or by Class and Type (*e.g.*, a "Eurocurrency U.S. Revolving Credit Loan"). Borrowings also may be classified and referred to by Class (*e.g.*, a "U.S. Revolving Borrowing") or by Type (*e.g.*, a "Eurocurrency Borrowing") or by Class and Type (*e.g.*, a "Eurocurrency U.S. Revolving Borrowing").

SECTION 1.05 ***Additional Alternative Currencies***. The Borrowers may from time to time request that Letters of Credit be issued in a currency other than those specifically listed in the definition of "Alternative Currency;" provided that such requested currency is a lawful currency that is readily available and freely transferable and convertible into U.S. dollars. Such request shall be subject to the approval of the Administrative Agent and the Applicable Issuing Bank. Any such request shall be made to the Administrative Agent not later than 12:00 p.m. (Standard Time), ten Business Days prior to the date of the requested Letter of Credit (or such other time or date as may be agreed by the Administrative Agent and the Applicable Issuing Bank, in its or their sole discretion). The Administrative Agent shall promptly notify the Applicable Issuing Bank thereof. The Applicable Issuing Bank shall notify the Administrative Agent, not later than 12:00 p.m. (Standard Time), five Business Days after receipt of such request whether it consents, in its sole discretion, to the issuance of Letters of Credit, as the case may be, in such requested currency. Any failure by the Applicable Issuing Bank to respond to such request within the time period specified in the preceding sentence shall be deemed to be a refusal by such Issuing Bank to issue the requested Letters of Credit in such requested currency at that time. If the Administrative Agent and the Applicable Issuing Bank consent to the issuance of Letters of Credit in such requested currency, the Administrative Agent shall so notify the Borrowers and such currency shall thereupon be deemed for all purposes to be an Alternative Currency hereunder for purposes of any Letter of Credit issuances. If the Administrative Agent shall fail to obtain consent to any request for an additional currency under this Section 1.05, the Administrative Agent shall promptly so notify the Borrowers.

ARTICLE II

The Credits

SECTION 2.01 ***Commitments***. Subject to the terms and conditions and relying upon the representations and warranties herein set forth:

(a) each U.S. Revolving Lender agrees, severally and not jointly, to make U.S. Revolving Credit Loans in U.S. dollars to the U.S. Borrower, at any time and from time to time on or after the Funding Date, and until the earlier of the Maturity Date and the termination of the U.S. Revolving Commitment of such Lender in accordance with the terms hereof, in an aggregate principal amount at any time outstanding that will not result in such Lender's U.S. Revolving Credit Exposure exceeding such Lender's U.S. Revolving Commitment;

(b) each Canadian Lender agrees, severally and not jointly, to make Canadian Revolving Credit Loans in Canadian dollars and/or U.S. dollars to either Canadian Borrower at any time and from time to time on or after the Funding Date, and until the earlier of the Maturity Date and the termination of the Canadian Revolving Commitment of such Lender in accordance with the terms hereof, in an aggregate principal amount at any time outstanding that will not result in such Lender's Canadian Revolving Credit Exposure exceeding such Lender's Canadian Revolving Commitment;

(c) each Australian Lender agrees, severally and not jointly, to make Australian Revolving Credit Loans in Australian dollars and/or U.S. dollars to the Australian Borrower at any time and from time to time on or after the Funding Date, and until the earlier of the Maturity Date and the termination of the Australian Revolving Commitment of such Lender in accordance with the terms hereof, in an aggregate principal amount at any time outstanding that will not result in such Lender's Australian Revolving Credit Exposure exceeding such Lender's Australian Revolving Commitment;

(d) each U.S. Term Lender agrees, severally and not jointly, to make a single U.S. Term Loan in U.S. dollars to the U.S. Borrower on the Funding Date, in a principal amount not to exceed such Lender's U.S. Term Commitment;

(e) the U.S. Swing Line Lender agrees to make Swing Line Loans in U.S. dollars to the U.S. Borrower in accordance with Section 2.23;

(f) the Canadian Swing Line Lender agrees to make Swing Line Loans in Canadian dollars or U.S. dollars to either Canadian Borrower in accordance with Section 2.23; and

(g) within the limits set forth in the preceding sentence and subject to the terms, conditions and limitations set forth herein, the Borrowers may borrow, prepay and reborrow Revolving Credit Loans and the Borrowers may prepay the U.S. Term Loans but no amount paid or repaid with respect to the U.S. Term Loans may be reborrowed.

SECTION 2.02 ***Loans***. (a) Each Loan shall be made as part of a Borrowing consisting of Loans made by the Applicable Lenders ratably in accordance with their Applicable Pro Rata Percentages of the applicable Facility; *provided*, *however*, that the failure of any Lender to make any Loan shall not in itself relieve any other Lender of its obligation to lend hereunder (it being understood, however, that no Lender shall be responsible for the failure of any other Lender to make any Loan required to be made by such other Lender). Except for Loans deemed made pursuant to Section 2.02(g), the Loans comprising any Borrowing shall be in an aggregate principal amount that is (i) in the case of ABR Loans or U.S. Base Rate Loans, an integral multiple of U.S.$100,000 and in a minimum amount of U.S.$1,000,000, (ii) in case of Eurocurrency Loans, an integral multiple of U.S.$1,000,000 and in a minimum amount of U.S.$3,000,000, (iii) in the case of Canadian dollar-denominated Loans, an integral multiple of C$100,000 and in a minimum amount of C$1,000,000, (iv) in the case of Australian dollar-denominated Loans, an integral multiple of AUD$100,000 and in a minimum amount of AUD$1,000,000 or (v) equal to the remaining available balance of the applicable Commitment.

(b) Subject to Sections 2.08 and 2.14, (i) each Borrowing denominated in U.S. dollars shall be comprised entirely of ABR Loans (if made to the U.S. Borrower), U.S. Base Rate Loans (if made to a Canadian Borrower), BBSY Loans (if made to the Australian Borrower) or Eurocurrency Loans as the Applicable Borrower may request pursuant to Section 2.03, (ii) each Borrowing denominated in Canadian dollars shall be comprised entirely of B/A Loans or Canadian Prime Rate Loans as a Canadian Borrower may request pursuant to Section 2.03 and (iii) each Borrowing denominated in Australian dollars shall be comprised entirely of BBSY Rate Loans. Each Lender may at its option make any Eurocurrency Loan, Canadian Revolving Credit Loan or Australian Revolving Credit Loan denominated in U.S. dollars by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; *provided* that any exercise of such option shall not affect the obligation of any Borrower to repay such Loan in accordance with the terms of this Agreement or cause any Borrower to incur any cost under Section 2.19 that would not have been incurred but for the exercise of such option. Borrowings of more than one Type may be outstanding at the same time; *provided*, *however*, that the Borrowers shall not be entitled to request any Borrowing that, if made, would result in more than ten Eurocurrency Borrowings outstanding hereunder at any time, more than ten B/A Borrowings outstanding hereunder at any time, or more than ten BBSY Borrowings outstanding hereunder at any time. For purposes of the foregoing, Eurocurrency Borrowings or BBSY Borrowings having different Interest Periods and B/A Borrowings having different Contract Periods, regardless of whether they commence on the same date, shall be considered separate Borrowings.

(c) Except with respect to Loans made pursuant to Section 2.02(g), each U.S. Lender making Loans denominated in U.S. dollars to the U.S. Borrower shall make each such Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds to such account as the Administrative Agent may designate not later than 1:00 p.m. (Standard Time) in the case of a Eurocurrency Borrowing, or 1:00 p.m. (Standard Time) in the case of an ABR Borrowing, and the Administrative Agent shall promptly credit the amounts so received to an account designated by the U.S. Borrower in the applicable Borrowing Request. Except with respect to Loans made pursuant to Section 2.02(g), each Canadian Lender making Loans to a Canadian Borrower shall make each Canadian Revolving Credit Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds to such account in Toronto, Ontario as the Canadian Administrative Agent may designate not later than 1:00 p.m. (Standard Time) in the case of a Eurocurrency Borrowing or a B/A Borrowing, or 1:00 p.m. (Standard Time) in the case of a Canadian Prime Rate Borrowing or U.S. Base Rate Borrowing, and the Canadian Administrative Agent shall promptly credit the amounts so received to an account designated by such Canadian Borrower in the applicable Borrowing Request. Except with respect to Loans made pursuant to Section 2.02(g), each Australian Lender making Loans to the Australian Borrower shall make each Australian Revolving Credit Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds to such account as the Australian Administrative Agent may designate not later than 3:00 p.m. (Sydney time), and the Australian Administrative Agent shall promptly credit the amounts so received to an account designated by the Australian Borrower in the applicable Borrowing Request.

(d) Unless the Applicable Administrative Agent shall have received notice from a Lender prior to the time of any Borrowing that such Lender will not make available to the Applicable Administrative Agent such Lender's Applicable Pro Rata Percentage of such Borrowing, the Applicable Administrative Agent may assume that such Lender has made such portion available to the Applicable Administrative Agent on the date of such Borrowing in accordance with paragraph (c) above and the Applicable Administrative Agent may, in reliance upon such assumption, make available to the Applicable Borrower on such date a corresponding amount. If the Applicable Administrative Agent shall have so made funds available then, to the extent that such Lender shall not have made such portion available to the Applicable Administrative Agent, such Lender and the Applicable Borrower severally agree to repay to the Applicable Administrative Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Applicable Borrower until the date such amount is repaid to the Applicable Administrative Agent at (i) in the case of a Borrower, a rate per annum equal to the interest rate applicable to Loans pursuant to Section 2.06(a), 2.06(c) or 2.06(f), as the case may be, and (ii) in the case of such Lender, at the greater of the Federal Funds Effective Rate and a rate determined by the Applicable Administrative Agent in accordance with banking industry rules on interbank compensation (which determination shall be conclusive absent manifest error). If such Borrower and such Lender shall pay such interest to the Applicable Administrative Agent for the same or an overlapping period, the Applicable Administrative Agent shall promptly remit to the Applicable Borrower the amount of such interest paid by such Borrower for such period. If such Lender shall repay to the Applicable Administrative Agent such corresponding amount, such amount shall constitute such Lender's Loan as part of such Borrowing for purposes of this Agreement; *provided*, *however*, that the foregoing does not constitute a waiver by any Borrower of any claim for damages permitted hereunder and attributable to such Lender. Any payment by a Borrower shall be without prejudice to any claim any Borrower may have against a Lender that shall have failed to make such payment to the Applicable Administrative Agent.

(e) Unless the Applicable Administrative Agent shall have received notice from the Applicable Borrower prior to the date on which any payment is due to the Applicable Administrative Agent for the account of the Applicable Lenders, the Applicable Issuing Bank or the Applicable Swing Line Lender hereunder that the Applicable Borrower will not make such payment, the Applicable Administrative Agent may assume that the Applicable Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Applicable Lenders, the Applicable Issuing Bank or the Applicable Swing Line Lender, as the case may be, the amount due. In such event, if the Applicable Borrower has not in fact made such payment, then each of the Applicable Lenders, the Applicable Issuing Bank or the Applicable Swing Line Lender, as the case may be, severally agrees to repay to the Applicable Administrative Agent forthwith on demand the amount so distributed to such Applicable Lender, such Applicable Issuing Bank or the Applicable Swing Line Lender, with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Applicable Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Applicable Administrative Agent in accordance with banking industry rules on interbank compensation.

(f) Notwithstanding any other provision of this Agreement, the Borrowers shall not be entitled to request any Borrowing if the Interest Period or Contract Period requested with respect thereto would end after the Maturity Date.

(g) If an Issuing Bank shall not have received from the U.S. Borrower, the applicable Canadian Borrower or the Australian Borrower, as the case may be, the payment required to be made by Section 2.21(e) within the time specified in such Section, such Issuing Bank will promptly notify the Applicable Administrative Agent of the U.S. Dollar Equivalent of such L/C Disbursement and the Applicable Administrative Agent will promptly notify each U.S. Revolving Lender, Canadian Lender or Australian Lender, as applicable, of the U.S. Dollar Equivalent of such L/C Disbursement and its U.S. Revolving Pro Rata Percentage, Canadian Revolving Pro Rata Percentage or Australian Revolving Pro Rata Percentage, as applicable, thereof. Each such Revolving Lender shall pay by wire transfer of immediately available funds to the Applicable Administrative Agent not later than 2:00 p.m. (Standard Time) on such date (or, if such Revolving Lender shall have received such notice later than 12:00 p.m. (Standard Time) on any day, not later than 11:00 a.m. (Standard Time) on the immediately following Business Day), an amount equal to such Lender's U.S. Revolving Pro Rata Percentage, Canadian Revolving Pro Rata Percentage or Australian Revolving Pro Rata Percentage, as applicable, of the U.S. Dollar Equivalent of such L/C Disbursement (it being understood that such amount shall be deemed to constitute an ABR Loan, a Canadian Prime Rate Loan or a BBSY Rate Loan, as applicable, of such Lender and such payment shall be deemed to have reduced the U.S. L/C Exposure, the Canadian L/C Exposure or the Australian L/C Exposure, as applicable), and the Applicable Administrative Agent will promptly pay to such Issuing Bank amounts so received by it from such Lenders. The Applicable Administrative Agent will promptly pay to such Issuing Bank any amounts received by it from a Borrower pursuant to Section 2.21(e) prior to the time that any Lender makes any payment pursuant to this paragraph (g); any such amounts received by the Applicable Administrative Agent thereafter will be promptly remitted by the Applicable Administrative Agent to the Lenders that shall have made such payments and to such Issuing Bank, as their interests may appear. If any Lender shall not have made its U.S. Revolving Pro Rata Percentage, Canadian Revolving Pro Rata Percentage or Australian Revolving Pro Rata Percentage, as applicable, of such L/C Disbursement available to the Applicable Administrative Agent as provided above, such Lender and the Borrower for whose account such L/C Disbursement was made severally agree to pay interest on such amount, for each day from and including the date such amount is required to be paid in accordance with this paragraph to but excluding the date such amount is paid, to the Applicable Administrative Agent for the account of such Issuing Bank at (i) in the case of such Borrower, a rate per annum equal to the interest rate applicable to Loans pursuant to Section 2.06(a), 2.06(c) or 2.06(f), as the case may be, and (ii) in the case of such Lender, at the greater of the Federal Funds Effective Rate and a rate determined by the Applicable Administrative Agent in accordance with banking industry rules on interbank compensation (which determination shall be conclusive absent manifest error); *provided*, *however*, that the foregoing does not constitute a waiver by any Borrower of any claim for damages permitted hereunder and attributable to such Lender. In addition, if there is a change in the rate of exchange prevailing between the Alternative Currency of such L/C Disbursement and the U.S. Dollar Equivalent thereof as determined by the Applicable Administrative Agent on the date of the L/C Disbursement and the date of actual payment of the amount due (whether by a U.S. Revolving Lender, a Canadian Lender, an Australian Lender or the Borrower for whose account such L/C Disbursement was made), the Borrower for whose account such L/C Disbursement was made covenants and agrees to pay, or cause to be paid, such additional amounts, if any, as may be necessary to ensure that the amount paid in U.S. Dollars, when converted at the rate of exchange prevailing on the date of payment, will produce the U.S. Dollar Equivalent of such L/C Disbursement which could have been purchased with the amount of the Alternative Currency of such L/C Disbursement at the rate of exchange prevailing on the date of the L/C Disbursement. For purposes of determining the U.S. Dollar Equivalent or rate of exchange for this Section, such amounts shall include any premium and costs payable in connection with the purchase of the Alternative Currency.

SECTION 2.03 ***Borrowing Procedure***. (a) In order to request a Borrowing (other than a deemed Borrowing pursuant to Section 2.02(g) or a Swing Line Borrowing as to which this Section 2.03(a) shall not apply), the U.S. Borrower shall hand deliver, fax or send by electronic communication (e-mail) (or by telephone notice promptly confirmed by a written, fax or electronic communication (e-mail)) to the Administrative Agent a duly completed Borrowing Request (x) in the case of a Eurocurrency Borrowing, not later than 1:00 p.m. (Standard Time) three Business Days before a proposed Borrowing, and (y) in the case of an ABR Borrowing not later than 1:00 p.m. (Standard Time) one Business Day before a proposed Borrowing. Each such Borrowing Request shall be irrevocable, shall be signed by or on behalf of a Responsible Officer of the U.S. Borrower and shall specify the following information: (i) whether the Borrowing being requested is to be a U.S. Revolving Borrowing or a U.S. Term Borrowing, (ii) whether such Borrowing is to be a Eurocurrency Borrowing or an ABR Borrowing; (iii) the date of such Borrowing (which shall be a Business Day); (iv) the number and location of the account to which funds are to be disbursed (which shall be an account that complies with the requirements of Section 2.02(c)); (v) the amount of such Borrowing; and (vi) if such Borrowing is to be a Eurocurrency Borrowing, the Interest Period with respect thereto; *provided*, *however*, that, notwithstanding any contrary specification in any Borrowing Request, each requested Borrowing shall comply with the requirements set forth in Section 2.02. If no election as to the Type of Borrowing is specified in any such notice, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period with respect to any Eurocurrency Borrowing is specified in any such notice, then the U.S. Borrower shall be deemed to have selected an Interest Period of one month's duration. The Administrative Agent shall promptly advise the Applicable Lenders of any notice given pursuant to this Section 2.03(a) (and the contents thereof), and of each Lender's portion of the requested Borrowing.

(b) In order to request a Borrowing (other than a deemed Borrowing pursuant to Section 2.02(g) or a Swing Line Borrowing as to which Section 2.03(b) shall not apply), a Canadian Borrower (or the U.S. Borrower on its behalf) shall hand deliver, fax or send by electronic communication (e-mail) (or by telephone notice promptly confirmed by a written, fax or electronic communication (e-mail)) to the Canadian Administrative Agent a duly completed Borrowing Request (x) in the case of a B/A Borrowing or a Eurocurrency Borrowing, not later than 1:00 p.m. (Standard Time) three Business Days before the proposed Borrowing and (y) in the case of a Canadian Prime Rate Borrowing or U.S. Base Rate Borrowing, not later than 1:00 p.m. (Standard Time) one Business Day before the proposed Borrowing. Each such Borrowing Request shall be irrevocable, shall be signed by or on behalf of a Responsible Officer of the applicable Canadian Borrower (or the U.S. Borrower on its behalf) and shall specify the following information: (i) whether the Borrowing then being requested is to be denominated in Canadian dollars or U.S. dollars; (ii) whether such Borrowing is to be a Canadian Prime Rate Borrowing, a B/A Borrowing, a U.S. Base Rate Borrowing or a Eurocurrency Borrowing; (iii) the date of such Borrowing (which shall be a Business Day); (iv) the number and location of the account to which funds are to be disbursed (which shall be an account that complies with the requirements of Section 2.02(c)); (v) the amount of such Borrowing; and (vi) if such Borrowing is to be a B/A Borrowing or a Eurocurrency Borrowing, the Contract Period or Interest Period, respectively, therefor; *provided*, *however*, that, notwithstanding any contrary specification in any Borrowing Request, each requested Borrowing shall comply with the requirements set forth in Section 2.02. If no election as to the Type of Borrowing is specified in any such notice, then the requested Borrowing shall be a Canadian Prime Rate Borrowing (if denominated in Canadian dollars) or a U.S. Base Rate Borrowing (if denominated in U.S. dollars). If no Contract Period or Interest Period with respect to a B/A Borrowing or Eurocurrency Borrowing has been specified in any such notice, then the applicable Canadian Borrower shall be deemed to have selected a Contract Period or Interest Period of one month's duration. The Canadian Administrative Agent shall promptly advise the Applicable Lenders of any notice given pursuant to this Section 2.03(b) (and the contents thereof), and of each Lender's portion of the requested Borrowing.

(c) In order to request a Borrowing (other than a deemed Borrowing pursuant to Section 2.02(g), as to which this Section 2.03(c) shall not apply), the Australian Borrower (or the U.S. Borrower on its behalf) shall hand deliver, fax or send by electronic communication (e-mail) (or by telephone notice promptly confirmed by a written, fax or electronic communication (e-mail)) to the Australian Administrative Agent a duly completed Borrowing Request not later than 3:00 p.m. (Sydney time) three Business Days before the proposed Borrowing. Each such Borrowing Request shall be irrevocable, shall be signed by or on behalf of a Responsible Officer of the Australian Borrower (or the U.S. Borrower on its behalf) and shall specify the following information: (i) the date of such Borrowing (which shall be a Business Day); (ii) the number and location of the account to which funds are to be disbursed (which shall be an account that complies with the requirements of Section 2.02(c)); (iii) the amount of such Borrowing; and (iv) the Interest Period therefor; *provided*, *however*, that, notwithstanding any contrary specification in any Borrowing Request, each requested Borrowing shall comply with the requirements set forth in Section 2.02. If no Interest Period has been specified in any such notice, then the Australian Borrower shall be deemed to have selected an Interest Period of one month's duration. The Australian Administrative Agent shall promptly advise the Applicable Lenders of any notice given pursuant to this Section 2.03(c) (and the contents thereof), and of each Lender's portion of the requested Borrowing.

SECTION 2.04 ***Evidence of Debt; Repayment of Loans***.

(a) The U.S. Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of each U.S. Revolving Lender holding U.S. Revolving Credit Loans the then unpaid principal amount of each such Revolving Credit Loan of such Lender on the Maturity Date. Each Canadian Borrower hereby, jointly and severally, unconditionally promises to pay to the Canadian Administrative Agent for the account of each Canadian Lender holding Canadian Revolving Credit Loans made to such Canadian Borrower, the then unpaid principal amount of each such Revolving Credit Loan of such Canadian Lender on the Maturity Date. The Australian Borrower hereby unconditionally promises to pay to the Australian Administrative Agent for the account of each Australian Lender holding Australian Revolving Credit Loans made to the Australian Borrower, the then unpaid principal amount of each such Revolving Credit Loan of such Australian Lender on the Maturity Date.

(b) The U.S. Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of each U.S. Term Lender holding U.S. Term Loans the principal amounts set forth on Schedule 2.04 on each corresponding date set forth on such schedule; *provided* that the Administrative Agent shall promptly update Schedule 2.04 upon any repayment or prepayment of U.S. Term Loans, which updated schedule shall become effective upon delivery to the U.S. Borrower.

(c) The U.S. Borrower shall repay each U.S. Swing Line Loan on the Swing Line Payment Date. Each Canadian Borrower shall repay each Canadian Swing Line Loan on the Swing Line Payment Date.

(d) Except for any B/A Loan (the compensation for which is set forth in Section 2.22), each Loan shall bear interest from and including the date made on the outstanding principal balance thereof as set forth in Section 2.06.

(e) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrowers to such Lender resulting from each Loan made by such Lender from time to time, including the amounts of principal and interest payable and paid such Lender from time to time under this Agreement, and the purchases and sales by such Lender of participations in Letters of Credit and Swing Line Loans.

(f) The Administrative Agents shall maintain accounts in which they will record (i) the amount of each Loan made hereunder, the Class, Type and currency thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Applicable Borrower to each Lender hereunder and (iii) the amount of any sum received by the Applicable Administrative Agent hereunder from any Borrower or any Subsidiary Guarantor and each Lender's share thereof.

(g) The entries made in the accounts maintained pursuant to paragraphs (d) and (e) above shall be *prima facie* evidence of the existence and amounts of the obligations therein recorded; *provided*, *however*, that the failure of any Lender or the Administrative Agents to maintain such accounts or any error therein shall not in any manner affect the obligations of the Borrowers to repay the Loans in accordance with the terms of this Agreement.

(h) Any Lender may request that Loans made by it hereunder be evidenced by a promissory note (a "*Note*"). In such event, the Applicable Borrower shall execute and deliver to such Lender a Note or Notes payable to such Lender and its registered assigns and in a form and substance reasonably acceptable to the Applicable Administrative Agent and the Applicable Borrower. Notwithstanding any other provision of this Agreement, in the event any Lender shall request and receive such a Note, the interests represented by such Note shall at all times (including after any assignment of all or part of such interests pursuant to Section 9.04) be represented by one or more Notes payable to the payee named therein or its registered assigns.

SECTION 2.05 ***Fees***. (a) (i) The U.S. Borrower agrees to pay to each U.S. Revolving Lender, through the Administrative Agent, on the last Business Day of March, June, September and December in each year, a commitment fee (the "*U.S. Commitment Fee*") equal to the Applicable Percentage on the daily unused amount of the U.S. Revolving Commitments of such U.S. Revolving Lender to make U.S. Revolving Credit Loans to the U.S. Borrower during the preceding quarter. The U.S. Commitment Fee shall be computed on the basis of the actual number of days elapsed in a year of 360 days.

(ii) Each Canadian Borrower agrees to pay, jointly and severally, to each Canadian Lender, through the Canadian Administrative Agent, on the last Business Day of March, June, September and December in each year, a commitment fee (the "*Canadian Commitment Fee*") equal to the Applicable Percentage on the daily unused amount of the Canadian Revolving Commitments of such Canadian Lender to make Canadian Revolving Credit Loans to the Canadian Borrowers during the preceding quarter. The Canadian Commitment Fee shall be computed on the basis of the actual number of days elapsed in a year of 365 or 366 days, as the case may be.

(iii) The Australian Borrower agrees to pay to each Australian Lender, through the Australian Administrative Agent, on the last Business Day of March, June, September and December in each year, a commitment fee (the "*Australian Commitment Fee*"; together with the U.S. Commitment Fee and the Canadian Commitment Fee, the "*Commitment Fees*") equal to the Applicable Percentage on the daily unused amount of the Australian Revolving Commitments of such Australian Lender to make Australian Revolving Credit Loans to the Australian Borrower during the preceding quarter. The Australian Commitment Fee shall be computed on the basis of the actual number of days elapsed in a year of 365 or 366 days, as the case may be.

(iv) The Commitment Fees due to each Revolving Lender shall commence to accrue on the Funding Date, and shall cease to accrue on the date on which the applicable Revolving Commitment of such Revolving Lender shall expire or be terminated as provided herein. For the avoidance of doubt, (A) U.S. Swing Line Loans are not deducted from the U.S. Revolving Commitments when calculating the U.S. Commitment Fee under this Section 2.05(a) and (B) Canadian Swing Line Loans are not deducted from the Canadian Revolving Commitments when calculating the Canadian Commitment Fee under this Section 2.05(a).

(b) Each Borrower agrees to pay to the Applicable Administrative Agent and the Lead Arranger, for its own account, the administration and arrangement fees separately agreed to from time to time by such Borrower and such Administrative Agent or the Lead Arranger, including, without limitation, the fees set forth in the Fee Letter.

(c) The U.S. Borrower agrees to pay to each U.S. Revolving Lender, through the Administrative Agent, on the last Business Day of March, June, September and December of each year, commencing with the first such date to occur after the Funding Date, and on the date on which the U.S. Revolving Commitment of such Revolving Lender shall be terminated as provided herein, a fee (the "*U.S. L/C Participation Fee*") calculated on such Lender's U.S. Revolving Pro Rata Percentage of the daily aggregate U.S. L/C Exposure (in each case excluding the portion thereof attributable to unreimbursed L/C Disbursements in respect of Letters of Credit) during the preceding quarter (or shorter period commencing with the Funding Date or ending with the Maturity Date or the date on which all Letters of Credit have been canceled or have expired and the Revolving Commitments of all Revolving Lenders shall have been terminated) at a rate equal to the Applicable Percentage from time to time used to determine the interest rate on Borrowings comprised of Eurocurrency Loans pursuant to Section 2.06. Each Canadian Borrower agrees to pay, jointly and severally, to each Canadian Lender, through the Canadian Administrative Agent, on the last Business Day of March, June, September and December of each year, commencing with the first such date to occur after the Funding Date, and on the date on which the Canadian Revolving Commitment of such Revolving Lender shall be terminated as provided herein, a fee (the "*Canadian L/C Participation Fee*" calculated on such Lender's Canadian Revolving Pro Rata Percentage of the daily aggregate Canadian L/C Exposure (in each case excluding the portion thereof attributable to unreimbursed L/C Disbursements in respect of Letters of Credit) during the preceding quarter (or shorter period commencing with the Funding Date or ending with the Maturity Date or the date on which all Letters of Credit have been canceled or have expired and the Revolving Commitments of all Revolving Lenders shall have been terminated) at a rate equal to the Applicable Percentage from time to time used to determine the interest rate on Borrowings comprised of Eurocurrency Loans pursuant to Section 2.06. The Australian Borrower agrees to pay to each Australian Lender, through the Australian Administrative Agent, on the last Business Day of March, June, September and December of each year, commencing with the first such date to occur after the Funding Date, and on the date on which the Australian Revolving Commitment of such Revolving Lender shall be terminated as provided herein, a fee (the "*Australian L/C Participation Fee*"; together with the U.S. L/C Participation Fee and the Canadian L/C Participation Fee, the "*L/C Participation Fees*") calculated on such Lender's Australian Revolving Pro Rata Percentage of the daily aggregate Australian L/C Exposure (in each case excluding the portion thereof attributable to unreimbursed L/C Disbursements in respect of Letters of Credit) during the preceding quarter (or shorter period commencing with the Funding Date or ending with the Maturity Date or the date on which all Letters of Credit have been canceled or have expired and the Revolving Commitments of all Revolving Lenders shall have been terminated) at a rate equal to the Applicable Percentage from time to time used to determine the interest rate on Borrowings comprised of BBSY Loans pursuant to Section 2.06. Each Borrower agrees to pay to the Applicable Issuing Bank with respect to each Letter of Credit issued at the request of such Borrower, (A) a fronting fee for each Letter of Credit equal to the greater of (1) 0.125% of the initial stated amount of such Letter of Credit and (2) $600 (or, with respect to any subsequent increase to the stated amount of any such Letter of Credit, such increase in the stated amount) thereof, such fee to be payable on the date of such issuance, increase or extension and (B) issuance, payment, amendment and transfer fees specified from time to time by such Issuing Bank (collectively, the "*Issuing Bank Fees*"). All U.S. L/C Participation Fees and, unless otherwise agreed by the Applicable Issuing Bank, Issuing Bank Fees, shall be computed on the basis of the actual number of days elapsed in a year of 360 days. All Canadian L/C Participation Fees shall be computed on the basis of the actual number of days elapsed in a year of 365 or 366 days, as the case may be. All Australian L/C Participation Fees shall be computed on the basis of the actual number of days elapsed in a year of 365 or 366 days, as the case may be.

(d) All Fees shall be paid on the dates due, in immediately available U.S. dollars (except with respect to (i) L/C Participation Fees and Issuing Bank Fees in respect of Canadian Letters of Credit, each of which shall be payable in immediately available Canadian dollars and (ii) L/C Participation Fees and Issuing Bank Fees in respect of Australian Letters of Credit, each of which shall be payable in immediately available Australian dollars), to the Applicable Administrative Agent for distribution, if and as appropriate, among the Revolving Lenders, except that the Issuing Bank Fees shall be paid directly to the Applicable Issuing Bank. Once paid, absent manifest error, none of the Fees shall be refundable under any circumstances.

SECTION 2.06 ***Interest on Loans***. (a) Subject to the provisions of Section 9.09, the Loans comprising each ABR Borrowing shall bear interest (computed on the basis of the actual number of days elapsed over a year of 365 or 366 days, as the case may be, when the Alternate Base Rate is determined by reference to the Prime Rate and over a year of 360 days at all other times and calculated from and including the date of such Borrowing to but excluding the date of repayment thereof) at a rate per annum equal to the Alternate Base Rate plus the Applicable Percentage in respect of ABR Loans in effect from time to time.

(b) Subject to the provisions of Section 9.09, the Loans comprising each Eurocurrency Borrowing shall bear interest (computed on the basis of the actual number of days elapsed over a year of 360 days) at a rate per annum equal to the Adjusted LIBO Rate for the Interest Period in effect for such Borrowing plus the Applicable Percentage in respect of Eurocurrency Loans in effect from time to time.

(c) Subject to the provisions of Section 9.09, the Loans comprising each Canadian Prime Rate Borrowing shall bear interest (computed on the basis of the actual number of days elapsed over a year of 365 or 366 days, as the case may be, and calculated from and including the date of such Borrowing to but excluding the date of repayment thereof) at a rate per annum equal to the Canadian Prime Rate plus the Applicable Percentage in respect of the Canadian Prime Rate Loans in effect from time to time.

(d) Subject to the provisions of Section 9.09, the Loans comprising each B/A Borrowing shall be subject to an Acceptance Fee, payable by the applicable Canadian Borrower on the date of acceptance of the relevant B/A and calculated as set forth in the definition of the term “Acceptance Fee” in Section 1.01.

(e) Subject to the provisions of Section 9.09, the Loans comprising each U.S. Base Rate Borrowing shall bear interest (computed on the basis of the actual number of days elapsed over a year of 365 or 366 days, as the case may be, and calculated from and including the date of such Borrowing to but excluding the date of repayment thereof) at a rate per annum equal to the U.S. Base Rate plus the Applicable Percentage in respect of U.S. Base Rate Loans in effect from time to time.

(f) Subject to the provisions of Section 9.09, the Loans comprising each BBSY Rate Borrowing shall bear interest (computed on the basis of the actual number of days elapsed over a year of 365 or 366 days, as the case may be, and calculated from and including the date of such Borrowing to but excluding the date of repayment thereof) at a rate per annum equal to the BBSY Rate plus the Applicable Percentage in respect of BBSY Rate Loans in effect from time to time.

(g) Subject to the provisions of Section 9.09, each U.S. Swing Line Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of 365 or 366 days, as the case may be, when the Alternate Base Rate is determined by reference to the Prime Rate and over a year of 360 days at all other times and calculated from and including the date of such Borrowing to but excluding the date of repayment thereof) at a rate per annum equal to the Alternate Base Rate plus the Applicable Percentage in respect of ABR Loans in effect from time to time.

(h) Subject to the provisions of Section 9.09, each Canadian Swing Line Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of 365 or 366 days, as the case may be, when the Alternate Base Rate is determined by reference to the Prime Rate and over a year of 360 days at all other times and calculated from and including the date of such Borrowing to but excluding the date of repayment thereof) at a rate per annum equal to (i) if such Canadian Swing Line Loan is denominated in Canadian dollars, the Canadian Prime Rate plus the Applicable Percentage in respect of the Canadian Prime Rate Loans in effect from time to time and (ii) if such Canadian Swing Line Loan is denominated in U.S. dollars, the U.S. Base Rate plus the Applicable Percentage in respect of U.S. Base Rate Loans in effect from time to time.

(i) Interest on each Loan shall be payable to the Applicable Administrative Agent on the Interest Payment Dates applicable to such Loan except as otherwise provided in this Agreement. The applicable Alternate Base Rate, Adjusted LIBO Rate, BBSY Rate, Canadian Prime Rate, U.S. Base Rate, B/A Discount Rate, and Acceptance Fee shall be determined by the Applicable Administrative Agent, and such determination shall be conclusive absent manifest error.

(j) For the purposes of the *Interest Act* (Canada) and disclosure thereunder, whenever any interest or fee to be paid hereunder or in connection herewith is to be calculated on the basis of any period of time that is less than a calendar year, the yearly rate of interest to which the rate used in such calculation is equivalent is the rate so used multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by 360, 365 or 366, as applicable. The rates of interest under this Agreement are nominal rates, and not effective rates or yields. The principle of deemed reinvestment of interest does not apply to any interest calculation under this Agreement.

SECTION 2.07 ***Default Interest***. If a Borrower shall default in the payment of the principal of or interest on any Loan or any other amount becoming due hereunder, by acceleration or otherwise, or under any other Loan Document, such Borrower shall on demand from time to time pay interest, to the extent permitted by law, on such defaulted amount to but excluding the date of actual payment (after as well as before judgment) (a) in the case of overdue principal, at the rate otherwise applicable to such Loan pursuant to Section 2.06 plus 2.00% per annum (subject to Section 9.09) and (b) in all other cases, at a rate per annum (computed on the basis of the actual number of days elapsed (i) over a year of 365 or 366 days, as the case may be, when determined by reference to the Prime Rate or the Canadian Prime Rate, (ii) over a year of 365 days when determined by reference to the BBSY Rate, and (iii) over a year of 360 days at all other times) equal to the rate that would be applicable to an ABR Loan (or a Canadian Prime Rate Loan, in the case of the Canadian Borrower, or a BBSY Rate Loan, in the case of the Australian Borrower) plus 2.00% (subject to Section 9.09).

SECTION 2.08 ***Alternate Rate of Interest***. In the event, and on each occasion, that (a) on the day two Business Days prior to the commencement of any Interest Period for a Eurocurrency Borrowing the Administrative Agent is unable to determine the Adjusted LIBO Rate for Eurocurrency Loans comprising any requested Borrowing, or (b) if the Applicable Required Lenders shall, by 11:00 a.m. (Standard Time) at least one (1) Business Day before the date of any requested Borrowing, notify the Administrative Agent that the Adjusted LIBO Rate for Eurocurrency Loans comprising such Borrowing will not adequately and fairly reflect the cost to any Lender of making or maintaining its Eurocurrency Loan, during such Interest Period, then the Administrative Agent shall, as soon as practicable thereafter, give written, fax or electronic communication (e-mail) (or telephone notice promptly confirmed by a written, fax or electronic communication (e-mail)) notice of such determination to the Borrowers and the Lenders. In the event of any such determination, until the Administrative Agent shall have advised the Borrowers and the Lenders that the circumstances giving rise to such notice no longer exist, any request by a Borrower for a Eurocurrency Borrowing pursuant to Section 2.03 or 2.10 shall be deemed to be a request for an ABR Borrowing (or, in the case of a request by a Canadian Borrower, a U.S. Base Rate Borrowing). Each determination by the Administrative Agent hereunder shall be conclusive absent manifest error.

SECTION 2.09 ***Termination and Reduction of Commitments***. (a) The Revolving Commitments and the L/C Commitments shall automatically terminate on the Maturity Date.

(b) The U.S. Term Commitments shall automatically terminate on the Funding Date immediately following the making of the U.S. Term Loan on such date.

(c) Upon at least three Business Days' prior irrevocable written, fax or electronic communication (e-mail) (or by telephone notice promptly confirmed by a written, fax or electronic communication (e-mail)) notice to the Applicable Administrative Agent, the U.S. Borrower. a Canadian Borrower or the Australian Borrower, as the case may be, may at any time in whole permanently terminate, or from time to time in part permanently reduce, any Class of Commitments; *provided*, *however*, that each partial reduction of any Class of Commitments shall be in an integral multiple of U.S.$1,000,000.

(d) Each reduction in any Class of Commitments hereunder shall be made ratably among the Lenders in accordance with their respective Commitments of such Class. The Applicable Borrower shall pay to the Applicable Administrative Agent for the account of the Applicable Lenders, on the date of each termination or reduction, the Commitment Fees on the amount of the Commitments so terminated or reduced accrued to but excluding the date of such termination or reduction.

SECTION 2.10 ***Conversion and Continuation of Borrowings.*** The Borrowers shall have the right at any time upon prior irrevocable notice to the Applicable Administrative Agent (a) not later than 1:00 p.m. (Standard Time) one Business Day before the proposed conversion, to convert any Eurocurrency Borrowing into an ABR Borrowing under the U.S. Revolving Commitments, (b) not later than 1:00 p.m. (Standard Time) one Business Day before the proposed conversion to convert any U.S. Base Rate Borrowing under the Canadian Revolving Commitments or to convert any B/A Borrowing into a Canadian Prime Rate Borrowing, (c) not later than 1:00 p.m. (Standard Time) three Business Days prior to conversion or continuation, to convert any ABR Borrowing or U.S. Base Rate Borrowing into a Eurocurrency Borrowing or to continue any Eurocurrency Borrowing under the U.S. Revolving Commitments or Canadian Revolving Commitments as a Eurocurrency Borrowing for an additional Interest Period, (d) not later than 1:00 p.m. (Standard Time) three Business Days prior to conversion, to convert the Interest Period with respect to any Eurocurrency Borrowing under the U.S. Revolving Commitments or Canadian Revolving Commitments to another permissible Interest Period, (e) not later than 3:00 p.m. (Sydney time) three Business Days prior to conversion, to convert the Interest Period with respect to any BBSY Rate Borrowing under the Australian Revolving Commitments to another permissible Interest Period and (f) not later than 1:00 p.m. (Standard Time) three Business Days prior to conversion or continuation, to convert any Canadian Prime Rate Borrowing to a B/A Borrowing or to continue any B/A Borrowing as a B/A Borrowing for an additional Contract Period, subject in each case to the following:

(i) each conversion or continuation shall be made pro rata among the Lenders in accordance with the respective principal amounts of the Loans comprising the converted or continued Borrowing;

(ii) if less than all the outstanding principal amount of any Borrowing shall be converted or continued, then each resulting Borrowing shall satisfy the limitations specified in Sections 2.02(a) and 2.02(b) and, if applicable, Section 2.22, regarding the principal amount and maximum number of Borrowings of the relevant Type;

(iii) each conversion shall be effected by each Lender and the Applicable Administrative Agent by recording for the account of such Lender the new Type and/or Interest Period or Contract Period for such Borrowing resulting from such conversion; accrued interest on any Eurocurrency Loan or BBSY Rate Loan (or, in each case, any portion thereof) being converted shall be paid by the Applicable Borrower at the time of conversion;

(iv) if any Eurocurrency Borrowing, BBSY Rate Borrowing or B/A Borrowing is converted at a time other than the end of the Interest Period or Contract Period applicable thereto, the Applicable Borrower shall pay, upon demand, any amounts due to the Lenders pursuant to Section 2.15;

(v) any portion of a Borrowing maturing or required to be repaid in less than one month may not be converted into or continued as a Eurocurrency Borrowing, a BBSY Rate Borrowing or a B/A Borrowing;

(vi) any portion of a Eurocurrency Borrowing or a B/A Borrowing that cannot be converted into or continued as a Eurocurrency Borrowing or a B/A Borrowing by reason of the immediately preceding clause shall be automatically converted at the end of the Interest Period or Contract Period in effect for such Borrowing into an ABR Borrowing, a U.S. Base Rate Borrowing or a Canadian Prime Rate Borrowing, as the case may be;

(vii) upon notice to the Borrowers from the Administrative Agent given at the request of the Applicable Required Lenders after the occurrence and during the continuance of a Default or Event of Default, no outstanding Loan may be converted into, or continued as, a Eurocurrency Loan, a BBSY Rate Loan or a B/A Loan, respectively; and

(viii) notwithstanding anything to the contrary herein, a Swing Line Loan may not be converted to a Eurocurrency Loan.

Each notice pursuant to this Section 2.10 shall be irrevocable, shall be hand delivered, faxed or sent by electronic communication (e-mail) (or by telephone notice promptly confirmed by a written, fax or electronic communication (e-mail)) and shall refer to this Agreement and specify (i) the identity and amount of the Borrowing that the Applicable Borrower requests be converted or continued, (ii) whether such Borrowing is to be converted to or continued as a Eurocurrency Borrowing, an ABR Borrowing, a B/A Borrowing, a U.S. Base Rate Borrowing. a Canadian Prime Rate Borrowing or a BBSY Rate Borrowing, (iii) if such notice requests a conversion, the date of such conversion (which shall be a Business Day) and (iv) if such Borrowing is to be converted to or continued as a Eurocurrency Borrowing, a BBSY Rate Borrowing or a B/A Borrowing, the Interest Period or Contract Period with respect thereto. If no Interest Period or Contract Period is specified in any such notice with respect to any conversion to or continuation as a Eurocurrency Borrowing, a BBSY Rate Borrowing or a B/A Borrowing, the Applicable Borrower shall be deemed to have selected an Interest Period or Contract Period of one month's or 30 days', as the case may be, duration. The Applicable Administrative Agent shall promptly advise the Applicable Lenders of any notice given pursuant to this Section 2.10 and of each Lender's portion of any converted or continued Borrowing. If a Borrower shall not have given notice in accordance with this Section 2.10 to continue any Eurocurrency Borrowing (other than a Eurocurrency Borrowing under the Australian Revolving Credit Facility) or B/A Borrowing into a subsequent Interest Period or Contract Period (and shall not otherwise have given notice in accordance with this Section 2.10 to convert such Borrowing), such Borrowing shall, at the end of the Interest Period applicable thereto (unless repaid pursuant to the terms hereof), automatically be converted into an ABR Borrowing, a U.S. Base Rate Borrowing or a Canadian Prime Rate Borrowing, as applicable.

SECTION 2.11 ***Optional Prepayment***. (a) Each Borrower shall have the right at any time and from time to time to prepay any Borrowing (other than Bankers' Acceptances or B/A Equivalent Loans, which may, however, be defeased as provided below), in whole or in part, upon written, fax or electronic communication (e-mail) (or by telephone notice promptly confirmed by written, fax or electronic communication (e-mail)) delivered to the Applicable Administrative Agent by (i) 1:00 p.m. (Standard Time) at least three Business Days prior to the date designated for such prepayment, in the case of any prepayment of a Eurocurrency Borrowing or a BBSY Rate Borrowing, (ii) 1:00 p.m. (Standard Time) on the date designated for such prepayment in the case of any prepayment of an ABR Borrowing under the U.S. Commitments, or (iii) 1:00 p.m. (Standard Time) one Business Day prior to the date designated for such prepayment, in the case of a U.S. Base Rate Borrowing or a Canadian Prime Rate Borrowing under the Canadian Revolving Commitments; *provided*, *however*, that each partial prepayment shall be in an amount that is a minimum amount of U.S.$500,000 or an integral multiple of U.S.$100,000 in excess thereof (or C$500,000 and C$100,000, respectively, in the case of Borrowings denominated in Canadian dollars); and *provided further* that the Canadian Borrowers may defease any B/A or B/A Equivalent Loan by depositing with the Canadian Administrative Agent an amount that, together with interest accruing on such amount to the end of the Contract Period for such B/A or B/A Equivalent Loan, is sufficient to pay such maturing Bankers' Acceptances or B/A Equivalent Loans when due. The Applicable Administrative Agent shall promptly advise the Applicable Lenders of any notice given pursuant to this Section 2.11 and of each Lender's portion of such prepayment.

(b) The U.S. Borrower may, upon notice to the U.S. Swing Line Lender (with a copy to the Administrative Agent), at any time or from time to time, voluntarily prepay U.S. Swing Line Loans in whole or in part without premium or penalty; *provided* that (A) such notice must be received by the U.S. Swing Line Lender and the Administrative Agent not later than 1:00 p.m. (Standard Time) on the date of the prepayment, and (B) any such prepayment shall be in a minimum principal amount of $100,000.

(c) Either Canadian Borrower may, upon notice to the Canadian Swing Line Lender (with a copy to the Canadian Administrative Agent), at any time or from time to time, voluntarily prepay Canadian Swing Line Loans in whole or in part without premium or penalty; *provided* that (A) such notice must be received by the Canadian Swing Line Lender and the Canadian Administrative Agent not later than 1:00 p.m. (Standard Time) on the date of the prepayment, and (B) any such prepayment shall be in a minimum principal amount of $100,000.

(d) Each notice of prepayment shall specify (i) the amount to be prepaid, (ii) the prepayment date and (iii) the Class and Type of Loans to be repaid and shall commit the Applicable Borrower to prepay such obligations by the amount specified therein on the date specified therein. All prepayments pursuant to this Section 2.11 shall be subject to Section 2.15, but shall otherwise be without premium or penalty. Each prepayment of outstanding U.S. Term Loans, pursuant to this Section 2.11 shall be applied to the principal repayment installments thereof in inverse order of maturity.

SECTION 2.12 ***Mandatory Prepayments***. (a) In the event of any termination of all the U.S. Revolving Commitments, Canadian Revolving Commitments or Australian Revolving Commitments, the Applicable Borrower shall, on the date of such termination, repay or prepay all its outstanding U.S. Revolving Credit Loans, Canadian Revolving Credit Loans or Australian Revolving Credit Loans, as applicable, and replace all outstanding Letters of Credit and/or deposit an amount equal to the sum of the U.S. L/C Exposure, the Canadian L/C Exposure or the Australian L/C Exposure, as applicable, in cash in a cash collateral account established with the U.S. Collateral Agent for the benefit of the U.S. Secured Parties, the Canadian Collateral Agent for the benefit of the Canadian Secured Parties or the Australian Collateral Agent for the benefit of the Australian Secured Parties. In the event of any partial reduction of the U.S. Revolving Commitments, the Canadian Revolving Commitments or the Australian Revolving Commitments, then (i) at or prior to the effective date of such reduction, the Applicable Administrative Agent shall notify the Borrowers and the Lenders of the aggregate U.S. Revolving Credit Exposure, the aggregate Canadian Revolving Credit Exposure or the aggregate Australian Revolving Credit Exposure, as the case may be, after giving effect thereto, and (ii) if the aggregate U.S. Revolving Credit Exposure, the aggregate Canadian Revolving Credit Exposure or the Australian Revolving Credit Exposure, as the case may be, would exceed the Total U.S. Revolving Commitment, Total Canadian Revolving Commitment or Total Australian Revolving Commitment, respectively, after giving effect to such reduction, then the U.S. Borrower, the Canadian Borrowers or the Australian Borrower, as the case may be, shall, on the date of such reduction, repay or prepay Revolving Borrowings (or defease B/A Borrowings as described in Section 2.11(a)) and/or replace or cash collateralize outstanding Letters of Credit in an amount sufficient to eliminate such excess. If on any date, the aggregate U.S. Revolving Credit Exposure exceeds the Total U.S. Revolving Commitment, then within two Business Days following such date, the U.S. Borrower shall repay or prepay U.S. Revolving Borrowings and/or replace or cash collateralize outstanding U.S. Letters of Credit in an amount sufficient to eliminate such excess. If on any date, the aggregate Canadian Revolving Credit Exposure exceeds the Total Canadian Revolving Commitment, then within two Business Days following such date, the Canadian Borrowers shall repay or prepay Canadian Revolving Borrowings (or defease B/A Borrowings as described in Section 2.11(a)) and/or replace or cash collateralize outstanding Canadian Letters of Credit in an amount sufficient to eliminate such excess. If on any date, the aggregate Australian Revolving Credit Exposure exceeds the Total Australian Revolving Commitment, then within two Business Days following such date, the Australian Borrower shall repay or prepay Australian Revolving Borrowings and/or replace or cash collateralize outstanding Australian Letters of Credit in an amount sufficient to eliminate such excess.

(b) If on any date the U.S. Borrower or any of its Subsidiaries shall receive Net Cash Proceeds from any Asset Sale and the aggregate amount of all such Net Cash Proceeds received since the later of the Closing Date and the date on which the last prepayment under this Section 2.12(b) was made exceeds $5,000,000, the U.S. Term Loans shall be prepaid, on or before the date which is not more than five (5) Business Days following the date of receipt of such Net Cash Proceeds by an amount equal to 100% of the amount of such Net Cash Proceeds; *provided that* no prepayment shall be required under this Section 2.12(b) to the extent that, if no Event of Default has occurred and is then continuing, the U.S. Borrower delivers a certificate to the Administrative Agent prior to the date of any such required prepayment stating that the U.S. Borrower or such Subsidiary intends to reinvest such Net Cash Proceeds in assets used or useful in the business of the U.S. Borrower and its Subsidiaries within twelve months after receipt of such Net Cash Proceeds by the U.S. Borrower or such Subsidiary; *provided*, *further*, however, that any Net Cash Proceeds not so reinvested within such twelve month period shall be immediately applied to the prepayment of the U.S. Term Loans as set forth in this Section 2.12(b).

SECTION 2.13 ***Increased Costs; Capital Requirements***. (a) Notwithstanding any other provision of this Agreement, if any Change in Law shall (i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of or credit extended or participated in by any Lender or Issuing Bank (except any such reserve requirement which is reflected in the Adjusted LIBO Rate, the B/A Discount Rate or the BBSY Rate), (ii) subject any Lender or the Issuing Bank to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or (iii) impose on any Lender or Issuing Bank or the London interbank market or other relevant interbank market, any other condition, cost or expense (other than Taxes) affecting this Agreement or Eurocurrency Loans, B/A Loans or BBSY Rate Loans made by such Lender or any Letter of Credit or participation therein, and the result of any of the foregoing shall be to increase the cost to such Lender or Issuing Bank of making or maintaining any Eurocurrency Loan, B/A Loan or BBSY Rate Loan (or of maintaining its obligation to make any such Loan) or increase the cost to any Lender or Issuing Bank of issuing or maintaining any Letter of Credit or purchasing or maintaining a participation therein or to reduce the amount of any sum received or receivable by such Lender or Issuing Bank hereunder (whether of principal, interest or otherwise), in each case, by an amount deemed by such Lender or Issuing Bank (acting reasonably) to be material, then, the Applicable Borrower will pay to such Lender or Issuing Bank, as the case may be, upon demand in accordance with paragraph (c) below such additional amount or amounts as will compensate such Lender or Issuing Bank, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender or Issuing Bank (acting reasonably) shall have determined that any Change in Law affecting such Lender or Issuing Bank or any lending office of such Lender or such Lender's or Issuing Bank's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or Issuing Bank's capital or on the capital of such Lender's or Issuing Bank's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit or Swing Line Loans held by, such Lender pursuant hereto, or the Letters of Credit issued by such Issuing Bank pursuant hereto, to a level below that which such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or Issuing Bank's policies and the policies of such Lender's or Issuing Bank's holding company with respect to capital adequacy) by an amount deemed by such Lender or Issuing Bank (acting reasonably) to be material, then from time to time in accordance with paragraph (c) below the Applicable Borrower shall pay to such Lender or Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company for any such reduction suffered.

(c) A certificate of a Lender or Issuing Bank setting forth the amount or amounts necessary to compensate such Lender or Issuing Bank or its holding company, as applicable, as specified in paragraph (a) or (b) above shall be delivered to the Applicable Borrower and shall be conclusive absent manifest error. The Applicable Borrower shall pay such Lender or the Issuing Bank the amount shown as due on any such certificate delivered by it within 10 days after its receipt of the same.

(d) Failure or delay on the part of any Lender or Issuing Bank to demand compensation for any increased costs or reduction in amounts received or receivable or reduction in return on capital shall not constitute a waiver of such Lender's or Issuing Bank's right to demand such compensation; *provided* that the Borrowers shall not be under any obligation to compensate any Lender or Issuing Bank under paragraph (a) or (b) above with respect to increased costs or reductions with respect to any period prior to the date that is 120 days prior to such request if such Lender or Issuing Bank knew or could reasonably have been expected to know of the circumstances giving rise to such increased costs or reductions and of the fact that such circumstances would result in a claim for increased compensation by reason of such increased costs or reductions; *provided further* that the foregoing limitation shall not apply to any increased costs or reductions arising out of the retroactive application of any Change in Law within such 120 day period. The protection of this Section shall be available to each Lender and Issuing Bank regardless of any possible contention of the invalidity or inapplicability of the Change in Law that shall have occurred or been imposed.

SECTION 2.14 ***Change in Legality***. (a) Notwithstanding any other provision of this Agreement, if any Change in Law shall make it unlawful for any Lender to make or maintain any Eurocurrency Loan or to give effect to its obligations as contemplated hereby with respect to any Eurocurrency Loan, then, by written notice to the Applicable Borrower and to the Applicable Administrative Agent:

(i) such Lender may declare that Eurocurrency Loans, as the case may be, will not thereafter (for the duration of such unlawfulness) be made by such Lender hereunder (or be continued for additional Interest Periods and ABR Loans and U.S. Base Rate Loans will not thereafter (for such duration) be converted into Eurocurrency Loans), whereupon any request for a Eurocurrency Borrowing (or to convert an ABR Borrowing to a Eurocurrency Borrowing or to continue a Eurocurrency Borrowing for an additional Interest Period) shall, as to such Lender only, be deemed a request for an ABR Loan or a U.S. Base Rate Loan (or a request to continue an ABR Loan or a U.S. Base Rate Loan as such or to convert a Eurocurrency Loan into an ABR Loan or a U.S. Base Rate Loan), unless such declaration shall be subsequently withdrawn; and

(ii) such Lender may require that all outstanding Eurocurrency Loans made by it be converted to ABR Loans or U.S. Base Rate Loans, as the case may be, in which event all such Eurocurrency Loans shall be automatically converted to ABR Loans or U.S. Base Rate Loans, as the case may be, as of the effective date of such notice as provided in paragraph (b) below.

In the event any Lender shall exercise its rights under (i) or (ii) above, all payments and prepayments of principal that would otherwise have been applied to repay the Eurocurrency Loans that would have been made by such Lender or the converted Eurocurrency Loans of such Lender shall instead be applied to repay the ABR Loans or U.S. Base Rate Loans made by such Lender in lieu of, or resulting from the conversion of, such Eurocurrency Loans.

(b) For purposes of this Section 2.14, a notice to the U.S. Borrower by any Lender shall be effective as to each Eurocurrency Loan, as the case may be, made by such Lender, if lawful, on the last day of the Interest Period then applicable to such Eurocurrency Loan; in all other cases such notice shall be effective on the date of receipt by such Borrower.

SECTION 2.15 ***Breakage Costs*****.** The Borrowers hereby severally indemnify each Lender against any loss or expense that such Lender may sustain or incur as a consequence of (a) any event, other than a default by such Lender in the performance of its obligations hereunder, which results in (i) such Lender receiving or being deemed to receive any amount on account of the principal of any Eurocurrency Loan or BBSY Rate Loan prior to the end of the Interest Period in effect therefor, including, without limitation, as a result of any prepayment, the acceleration of the maturity of the Obligations or for any other reason, (ii) the conversion of any Eurocurrency Loan to an ABR Loan or U.S. Base Rate Loans or the conversion of the Interest Period with respect to any Eurocurrency Loan or BBSY Rate Loan, in each case other than on the last day of the Interest Period in effect therefor, (iii) any Eurocurrency Loan, B/A Loan or BBSY Rate Loan to be made by such Lender (including any Eurocurrency Loan, B/A Loan or BBSY Rate Loan to be made pursuant to a conversion or continuation under Section 2.10 or 2.22, as applicable) not being made after notice of such Loan shall have been given by a Borrower hereunder or (iv) other than with respect to any Defaulting Lender, any assignment of a Eurocurrency Loan or BBSY Rate Loan is made other than on the last day of the Interest Period for such Loan as a result of a request by the Applicable Borrower pursuant to Section 2.20 (any of the events referred to in this clause (a) being called a "*Breakage Event*") or (b) any default in the making of any payment or prepayment required to be made hereunder. In the case of any Breakage Event, such loss shall include an amount equal to the excess, as reasonably determined by such Lender, of (i) its cost of obtaining funds for the Eurocurrency Loan, B/A Loan or BBSY Rate Loan that is the subject of such Breakage Event for the period from the date of such Breakage Event to the last day of the Interest Period or Contract Period in effect (or that would have been in effect) for such Loan over (ii) the amount of interest likely to be realized by such Lender in redeploying the funds released or not utilized by reason of such Breakage Event for such period. A certificate of any Lender setting forth any amount or amounts which such Lender is entitled to receive pursuant to this Section 2.15 shall be delivered to the Applicable Borrower and the Applicable Administrative Agent and shall be conclusive absent manifest error. The Applicable Borrower shall pay such Lender the amount shown as due on any such certificate delivered by it within 10 days after its receipt of the same.

SECTION 2.16 ***Pro Rata Treatment***. (a) Except as required under Section 2.14, each Borrowing, each payment or prepayment of principal of any Borrowing, each payment of interest on the Loans, each payment of the Commitment Fees, each reduction of the Commitments and each conversion of any Borrowing to or continuation of any Borrowing as a Borrowing of any Type shall be allocated pro rata among the Applicable Lenders in accordance with their Aggregate Pro Rata Percentages.

(b) Notwithstanding any other provision of this Agreement or the Security Documents but subject to Section 2.24, it is the intent of the Secured Parties that each of the Secured Parties shall share in the aggregate proceeds of the Collateral on a pro rata basis as provided in paragraph (a) above. Accordingly, if the proceeds in respect of one class of Collateral (*i.e.*, U.S. Collateral, Canadian Collateral or Australian Collateral) are insufficient to repay the Obligations intended to be secured by such class of Collateral pursuant to the Security Documents, the Agents, shall, to the extent they deem necessary, allocate and reallocate the proceeds of the Collateral to ensure that each Secured Party receives its Aggregate Pro Rata Percentages of the proceeds of all the Collateral. If after giving effect to the allocations described in the preceding sentence any Secured Party shall have received less than its Aggregate Pro Rata Percentages of the aggregate proceeds of all the Collateral, each Secured Party that received more than its Aggregate Pro Rata Percentages of the aggregate proceeds of all the Collateral agrees to deliver to the Agents, for reallocation to the Secured Parties that received less than their Aggregate Pro Rata Percentages of the proceeds of all the Collateral, the excess of the aggregate amount received by such Secured Party over the amount that would have been such Secured Party's Aggregate Pro Rata Percentage of the proceeds of all the Collateral.

SECTION 2.17 ***Sharing of Setoffs***. (a) Each Canadian Lender agrees that if it shall, through the exercise of a right of banker's lien, setoff or counterclaim against a Borrower or any other Loan Party, or pursuant to a secured claim or other security or interest arising from, or in lieu of, such secured claim, received by such Canadian Lender under any applicable Insolvency Law or otherwise, or by any other means, obtain payment (voluntary or involuntary) in respect of any Canadian Revolving Credit Loan as a result of which the unpaid portion of its Canadian Revolving Credit Loans shall be proportionately less than the unpaid portion of the Canadian Revolving Credit Loans of any other Canadian Lender of the same Class, it shall (i) notify the Applicable Administrative Agent of such fact and (ii) be deemed simultaneously to have purchased from such other Canadian Lender at face value, and shall promptly pay to such other Canadian Lender the purchase price for, a participation in the Canadian Revolving Credit Loans of the same Class of such other Canadian Lender and, if applicable, subparticipations in Canadian L/C Exposure and Canadian Swing Line Loans of such other Canadian Lender, or make such other adjustments as shall be equitable, so that the aggregate unpaid amount of the Canadian Revolving Credit Loans and participations in Canadian Revolving Credit Loans, Canadian L/C Exposure and Canadian Swing Line Loans held by each Canadian Lender shall be in the same proportion to the aggregate unpaid amount of all Canadian Revolving Credit Loans, Canadian L/C Exposure and Canadian Swing Line Loans then outstanding of the same Class as the amount of its Canadian Revolving Credit Loans, Canadian L/C Exposure and Canadian Swing Line Loans prior to such exercise of banker's lien, setoff or counterclaim or other event was to the amount of all Canadian Revolving Credit Loans, Canadian L/C Exposure and Canadian Swing Line Loans outstanding prior to such exercise of banker's lien, setoff or counterclaim or other event; *provided*, *however*, that if any such purchase, purchases, subparticipations or adjustments shall be made pursuant to this Section 2.17(a) and the payment giving rise thereto shall thereafter be recovered, such purchase, purchases, subparticipations or adjustments shall be rescinded to the extent of such recovery and the purchase price or prices or adjustment restored without interest.

(b) Each U.S. Lender agrees that if it shall, through the exercise of a right of banker's lien, setoff or counterclaim against a Borrower or any other Loan Party, or pursuant to a secured claim or other security or interest arising from, or in lieu of, such secured claim, received by such U.S. Lender under any applicable Insolvency Law or otherwise, or by any other means, obtain payment (voluntary or involuntary) in respect of any U.S. Loan as a result of which the unpaid portion of its U.S. Loans shall be proportionately less than the unpaid portion of the U.S. Loans of any other U.S. Lender of the same Class, it shall (i) notify the Applicable Administrative Agent of such fact and (ii) be deemed simultaneously to have purchased from such other U.S. Lender at face value, and shall promptly pay to such other U.S. Lender the purchase price for, a participation in the U.S. Loans of the same Class of such other U.S. Lenders and, if applicable, subparticipations in the U.S. L/C Exposure and U.S. Swing Line Loans of such other U.S. Lenders, or make such other adjustments as shall be equitable, so that the aggregate unpaid amount of the U.S. Loans and participations in U.S. Loans, U.S. L/C Exposure and U.S. Swing Line Loans held by each U.S. Lender shall be in the same proportion to the aggregate unpaid amount of all U.S. Loans, U.S. L/C Exposure and U.S. Swing Line Loans then outstanding of the same Class as the amount of its U.S. Loans, U.S. L/C Exposure and U.S. Swing Line Loans prior to such exercise of banker's lien, setoff or counterclaim or other event was to the amount of all U.S. Loans, U.S. L/C Exposure and U.S. Swing Line Loans outstanding prior to such exercise of banker's lien, setoff or counterclaim or other event; *provided*, *however*, that if any such purchase, purchases, subparticipations or adjustments shall be made pursuant to this Section 2.17(b) and the payment giving rise thereto shall thereafter be recovered, such purchase, purchases, subparticipations or adjustments shall be rescinded to the extent of such recovery and the purchase price or prices or adjustment restored without interest.

(c) Each Australian Lender agrees that if it shall, through the exercise of a right of banker's lien, setoff or counterclaim against a Borrower or any other Loan Party, or pursuant to a secured claim or other security or interest arising from, or in lieu of, such secured claim, received by such Australian Lender under any applicable Insolvency Law or otherwise, or by any other means, obtain payment (voluntary or involuntary) in respect of any Australian Revolving Credit Loan as a result of which the unpaid portion of its Australian Revolving Credit Loans shall be proportionately less than the unpaid portion of the Australian Revolving Credit Loans of any other Australian Lender of the same Class, it shall (i) notify the Applicable Administrative Agent of such fact and (ii) be deemed simultaneously to have purchased from such other Australian Lender at face value, and shall promptly pay to such other Australian Lender the purchase price for, a participation in the Australian Revolving Credit Loans of the same Class of such other Australian Lender and, if applicable, subparticipations in Australian L/C Exposure of such other Australian Lender, or make such other adjustments as shall be equitable, so that the aggregate unpaid amount of the Australian Revolving Credit Loans and participations in Australian Revolving Credit Loans and Australian L/C Exposure held by each Australian Lender shall be in the same proportion to the aggregate unpaid amount of all Australian Revolving Credit Loans, Australian L/C Exposure then outstanding of the same Class as the amount of its Australian Revolving Credit Loans, Australian L/C Exposure prior to such exercise of banker's lien, setoff or counterclaim or other event was to the amount of all Australian Revolving Credit Loans and Australian L/C Exposure outstanding prior to such exercise of banker's lien, setoff or counterclaim or other event; *provided*, *however*, that if any such purchase, purchases, subparticipations or adjustments shall be made pursuant to this Section 2.17(c) and the payment giving rise thereto shall thereafter be recovered, such purchase, purchases, subparticipations or adjustments shall be rescinded to the extent of such recovery and the purchase price or prices or adjustment restored without interest.

(d) The provisions of Section 2.17(a), (b) and (c) shall not be construed to apply to (i) any payment made by a Borrower pursuant to and in accordance with the express terms of this Agreement or (ii) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in L/C Exposure or Swing Line Loans to any assignee or participant, other than to a Borrower or any Subsidiary thereof (as to which the provisions of Section 2.17(a), (b) and (c) shall apply).

(e) Each Loan Party expressly consents to the arrangements set forth in Section 2.17(a), (b) and (c) above and agrees, to the extent it may effectively do so under applicable law, that any Lender holding a participation in a Loan or L/C Exposure pursuant to the foregoing arrangements may exercise against each Loan Party any and all rights of banker's lien, setoff or counterclaim with respect to such participation as fully as if such Lender were a direct creditor of each Loan Party in the amount of such participation.

SECTION 2.18 ***Payments***. (a) The Borrowers shall make each payment (including principal of or interest on any Borrowing or any L/C Disbursement or any Fees or other amounts) hereunder and under any other Loan Document not later than 4:00 p.m. (Standard Time) on the date when due in immediately available U.S. dollars (or Canadian dollars, in the case of payments relating to Commitments, Loans and Letters of Credit denominated in Canadian dollars, or Australian dollars, in the case of payments relating to Commitments, Loans and Letters of Credit denominated in Australian dollars), without setoff, defense or counterclaim. Each such payment (other than Issuing Bank Fees, which shall be paid directly to the Applicable Issuing Bank) shall be made to the office of the Applicable Administrative Agent designated by such Applicable Administrative Agent. The Applicable Administrative Agent shall promptly thereafter cause to be distributed like funds relating to the payment of principal, interest or fees ratably (other than amounts payable solely to the Administrative Agent, the Canadian Administrative Agent, the Australian Administrative Agent, a specific Issuing Bank, or a specific Lender pursuant to Section 2.05, 2.08, 2.13, 2.14, 2.15, 2.19, or 9.05, but after taking into account payments effected pursuant to Section 9.05(a)) in accordance with each Lender's Applicable Pro Rata Percentage thereof, to the Lenders for the account of their respective applicable lending offices, and like funds relating to the payment of any other amount payable to any Lender or Issuing Bank to such Lender or Issuing Bank for the account of its applicable lending office, in each case to be applied in accordance with the terms of this Agreement.

(b) Except as otherwise expressly provided herein, whenever any payment (including principal of or interest on any Borrowing or any Fees or other amounts) hereunder or under any other Loan Document shall become due, or otherwise would occur, on a day that is not a Business Day, such payment may be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of interest or Fees, if applicable.

SECTION 2.19 ***Taxes***.

(a) For purposes of this Section 2.19, the term "Lender" includes any Issuing Bank and the term "applicable law" includes FATCA.

(b) Any and all payments by or on account of any obligation of any Loan Party hereunder or under any other Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower or the applicable Loan Party, as the case may be, shall be increased as necessary so that, after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section), the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(c) In addition, the Loan Parties shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(d) The Borrowers shall indemnify each Agent, Lender and Issuing Bank, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such recipient or required to be withheld or deducted from a payment to such recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Applicable Borrower by a Lender or an Issuing Bank (with a copy to the Applicable Administrative Agent), or by the Applicable Administrative Agent on its behalf or on behalf of a Lender or Issuing Bank, shall be conclusive absent manifest error.

(e) Each Lender shall severally indemnify the Applicable Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Applicable Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any taxes attributable to such Lender's failure to comply with the provisions of Section 9.04 relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Applicable Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Applicable Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Applicable Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Applicable Administrative Agent to the Lender from any other source against any amount due to the Applicable Administrative Agent under this paragraph (e).

(f) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by a Borrower or any other Loan Party to a Governmental Authority, the applicable Loan Party shall deliver to the Applicable Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Applicable Administrative Agent.

(g) (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax under the law of the jurisdiction in which the Applicable Borrower is resident for tax purposes shall deliver to the Applicable Borrower (with a copy to the Applicable Administrative Agent), at the time or times prescribed by applicable law or reasonably requested by the Applicable Borrower or the Applicable Administrative Agent, such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Applicable Borrower or the Applicable Administrative Agent as will permit such payments to be made without withholding or at a reduced rate. In addition, any Lender, if requested by the Applicable Borrower or the Applicable Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Applicable Borrower or the Applicable Administrative Agent as will enable the Applicable Borrower or the Applicable Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 2.19(g)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(i) Without limiting the generality of the foregoing, in the event that a Borrower is a U.S. Person:

(ii) any Lender that is a U.S. Person shall deliver to such Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of such Borrower or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(iii) any Foreign Lender with respect to such Borrower shall deliver to such Borrower and the Administrative Agent, in such number of copies as shall be requested by the recipient, (on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement and from time to time thereafter upon the request of such Borrower or the Administrative Agent), but only if such Foreign Lender is legally entitled to do so, whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, duly completed copies of an applicable IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, an applicable IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty,

(2) duly completed copies of IRS Form W-8ECI,

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under section 881(c) of the Code, (x) a certificate substantially in the form of the applicable Exhibit I-1 to the effect that such Foreign Lender is not (A) a "bank" within the meaning of section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of the Applicable Borrower within the meaning of section 881(c)(3)(B) of the Code, or (C) a "controlled foreign corporation" described in section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) duly completed copies of an applicable IRS Form W-8BEN, or

(4) to the extent a Foreign Lender is not the beneficial owner, duly completed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, an applicable IRS Form W-8BEN, a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-2 or Exhibit I-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided, that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-4 on behalf of each such direct and indirect partner;

(iv) any Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such copies as shall be requested by the recipient) on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), duly completed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in United States Federal withholding tax duly completed together with such supplementary documentation as may be prescribed by applicable law to permit the Applicable Borrower or the Applicable Administrative Agent to determine the withholding or deduction required to be made; and

(v) If a payment made to an Agent, Lender or Issuing Bank under any Loan Document would be subject to U.S. Federal withholding tax imposed by FATCA if such Agent, Lender or Issuing Bank fails to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Agent, Lender or Issuing Bank shall deliver to the U.S. Borrower or the Administrative Agent, at the time or times prescribed by law and at such time or times reasonably requested by the U.S. Borrower or the Administrative Agent, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the U.S. Borrower or the Administrative Agent as may be necessary for the U.S. Borrower or the Administrative Agent to comply with its obligations under FATCA, to determine that such Agent, Lender or Issuing Bank has complied with its obligations under FATCA or to determine the amount to deduct and withhold from any such payments. Solely for purposes of this paragraph (i), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the U.S. Borrower and the Applicable Administrative Agent in writing of its legal inability to do so.

(iii) The Administrative Agent shall deliver to the U.S. Borrower a duly completed copy of IRS Form W-8IMY certifying that it is a "U.S. branch" of a foreign bank and that the Administrative Agent agrees to be treated as a U.S. Person with respect to any payments made to it by the U.S. Borrower under any Loan Document. The Administrative Agent agrees that if such IRS Form W-8IMY previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or promptly notify the U.S. Borrower in writing of its legal inability to do so.

(h) If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.19 (including by the payment of additional amounts pursuant to this Section 2.19), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, agrees to repay to such indemnified party the amount paid over pursuant to this paragraph (plus any penalties, interest or other charges imposed by the relevant Governmental Authority in the event such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (h) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any Agent, Lender or Issuing Bank to make available its tax returns (or any other information relating to its taxes that it deems confidential) to any Borrower or any other person.

(i) Australian GST

(i) Unless expressly stated otherwise in the relevant Loan Document, the consideration payable for any supply made by or through a Lender or Issuing Bank under or in connection with any Loan Document does not include Australian GST.

(ii) If Australian GST is payable in respect of any supply made by or through a Lender or Issuing Bank (a *"Supplier")* under or in connection with any Loan Document *("Australian GST Liability")* then:

(A) where consideration is provided by a party *("Recipient')* in relation to that supply, the Recipient will pay an additional amount to the Supplier equal to the full amount of the Australian GST Liability; and

(A) except where the foregoing clause (A) applies, the Australian Borrower will indemnify and keep the Supplier indemnified for the full amount of the Australian GST Liability.

However, (l) the relevant Recipient or the Australian Borrower, as applicable, need not pay the additional amount on account of the Australian GST Liability to a Supplier until that Supplier gives the Recipient or the Australian Borrower, as applicable, a tax invoice complying with the relevant law relating to any payment made to that Supplier in accordance with this Section 2.20(f)(ii) and (2) if an adjustment event arises in respect of any supply made by or through a Lender or Issuing Bank under or in connection with any Loan Document and (if required by law) the Lender or Issuing Bank gives the Recipient or the Australian Borrower, as applicable, a valid adjustment note, the additional amount must be adjusted to reflect the adjustment event and the Recipient or the Supplier (as the case may be) must make any payments necessary to reflect the adjustment; and (3) this Section 2.20(f)(ii) does not apply to the extent that the Australian GST Liability on a supply made by or through a Lender or Issuing Bank under or in connection with any Loan Document is payable by the Recipient or the Australian Borrower, as appropriate, under Division 83 or 84 of the *A New Tax System (Goods and Services Tax) Act 1999 (Cth)* and the Lender or Issuing Bank has no liability at all in relation to that payment.

(iii) Any payment or reimbursement required to be made to a Lender or Issuing Bank under any Loan Document that is calculated by reference to a Cost or other amount paid or incurred will be limited to the total Cost or other amount less the amount of any input tax credit or other credit to which the relevant Lender or Issuing Bank (or the representative member for a Australian GST group of which the relevant Lender or Issuing Bank is a member) is entitled for the acquisition to which the Cost or other amount relates.

SECTION 2.20 ***Assignment of Commitments Under Certain Circumstances; Duty to Mitigate***. (a) In the event (i) any Lender or Issuing Bank delivers a certificate requesting compensation pursuant to Section 2.13, (ii) any Lender or Issuing Bank delivers a notice described in Section 2.14, (iii) a Borrower is required to pay any additional amount to any Lender or Issuing Bank or any Governmental Authority on account of any Lender or Issuing Bank pursuant to Section 2.19, (iv) any Lender becomes a Defaulting Lender or a Potential Defaulting Lender or (v) any Lender is a Non-Consenting Lender, then the Applicable Borrower may, at its sole expense and effort (including with respect to the processing and recordation fee referred to in Section 9.04(b)), upon notice to such Lender or Issuing Bank and the Applicable Administrative Agent, require such Lender or Issuing Bank to transfer and assign, without recourse (in accordance with and subject to the restrictions contained in Section 9.04), all of its interests, rights and obligations under this Agreement to an assignee that shall assume such assigned obligations (which assignee may be another Lender, if a Lender accepts such assignment); *provided* that (A) such assignment shall not conflict with any law, rule or regulation or order of any court or other Governmental Authority having jurisdiction, (B) the Applicable Borrower shall have received the prior written consent of the Applicable Administrative Agent, the Applicable Issuing Banks and the Applicable Swing Line Lender, if any, which consent shall not unreasonably be withheld or delayed, (C) the affected Lender or Issuing Bank shall have received in immediately available funds an amount equal to the sum of the principal of and interest accrued to the date of such payment on the outstanding Loans and participations in L/C Disbursements of such Lender or Issuing Bank, respectively, plus all Fees and other amounts accrued for the account of such Lender or Issuing Bank hereunder (including any amounts under Section 2.13 and Section 2.15) from the assignee (to the extent of such outstanding principal and accrued interest and Fees) or the Applicable Borrower (in the case of all other amounts), (D) in the case of any such assignment resulting from a claim for compensation under Section 2.13 or payments required to be made pursuant to Section 2.19, such assignment is expected to result in a reduction in such compensation or payments thereafter and (E) in the case of any such assignment resulting from a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent. A Lender or Issuing Bank shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender, Issuing Bank or otherwise, the circumstances entitling such Borrower to require such assignment and delegation cease to apply.

(b) If (i) any Lender or Issuing Bank shall request compensation under Section 2.13, (ii) any Lender or Issuing Bank delivers a notice described in Section 2.14 or (iii) a Borrower is required to pay any additional amount to any Agent, Lender or Issuing Bank or any Governmental Authority on account of any Agent, Lender or Issuing Bank, pursuant to Section 2.19, then such Agent, Lender or Issuing Bank shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (A) would eliminate or reduce its claims for compensation under Section 2.13 or enable it to withdraw its notice pursuant to Section 2.14 or would reduce amounts payable pursuant to Section 2.19, as the case may be, in the future and (B) would not subject such Agent, Lender or Issuing Bank to incur an unreimbursed loss or unreimbursed cost or expense or otherwise take any action inconsistent with its internal policies or legal or regulatory restrictions. Each Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender or Issuing Bank in connection with any such designation or assignment.

SECTION 2.21 ***Letters of Credit***.

(a) *General*. Each Borrower may request the issuance of a Letter of Credit denominated in U.S. dollars, Canadian dollars, Australian dollars or in one or more Alternative Currencies for its own account or for the account of any of its Subsidiaries (in which case such Borrower and such Subsidiary shall be co-applicants with respect to such Letter of Credit), in a form reasonably acceptable to the Applicable Issuing Bank, at any time and from time to time while the Revolving Commitments remain in effect, but no later than five Business Days prior to the Maturity Date. This Section shall not be construed to impose an obligation upon any Issuing Bank to issue any Letter of Credit that is inconsistent with the terms and conditions of this Agreement.

(b) *Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions*. In order to request the issuance of a Letter of Credit denominated in U.S. dollars, Canadian dollars, Australian dollars or an Alternative Currency (or to amend, renew or extend an existing Letter of Credit issued in U.S. dollars, Australian dollars, Canadian dollars or an Alternative Currency), the Applicable Borrower shall hand deliver, fax or send by electronic communication (e-mail) (or by telephone notice promptly confirmed by a written, fax or electronic communication (e-mail)) to the Applicable Issuing Bank and the Applicable Administrative Agent (reasonably in advance of the requested date of issuance, amendment, renewal or extension) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, the date of issuance, amendment, renewal or extension (which date shall be (x) in the case of U.S. Letters of Credit and Canadian Letters of Credit, at least two Business Days after such notice is received by the Applicable Issuing Bank and the Applicable Administrative Agent or (y) in the case of Australian Letters of Credit, at least three Business Days after such notice is received by the Applicable Issuing Bank and the Australian Administrative Agent), the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) below), the amount and currency of such Letter of Credit, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare such Letter of Credit. In order to request the issuance of a Letter of Credit in a currency other than those specifically listed in the definition of "Alternative Currency", the Applicable Borrower shall follow the procedures set forth in Section 1.05 hereof. A U.S. Letter of Credit shall be issued, amended, renewed or extended only if, and upon issuance, amendment, renewal or extension of each Letter of Credit the U.S. Borrower shall be deemed to represent and warrant that, after giving effect to such issuance, amendment, renewal or extension (i) the U.S. L/C Exposure shall not exceed U.S.$50,000,000, (ii) the aggregate U.S. Revolving Credit Exposure shall not exceed the Total U.S. Revolving Commitment, and (iii) the U.S. L/C Exposure related to U.S. Letters of Credit issued by an Issuing Bank shall not exceed an amount agreed to in writing between the U.S. Borrower and such Issuing Bank and notified to the Administrative Agent. A Canadian Letter of Credit shall be issued, amended, renewed or extended only if, and upon issuance, amendment, renewal or extension of each Canadian Letter of Credit, such Canadian Borrower shall be deemed to represent and warrant that after giving effect to such issuance, amendment, renewal or extension (i) the Canadian L/C Exposure shall not exceed the Canadian Dollar Equivalent of U.S.$10,000,000, and (ii) the aggregate Canadian Revolving Credit Exposure shall not exceed the Total Canadian Revolving Commitment. An Australian Letter of Credit shall be issued, amended, renewed or extended only if, and upon issuance, amendment, renewal or extension of each Australian Letter of Credit, such Australian Borrower shall be deemed to represent and warrant that after giving effect to such issuance, amendment, renewal or extension (i) the Australian L/C Exposure shall not exceed the Australian Dollar Equivalent of U.S.$10,000,000, and (ii) the aggregate Australian Revolving Credit Exposure shall not exceed the Total Australian Revolving Commitment.

(c) *Expiration Date*. Each U.S. Letter of Credit and Canadian Letter of Credit shall have an expiration date not later than the earlier of (y) three years after the date of the issuance of such Letter of Credit and (z) the date that is 24 months after the Maturity Date; *provided* that 60 days prior to the Maturity Date the Borrowers shall deposit in an account with the U.S. Collateral Agent or the Canadian Collateral Agent, as the case may be, for the benefit of the U.S. Revolving Lenders or Canadian Lenders, as the case may be, an amount in cash equal to 105% of the U.S. L/C Exposure or the Canadian L/C Exposure, respectively, as of such date. Such deposit shall be held by the U.S. Collateral Agent or the Canadian Collateral Agent, as the case may be, as collateral for the payment and performance of the Obligations. Such Collateral Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits in Permitted Investments, which investments shall be made at the option and sole discretion of such Collateral Agent, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. The Applicable Administrative Agent may, at any time and from time to time after the initial deposit of such Cash Collateral, request that additional Cash Collateral be provided in order to protect against the results of exchange rate fluctuations. Moneys in such account shall (i) automatically be applied by the Applicable Administrative Agent to reimburse the Applicable Issuing Bank for L/C Disbursements for which it has not been reimbursed, (ii) be held for the satisfaction of the reimbursement obligations of the Applicable Borrower for the U.S. L/C Exposure or the Canadian L/C Exposure, as applicable, at such time, (iii) if the maturity of the Loans has been accelerated, be applied to satisfy the Obligations and (iv) provided that no Event of Default has occurred and is continuing, be released to the Borrowers to the extent that the funds on deposit exceed 105% of the U.S. L/C Exposure or the Canadian L/C Exposure, respectively. Each Australian Letter of Credit shall have an expiration date not later than the Maturity Date.

(d) *Participations*. By the issuance of a Letter of Credit and without any further action on the part of an Issuing Bank or the Lenders, the Applicable Issuing Bank hereby grants to each U.S. Revolving Lender, Canadian Lender or Australian Lender, as the case may be, and each such Revolving Lender hereby acquires from the Applicable Issuing Bank, a participation in such Letter of Credit equal to such Lender's U.S. Revolving Pro Rata Percentage, Canadian Revolving Pro Rata Percentage or Australian Revolving Pro Rata Percentage, as applicable, of the aggregate amount available to be drawn under such Letter of Credit, effective upon the issuance of such Letter of Credit (or, in the case of the Rolled Letters of Credit, effective upon the Closing Date). In consideration and in furtherance of the foregoing, each Revolving Lender hereby absolutely and unconditionally agrees to pay to the Applicable Administrative Agent, for the account of the Applicable Issuing Bank, such Lender's U.S. Revolving Pro Rata Percentage, Canadian Revolving Pro Rata Percentage or Australian Revolving Pro Rata Percentage, as applicable, of the U.S. Dollar Equivalent of each L/C Disbursement (unless (i) such Letter of Credit is a Canadian Letter of Credit denominated in Canadian dollars, in which case such payment shall be made in Canadian dollars or (ii) such Letter of Credit is an Australian Letter of Credit denominated in Australian dollars, in which case such payment shall be made in Australian dollars), made by such Issuing Bank and not reimbursed by the Applicable Borrower (or, if applicable, another party pursuant to its obligations under any other Loan Document) forthwith on the date due as provided in Section 2.02(g). Each Revolving Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including the occurrence and continuance of a Default or an Event of Default, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) *Reimbursement*. If an Issuing Bank shall make any L/C Disbursement in respect of a Letter of Credit, the Applicable Borrower shall pay to the Applicable Administrative Agent an amount equal to such L/C Disbursement in the same currency in which such L/C Disbursement is denominated (or, if such currency is not acceptable to the Applicable Administrative Agent, in U.S. dollars) not later than two hours after such Borrower shall have received notice from such Issuing Bank that payment of such draft will be made, or, if such Borrower shall have received such notice later than 11:00 a.m. (Standard Time) on any Business Day, not later than 11:00 a.m. (Standard Time) on the immediately following Business Day.

(f) *Obligations Absolute*. Each Borrower's obligations to reimburse L/C Disbursements as provided in paragraph (e) above shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement, under any and all circumstances whatsoever, and irrespective of:

(i) any lack of validity or enforceability of any Letter of Credit or any Loan Document, or any term or provision therein;

(ii) any amendment or waiver of or any consent to departure from all or any of the provisions of any Letter of Credit or any Loan Document;

(iii) the existence of any claim, counterclaim, setoff, defense or other right that such Borrower, any other party guaranteeing, or otherwise obligated with, such Borrower, any Subsidiary or other Affiliate thereof or any other person may at any time have against the beneficiary under any Letter of Credit, the Applicable Issuing Bank, any Agent or any Lender or any other person, whether in connection with this Agreement, any other Loan Document or any other related or unrelated agreement or transaction;

(iv) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(v) any payment by the Applicable Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not strictly comply with the terms of such Letter of Credit; or any payment made by the Issuing Bank under such Letter of Credit to any person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Insolvency Law; and

(vi) any adverse change in the relevant exchange rates or in the availability of the relevant Alternative Currency to any Borrower, any Subsidiary or any other person, or in the relevant currency markets generally; or

(vii) any other act or omission to act or delay of any kind of the Applicable Issuing Bank, the Lenders, the Agents or any other person or any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of such Borrower's obligations hereunder.

Without limiting the generality of the foregoing but subject to the proviso in subsection (g) below, it is expressly understood and agreed that the absolute and unconditional obligation of each Borrower hereunder to reimburse L/C Disbursements will not be excused by the gross negligence or willful misconduct of the Applicable Issuing Bank.

(g) *Role of Issuing Bank*. Each Borrower assumes all risks of the acts or omissions of any beneficiary or transferee of any Letter of Credit with respect to its use of such Letter of Credit. None of the Issuing Banks, the Agents, any of their respective Related Parties or any correspondent, participant or assignee of the Issuing Bank shall be liable or responsible for:

(i) the use which may be made of any Letter of Credit or any acts or omissions of any beneficiary or transferee in connection therewith;

(ii) the validity, sufficiency or genuineness of documents, or of any endorsement thereon, even if such documents should prove to be in any or all respects invalid, insufficient, fraudulent or forged; or

(iii) any other circumstances whatsoever in making or failing to make payment under any Letter of Credit (including the Issuing Bank's own negligence),

provided, *however*, that a Borrower shall have a claim against the Issuing Bank, and the Issuing Bank shall be liable to, and shall promptly pay to, such Borrower, to the extent of any direct, as opposed to consequential (claims in respect of which are hereby waived by such Borrower to the extent permitted by applicable law), damages suffered by such Borrower that are caused by such Issuing Bank's failure to comply with its duties as an issuing bank under applicable law or gross negligence or willful misconduct in determining whether drafts and other documents presented under a Letter of Credit strictly comply with the terms thereof. It is understood that the Applicable Issuing Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary and, in making any payment under any Letter of Credit (i) such Issuing Bank's exclusive reliance on the documents presented to it under such Letter of Credit as to any and all matters set forth therein, including reliance on the amount of any draft presented under such Letter of Credit, whether or not the amount due to the beneficiary thereunder equals the amount of such draft and whether or not any document presented pursuant to such Letter of Credit proves to be insufficient in any respect, if such document on its face appears to be in order, and whether or not any other statement or any other document presented pursuant to such Letter of Credit proves to be forged or invalid or any statement therein proves to be inaccurate or untrue in any respect whatsoever and (ii) any noncompliance in any immaterial respect of the documents presented under such Letter of Credit with the terms thereof shall, in each case, be deemed not to constitute willful misconduct or gross negligence of the Applicable Issuing Bank. Each Revolving Lender and each Borrower agree that, in paying any drawing under a Letter of Credit, the Applicable Issuing Bank shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the person executing or delivering any such document.

(h) *Disbursement Procedures*. The Applicable Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. The Applicable Issuing Bank shall as promptly as possible give telephonic notification, confirmed by fax or by electronic communication (e-mail), to the Applicable Administrative Agent and the Applicable Borrower of such demand for payment and whether the Applicable Issuing Bank has made or will make an L/C Disbursement thereunder; *provided* that any failure to give or delay in giving such notice shall not relieve the Applicable Borrower of its obligation to reimburse the Applicable Issuing Bank and the Revolving Lenders with respect to any such L/C Disbursement. The Applicable Administrative Agent shall promptly give each Applicable Lender notice thereof.

(i) *Interim Interest*. If an Issuing Bank shall make any L/C Disbursement in respect of a Letter of Credit, then, unless the Applicable Borrower shall reimburse such L/C Disbursement in full on such date, the unpaid amount thereof shall bear interest for the account of the Applicable Issuing Bank, for each day from and including the date of such L/C Disbursement, to but excluding the earlier of the date of payment by such Borrower or the date on which interest shall commence to accrue thereon as provided in Section 2.02(e), at the rate per annum that would apply to such amount if such amount were an ABR Loan, a Canadian Prime Rate Loan (for Canadian Letters of Credit denominated in Canadian dollars), a U.S. Base Rate Loan (for Canadian Letters of Credit denominated in U.S. dollars) or, in the case of any L/C Disbursement with respect to an Australian Letter of Credit, a BBSY Rate Loan, as the case may be.

(j) *Resignation or Removal of an Issuing Bank*. An Issuing Bank may resign at any time by giving 30 days' prior written notice to the Applicable Administrative Agent, the Applicable Lenders and the U.S. Borrower, and may be removed at any time by the U.S. Borrower by notice to such Issuing Bank, the Applicable Administrative Agent and the Applicable Lenders. Subject to the next succeeding paragraph, upon the acceptance of any appointment as an Issuing Bank hereunder by a Lender that shall agree to serve as successor Issuing Bank, such successor shall succeed to and become vested with all the interests, rights and obligations of the retiring Issuing Bank and the retiring Issuing Bank shall be discharged from its obligations to issue additional Letters of Credit hereunder. At the time such removal or resignation shall become effective, the Applicable Borrower shall pay all accrued and unpaid Issuing Bank Fees pursuant to Section 2.05(c). The acceptance of any appointment as an Issuing Bank hereunder by a successor Lender shall be evidenced by an agreement entered into by such successor, in a form satisfactory to the Borrowers and the Applicable Administrative Agent, and, from and after the effective date of such agreement, (i) such successor Lender shall have all the rights and obligations of the previous Issuing Bank under this Agreement and the other Loan Documents and (ii) references herein and in the other Loan Documents to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the resignation or removal of an Issuing Bank hereunder, the retiring Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement and the other Loan Documents with respect to Letters of Credit issued by it prior to such resignation or removal, but shall not be required to issue additional Letters of Credit.

(k) *Cash Collateralization*. If (i) any Event of Default shall occur and be continuing, other than an event with respect to a Borrower described in Section 7.01(g) or (h) and a Borrower shall receive notice from Applicable Administrative Agent or the Required U.S. Revolving Lenders, the Required Canadian Lenders or the Required Australian Lenders, as applicable, requesting that it deposit Cash Collateral and specifying the amount to be deposited, or (ii) an Event of Default shall occur and be continuing with respect to a Borrower described in Section 7.01(g) or (h) then such Borrower shall, on the Business Day it receives the notice referenced in clause (i) above or immediately upon the occurrence of the Event of Default referenced in clause (ii) above, deposit in an account with the U.S. Collateral Agent, the Canadian Collateral Agent or the Australian Collateral Agent, as the case may be, for the benefit of the U.S. Revolving Lenders, Canadian Lenders or Australian Lenders, as the case may be, an amount in cash equal to 105% of the U.S. L/C Exposure, the Canadian L/C Exposure or the Australian L/C Exposure, respectively, as of such date. At any time that there shall exist a Defaulting Lender, after reallocation pursuant to Section 2.24(c), promptly upon the request of an Administrative Agent or an Issuing Bank (which request may be condition to issuance amendment, renewal or extension of a Letter of Credit), the Applicable Borrower shall deliver to the U.S. Collateral Agent, the Canadian Collateral Agent or the Australian Collateral Agent, as the case may be, for the benefit of the U.S. Revolving Lenders, Canadian Lenders or Australian Lenders, as the case may be, Cash Collateral in an amount equal to the Fronting Exposure at such time (determined for the avoidance of doubt, after giving effect to Section 2.24(a) and any Cash Collateral provided by any Defaulting Lender). Such deposits shall be held by the U.S. Collateral Agent, the Canadian Collateral Agent or the Australian Collateral Agent, as the case may be, as collateral for the payment and performance of the Obligations. Such Collateral Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. If a Borrower is required to Cash Collateralize the U.S. L/C Exposure, Canadian L/C Exposure, Australian L/C Exposure or Fronting Exposure pursuant to Section 2.22(c) or (k), then such Borrower and Collateral Agent shall establish the L/C Cash Collateral Account and the Applicable Borrower shall execute any documents and agreements that such Collateral Agent reasonably requests in connection therewith to establish the L/C Cash Collateral Account and grant such Collateral Agent a first-priority security interest in such account and the funds therein. Each Borrower hereby pledges to the Applicable Collateral Agent and grants such Collateral Agent a security interest in the L/C Cash Collateral Account, whenever established, all funds held in such L/C Cash Collateral Account from time to time, and all proceeds thereof as security for the payment of the Obligations. Other than any interest earned on the investment of such deposits in Permitted Investments, which investments shall be made at the option and sole discretion of such Collateral Agent, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. The Applicable Administrative Agent may, at any time and from time to time after the initial deposit of such Cash Collateral, request that additional Cash Collateral be provided in order to protect against the results of exchange rate fluctuations. Moneys in such account shall (i) automatically be applied by the Applicable Administrative Agent to reimburse the Applicable Issuing Bank for L/C Disbursements for which it has not been reimbursed, (ii) be held for the satisfaction of the reimbursement obligations of the Applicable Borrower for the U.S. L/C Exposure, the Canadian L/C Exposure or the Australian L/C Exposure, as applicable, at such time and (iii) if the maturity of the Loans has been accelerated, be applied to satisfy the Obligations. If a Borrower is required to provide an amount of cash collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to such Borrower within three Business Days after all Events of Default have been cured or waived. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure shall be released promptly following (A) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by any Defaulting Lender ceasing to be a Defaulting Lender or ceasing to be a Revolving Lender) or (B) the Administrative Agent's good faith determination that there exists excess Cash Collateral; *provided*, *however*, that Cash Collateral furnished by or on behalf of a Loan Party shall not be released during the continuance of an Event of Default and may be otherwise applied in accordance with Section 7.06.

(l) *Additional Issuing Banks*. A Borrower may, at any time and from time to time with the consent of the Applicable Administrative Agent (which consent shall not be unreasonably withheld or delayed) and such Revolving Lender, designate one or more additional Lenders to act as an issuing bank under the terms of this Agreement. The acceptance of any appointment as an Issuing Bank hereunder by a Revolving Lender shall be evidenced by an agreement entered into by such Revolving Lender, in a form satisfactory to the Borrowers and the Applicable Administrative Agent, and, from and after the effective date of such agreement, any Lender designated as an issuing bank pursuant to this paragraph (l) shall be deemed (in addition to being a Lender) to be the Issuing Bank with respect to Letters of Credit issued or to be issued by such Lender, and all references herein and in the other Loan Documents to the term "Issuing Bank" shall, with respect to such Letters of Credit, be deemed to refer to such Lender in its capacity as Issuing Bank.

(m) In the event of any conflict between the terms hereof and the terms of any Letter of Credit Document, the terms hereof shall control.

(n) Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Borrower or any Subsidiary of such Borrower, each Borrower shall be obligated to reimburse the Applicable Issuing Bank hereunder for any and all L/C Disbursements under such Letter of Credit requested by such Borrower for its own account or for the account of any of its Subsidiaries. Each Borrower hereby acknowledges that the issuance of Letters of Credit for the account of any of its Subsidiaries (other than, with respect to the U.S. Borrower, a Canadian Borrower or any subsidiary thereof or the Australian Borrower or any Subsidiary thereof) inures to the benefit of such Borrower, and that such Borrower's business derives substantial benefits from the businesses of such Borrower's Subsidiaries.

(o) Each Issuing Bank, the Revolving Lenders and the Borrowers agree that effective as of the Closing Date, the Rolled Letters of Credit shall be deemed to have been issued and maintained under, and to be governed by the terms and conditions of, this Agreement.

SECTION 2.22 ***Bankers' Acceptances***. (a) Subject to the terms and conditions of this Agreement, each Canadian Borrower may request a Borrowing denominated in Canadian dollars by presenting drafts for acceptance and, if applicable, purchase as B/As by the Canadian Lenders.

(b) No Contract Period with respect to a B/A to be accepted and, if applicable, purchased as a Loan shall extend beyond the Maturity Date. All B/A Loans shall be denominated in Canadian dollars.

(c) To facilitate availment of the B/A Loans, each Canadian Borrower hereby appoints each Canadian Lender as its attorney to sign and endorse on its behalf, in handwriting or by facsimile or mechanical signature as and when deemed necessary by such Canadian Lender, blank forms of B/As in the form requested by such Canadian Lender. Each Canadian Borrower recognizes and agrees that all B/As signed and/or endorsed on its behalf by a Canadian Lender shall bind such Canadian Borrower as fully and effectually as if signed in the handwriting of and duly issued by the proper signing officers of such Canadian Borrower. Each Canadian Lender is hereby authorized to issue such B/As endorsed in blank in such face amounts as may be determined by such Canadian Lender; *provided* that the aggregate amount thereof is equal to the aggregate amount of B/As required to be accepted and purchased by such Canadian Lender. No Canadian Lender shall be liable for any damage, loss or other claim arising by reason of any loss or improper use of any such instrument except the gross negligence or willful misconduct of such Canadian Lender or its officers, employees, agents or representatives. Each Canadian Lender shall maintain a record with respect to B/As (i) voided by it for any reason, (ii) accepted and purchased by it hereunder and (iii) canceled at their respective maturities. Each Canadian Lender further agrees to retain such records in the manner and for the statutory periods provided in the various provincial or federal statutes and regulations which apply to such Canadian Lender. On request by or on behalf of the Canadian Borrower, a Canadian Lender shall cancel all forms of B/A which have been pre-signed or pre-endorsed on behalf of a Canadian Borrower and which are held by such Canadian Lender and are not required to be issued in accordance with the Canadian Borrower's irrevocable notice. At the discretion of a Lender, Bankers' Acceptances to be accepted by such Lender may be issued in the form of "Depository Bills" within the meaning of the *Depository Bills and Notes Act* (Canada) and deposited with the Canadian Depository for Securities Limited ("*CDS*") and may be made payable to "CDS & Co." or in such other name as may be acceptable to CDS and thereafter dealt with in accordance with the rules and procedures of CDS, consistent with the terms of this Agreement. All Depository Bills so issued shall be governed by the provisions of this Section 2.22.

(d) Drafts of a Canadian Borrower to be accepted as B/As hereunder shall be signed as set forth in this Section 2.22. Notwithstanding that any person whose signature appears on any B/A may no longer be an authorized signatory for any of the Canadian Lenders or the applicable Canadian Borrower at the date of issuance of a B/A, such signature shall nevertheless be valid and sufficient for all purposes as if such authority had remained in force at the time of such issuance and any such B/A so signed shall be binding on such Canadian Borrower.

(e) Promptly following receipt of a notice of borrowing, continuation or conversion of B/As, the Canadian Administrative Agent shall so advise the Canadian Lenders and shall advise each Canadian Lender of the aggregate face amount of the B/As to be accepted by it and the applicable Contract Period (which shall be identical for all Canadian Lenders). The aggregate face amount of the B/As to be accepted by a Canadian Lender shall be in an integral multiple of C$100,000 and such face amount shall be in each Canadian Lender's pro rata portion of such Canadian Borrowing; *provided*, that the Canadian Administrative Agent may, in its sole discretion, increase or reduce any Canadian Lender's portion of such B/A to the nearest C$100,000.

(f) The applicable Canadian Borrower may specify in a notice of borrowing or conversion or continuation pursuant to Section 2.03 or Section 2.10, respectively, that it desires that any B/As requested by such notice be purchased by the Canadian Lenders, in which case the Canadian Lenders shall purchase, or arrange the purchase of, each B/A from such Canadian Borrower at the B/A Discount Rate for such Canadian Lender applicable to such B/A accepted by it and provide to the Canadian Administrative Agent the Discount Proceeds for the account of such Canadian Borrower. The Acceptance Fee payable by such Canadian Borrower to a Canadian Lender under Section 2.06 in respect of each B/A accepted by such Canadian Lender shall be set off against the Discount Proceeds payable by such Canadian Lender under this Section 2.22.

(g) Each Canadian Lender may at any time and from time to time hold, sell, rediscount or otherwise dispose of any or all B/As accepted and purchased by it.

(h) If a Canadian Lender notifies the Canadian Administrative Agent in writing that it is unable or unwilling to accept Bankers' Acceptances, such Canadian Lender will, instead of accepting and, if applicable, purchasing Bankers' Acceptances, make an advance (a "*B/A Equivalent Loan*") to the applicable Canadian Borrower in the amount and for the same term as the draft that such Canadian Lender would otherwise have been required to accept and purchase hereunder. Each such Canadian Lender will provide to the Canadian Administrative Agent the Discount Proceeds of such B/A Equivalent Loan for the account of such Canadian Borrower. Each such B/A Equivalent Loan will bear interest at the same rate that would result if such Lender had accepted (and been paid an Acceptance Fee) and purchased (on a discounted basis at the B/A Discount Rate) a Bankers' Acceptance for the relevant Contract Period (it being the intention of the parties that each such B/A Equivalent Loan shall have the same economic consequences for the Lenders and the Canadian Borrowers as the Bankers' Acceptance which such B/A Equivalent Loan replaces). All such interest shall be paid in advance on the date such B/A Equivalent Loan is made, and will be deducted from the principal amount of such B/A Equivalent Loan in the same manner in which the Discount Proceeds of a Bankers' Acceptance would be deducted from the face amount of the Bankers' Acceptance. Each B/A Equivalent Loan shall be evidenced by a non-interest bearing promissory note of the Canadian Borrower, denominated in Canadian Dollars, executed and delivered by the applicable Canadian Borrower to such Canadian Lender, substantially in the form of Exhibit H.

(i) Each Canadian Borrower waives presentment for payment and any other defense to payment of any amounts due to a Canadian Lender in respect of a B/A accepted and purchased by it pursuant to this Agreement which might exist solely by reason of such B/A being held, at the maturity thereof, by such Canadian Lender in its own right and each Canadian Borrower agrees not to claim any days of grace if such Canadian Lender as holder sues such Canadian Borrower on the B/A for payment of the amount payable by such Canadian Borrower thereunder. On the last day of the Contract Period of a B/A, or such earlier date as may be required or permitted pursuant to the provisions of this Agreement, the applicable Canadian Borrower shall pay the Canadian Lender that has accepted and purchased such B/A the full face amount of such B/A and after such payment, such Canadian Borrower shall have no further liability in respect of such B/A and such Canadian Lender shall be entitled to all benefits of, and be responsible for all payments due to third parties under, such B/A.

(j) Except as required by any Canadian Lender upon the occurrence of an Event of Default, no B/A Loan may be repaid by a Canadian Borrower prior to the expiry date of the Contract Period applicable to such B/A Loan; *provided*, *however*, that any B/A Loan may be defeased as provided in the proviso to Section 2.11(a).

(k) With respect to any repayment of unmatured B/A's pursuant to the proviso to Section 2.11(a) or otherwise hereunder, it is agreed that the applicable Canadian Borrower shall provide for the funding in full of the unmatured B/A's to be repaid by paying to and depositing with the Canadian Administrative Agent Cash Collateral for each such unmatured B/A equal to the face amount payable at maturity thereof. The Canadian Administrative Agent shall hold such Cash Collateral in an interest bearing Cash Collateral account at rates prevailing at the time of deposit for similar accounts with the Canadian Administrative Agent; such Cash Collateral, such Cash Collateral account, any accounts receivable, claims, instruments or securities evidencing or relating to the foregoing, and any proceeds of any of the foregoing (collectively, the "Outstanding BAs Collateral") shall be assigned to the Canadian Administrative Agent as security for the obligations of the applicable Canadian Borrower in relation to such B/A's and the security interest of the Canadian Administrative Agent created in such Outstanding BAs Collateral shall rank in priority to all other security interests and adverse claims against such Outstanding BAs Collateral. Such Outstanding BAs Collateral shall be applied to satisfy the obligations of the applicable Canadian Borrower for such B/A's as they mature and the Canadian Administrative Agent is hereby irrevocably directed by the applicable Canadian Borrower to apply any such Outstanding BAs Collateral to such maturing B/A's. The Outstanding BAs Collateral created herein shall not be released to the applicable Canadian Borrower prior to the maturity of the applicable B/As without the consent of the Canadian Lenders; however, interest on such deposited amounts shall be for the account of the applicable Canadian Borrower and may be withdrawn by the applicable Canadian Borrower so long as no Default or Event of Default is then continuing. If, after maturity of the B/A's for which such Outstanding BAs Collateral is held and application by the Canadian Administrative Agent of the Outstanding BAs Collateral to satisfy the obligations of the applicable Canadian Borrower hereunder with respect to the B/A's being repaid, any interest or other proceeds of the Outstanding BAs Collateral remains, such interest or other proceeds shall be promptly paid and transferred by the Canadian Administrative Agent to the applicable Canadian Borrower so long as no Default or Event of Default is then continuing.

SECTION 2.23 ***Swing Line Loans***.

(a) *Generally*.

(i) *The U.S. Swing Line*. Subject to the terms and conditions set forth herein, and if an AutoBorrow Agreement is in effect, subject to the terms and conditions of such AutoBorrow Agreement, the U.S. Swing Line Lender may in its sole and absolute discretion, in reliance upon the agreements of the other U.S. Revolving Lenders set forth in this Section 2.23, make loans in U.S. Dollars (each such loan, a "*U.S. Swing Line Loan*") to the U.S. Borrower from time to time on or after the Funding Date until the earlier of the Maturity Date and the termination of the Total U.S. Revolving Commitments in an aggregate amount not to exceed at any time outstanding the amount of the U.S. Swing Line Sublimit, notwithstanding the fact that such U.S. Swing Line Loans, when aggregated with the U.S. Revolving Credit Exposure of the Lender acting as U.S. Swing Line Lender, may exceed the amount of such Lender's U.S. Revolving Commitment; *provided*, *however*, that after giving effect to any U.S. Swing Line Loan, (i) the aggregate U.S. Revolving Credit Exposure of all U.S. Revolving Lenders shall not exceed the Total U.S. Revolving Commitments at such time, and (ii) the U.S. Revolving Credit Exposure of each U.S. Revolving Lender at such time shall not exceed such Lender's U.S. Revolving Commitment, and *provided*, *further*, that the U.S. Borrower shall not use the proceeds of any U.S. Swing Line Loan to refinance any outstanding U.S. Swing Line Loan. Within the foregoing limits, the U.S. Borrower may borrow under this Section 2.23(a), prepay under Section 2.11, and reborrow under this Section 2.23(a). Immediately upon the making of a U.S. Swing Line Loan, each U.S. Revolving Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the U.S. Swing Line Lender a risk participation in such U.S. Swing Line Loan in an amount equal to the product of such U.S. Revolving Lender's U.S. Revolving Pro Rata Percentage times the amount of such U.S. Swing Line Loan. Each U.S. Revolving Lender shall have the obligation to purchase and fund risk participations in the U.S. Swing Line Loans and to refinance U.S. Swing Line Loans as provided in this Agreement.

(ii) *The Canadian Swing Line*. Subject to the terms and conditions set forth herein, and if an AutoBorrow Agreement is in effect, subject to the terms and conditions of such AutoBorrow Agreement, the Canadian Swing Line Lender may in its sole and absolute discretion, in reliance upon the agreements of the other Canadian Lenders set forth in this Section 2.23, make loans in Canadian dollars or U.S. Dollars (each such loan, a "*Canadian Swing Line Loan*") to either Canadian Borrower from time to time on or after the Funding Date until the earlier of the Maturity Date and the termination of the Total Canadian Revolving Commitments in an aggregate amount not to exceed at any time outstanding the amount of the Canadian Swing Line Sublimit, notwithstanding the fact that such Canadian Swing Line Loans, when aggregated with the Canadian Revolving Credit Exposure of the Lender acting as Canadian Swing Line Lender, may exceed the amount of such Lender's Canadian Revolving Commitment; *provided*, *however*, that after giving effect to any Canadian Swing Line Loan, (i) the aggregate Canadian Revolving Credit Exposure of all Canadian Lenders shall not exceed the Total Canadian Revolving Commitments at such time, and (ii) the Canadian Revolving Credit Exposure of each Canadian Lender at such time shall not exceed such Lender's Canadian Revolving Commitment, and *provided*, *further*, that the Canadian Borrower shall not use the proceeds of any Canadian Swing Line Loan to refinance any outstanding Canadian Swing Line Loan. Within the foregoing limits, the Canadian Borrower may borrow under this Section 2.23(a), prepay under Section 2.11, and reborrow under this Section 2.23(a). Immediately upon the making of a Canadian Swing Line Loan, each Canadian Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the Canadian Swing Line Lender a risk participation in such Canadian Swing Line Loan in an amount equal to the product of such Canadian Lender's Canadian Revolving Pro Rata Percentage times the amount of such Canadian Swing Line Loan. Each Canadian Lender shall have the obligation to purchase and fund risk participations in the Canadian Swing Line Loans and to refinance Canadian Swing Line Loans as provided in this Agreement.

(b) *Borrowing Procedures*. . If an AutoBorrow Agreement is in effect, each Swing Line Borrowing shall be made as provided in such AutoBorrow Agreement. Otherwise, in order to request a Swing Line Borrowing, the Applicable Borrower shall hand deliver, fax or send by electronic communication (e-mail) (or by telephone notice promptly confirmed by a written, fax or electronic communication (e-mail)) to the Applicable Swing Line Lender and the Applicable Administrative Agent a duly completed Borrowing Request not later than 2:00 p.m. (Standard Time) on the day of the proposed Swing Line Borrowing. Each such Borrowing Request shall be irrevocable, shall be signed by or on behalf of the Applicable Borrower and shall specify the following information: (i) the date of such Swing Line Borrowing (which shall be a Business Day); and (ii) the amount of such Swing Line Borrowing, which shall be a minimum of U.S.$1,000,000, except as otherwise set forth in any AutoBorrow Agreement. Promptly after receipt by the Applicable Swing Line Lender of any Borrowing Request, the Applicable Swing Line Lender will confirm with the Applicable Administrative Agent (by telephone or in writing) that the Applicable Administrative Agent has also received such Borrowing Request and, if not, the Applicable Swing Line Lender will notify the Applicable Administrative Agent (by telephone or in writing) of the contents thereof. Unless the Applicable Swing Line Lender has received notice (by telephone or in writing) from the Applicable Administrative Agent (including at the request of any Applicable Lender) prior to 2:00 p.m. (Standard Time) on the date of the proposed Swing Line Borrowing (A) directing the Applicable Swing Line Lender not to make such Swing Line Loan as a result of the limitations set forth in the first proviso to the first sentence of either Section 2.23(a)(i) or Section 2.23(a)(ii), or (B) that one or more of the applicable conditions specified in Article IV is not then satisfied, then, subject to the terms and conditions hereof, the Applicable Swing Line Lender will, not later than 1:00 p.m. (Standard Time) on the borrowing date specified in such Borrowing Request, make the amount of its Swing Line Loan available to the Applicable Borrower at its office by crediting the account of the Applicable Borrower on the books of the Applicable Swing Line Lender in immediately available funds. If an AutoBorrow Agreement is in effect, such additional terms and conditions of such AutoBorrow Agreement shall have been satisfied, and in the event that any of the terms of this Section 2.23 conflict with such AutoBorrow Agreement, the terms of the AutoBorrow Agreement shall govern and control. No Applicable Lender shall have any rights or obligations under any AutoBorrow Agreement, but each Applicable Lender shall have the obligation to purchase and fund risk participations in the Swing Line Loans and to refinance Swing Line Loan as provided herein.

(c) *Refinancing of Swing Line Loans.* (i) The Applicable Swing Line Lender at any time in its sole and absolute discretion may request, on behalf of the Applicable Borrower (which hereby irrevocably authorizes the Applicable Swing Line Lender to so request on its behalf), or the Applicable Borrower at any time in its sole and absolute discretion may request, that each Applicable Lender make (A) with respect to U.S. Swing Line Loans, an ABR Loan in an amount equal to such Lender's U.S. Revolving Pro Rata Percentage of the amount of U.S. Swing Line Loans then outstanding and (B)(1) with respect to Canadian Swing Line Loans denominated in Canadian dollars, a Canadian Prime Rate Loan or (2) with respect to Canadian Swing Line Loans denominated in U.S. Dollars, a U.S. Base Rate Loan, in each case in an amount equal to such Lender's Canadian Revolving Pro Rata Percentage of the amount of Canadian Swing Line Loans then outstanding. Such request shall be made in writing (which written request shall be deemed to be a Borrowing Request for purposes hereof) and in accordance with the requirements of Section 2.02, without regard to the minimum and multiples specified therein for the principal amount of ABR Loans, Canadian Prime Rate Loans or U.S. Base Rate Loans, as applicable, but subject to the unutilized portion of the Total U.S. Revolving Commitments or Total Canadian Revolving Commitments, as applicable, and the conditions set forth in Section 4.01. The Applicable Swing Line Lender or the Applicable Borrower, as applicable, shall furnish to the other a copy of the applicable Borrowing Request promptly after delivering such notice to the Applicable Administrative Agent. Each Applicable Lender shall make an amount equal to its Applicable Pro Rata Percentage of the amount specified in such Borrowing Request available to the Applicable Administrative Agent in immediately available funds for the account of the Applicable Swing Line Lender at the office designated by the Applicable Administrative Agent not later than 1:00 p.m. (Standard Time) on the day specified in such Borrowing Request, whereupon, subject to Section 2.23(c)(ii), each Applicable Lender that so makes funds available shall be deemed to have made a ABR Loan, Canadian Prime Rate Loan or U.S. Base Rate Loan, as applicable, to the Applicable Borrower in such amount. The Applicable Administrative Agent shall remit the funds so received to the Applicable Swing Line Lender.

(ii) If for any reason any Swing Line Loan cannot be refinanced by such a U.S. Revolving Borrowing or a Canadian Revolving Borrowing, as applicable, in accordance with Section 2.23(c)(i), the request for ABR Loans, Canadian Prime Rate Loans or U.S. Base Rate Loans, as applicable, submitted by the Applicable Swing Line Lender or the Applicable Borrower as set forth herein shall be deemed to be a request by the Applicable Swing Line Lender that each of the Applicable Lenders fund its risk participation in the relevant Swing Line Loan and each Applicable Lender's payment to the Applicable Administrative Agent for the account of the Applicable Swing Line Lender pursuant to Section 2.23(c)(i) shall be deemed payment in respect of such participation.

(iii) If any Applicable Lender fails to make available to the Applicable Administrative Agent for the account of the Applicable Swing Line Lender any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.23(c) by the time specified in Section 2.23(c)(i), the Applicable Swing Line Lender shall be entitled to recover from such Lender (acting through the Applicable Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the Applicable Swing Line Lender at a rate per annum equal to the greater of the Federal Funds Effective Rate and a rate determined by the Applicable Swing Line Lender in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Applicable Swing Line Lender in connection with the foregoing. If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Loan included in the relevant Borrowing or funded participation in the relevant Swing Line Loan, as the case may be. A certificate of the Applicable Swing Line Lender submitted to any Lender (through the Applicable Administrative Agent) with respect to any amounts owing under this clause (iii) shall be presumed correct absent manifest error.

(iv) Each Applicable Lender's obligation to make Revolving Credit Loans or to purchase and fund risk participations in Swing Line Loans pursuant to this Section 2.23(c) shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the Applicable Swing Line Lender, the Applicable Borrower or any other person for any reason whatsoever, (B) the occurrence or continuance of a Default or an Event of Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; *provided*, *however*, that each Applicable Lender's obligation to make Revolving Credit Loans pursuant to this Section 2.23(c) is subject to the conditions set forth in Section 4.01. No such funding of risk participations shall relieve or otherwise impair the obligation of the Applicable Borrower to repay Swing Line Loans, together with interest as provided herein.

(d) *Repayment of Participations*. (i) At any time after any Applicable Lender has purchased and funded a risk participation in a Swing Line Loan, if the Applicable Swing Line Lender receives any payment on account of such Swing Line Loan, the Applicable Swing Line Lender will distribute to such Applicable Lenders their Applicable Pro Rata Percentage thereof in the same funds as those received by the Applicable Swing Line Lender.

(ii) If any payment received by the Applicable Swing Line Lender in respect of principal or interest on any Swing Line Loan is required to be returned by the Applicable Swing Line Lender under any of the circumstances described in Section 9.19 (including pursuant to any settlement entered into by the Applicable Swing Line Lender in its discretion), each Applicable Lender shall pay to the Applicable Swing Line Lender its Applicable Revolving Pro Rata Percentage thereof on demand of the Applicable Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned, at a rate per annum equal to the Federal Funds Effective Rate. The Applicable Administrative Agent will make such demand upon the request of the Applicable Swing Line Lender. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) *Interest for Account of Swing Line Lender*. The Applicable Swing Line Lender shall be responsible for invoicing the Applicable Borrower for interest on the Swing Line Loans. Until each Applicable Lender funds its Loan or risk participation pursuant to this Section 2.23 to refinance such Applicable Lender's Applicable Revolving Pro Rata Percentage of any Swing Line Loan, interest in respect of such Applicable Revolving Pro Rata Percentage shall be solely for the account of the Applicable Swing Line Lender.

(f) *Payments Directly to Swing Line Lender*. The Applicable Borrower shall make all payments of principal and interest in respect of the Swing Line Loans directly to the Applicable Swing Line Lender, and, if an AutoBorrow Agreement is in effect, in accordance with the terms of such AutoBorrow Agreement.

(g) *Discretionary Nature of the Swing Line Facility*. Notwithstanding any terms to the contrary contained herein, the swing line facilities provided herein (i) are each an uncommitted facility and the Swing Line Lenders may, but shall not be obligated to, make Swing Line Loans, and (ii) may be terminated at any time by the Applicable Swing Line Lender or the Applicable Borrower upon written notice by the terminating party to the non-terminating party.

SECTION 2.24 ***Defaulting Lenders***.

(a) *Adjustments*. Notwithstanding anything to the contrary contained in this Agreement, if any Revolving Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement or any other Loan Document shall be restricted as set forth in Section 9.08(b); and

(ii) any payment of principal, interest, fees or other amounts received by the Applicable Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VII, or otherwise, or received by the Administrative Agent from a Defaulting Lender pursuant to Section 9.05), shall be applied at such time or times as may be determined by the Applicable Administrative Agent as follows:

(ii) *first*, to the payment of any amounts owing by such Defaulting Lender to the Applicable Administrative Agent hereunder;

(iii) *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Issuing Banks and the Swing Line Lenders hereunder;

(iv) *third*, to Cash Collateralize the Issuing Banks' Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.21(k);;

(v) *fourth*, as the Applicable Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Applicable Administrative Agent;

(vi) *fifth*, if so determined by the Administrative Agent and the applicable Borrower, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) Cash Collateralize the Issuing Banks' future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.21(k);

(vii) *sixth*, to the payment of any amounts owing to the Revolving Lenders, the Applicable Issuing Bank or the Applicable Swing Line Lender as a result of any judgment of a court of competent jurisdiction obtained by any Revolving Lender or an Applicable Issuing Bank against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement;

(viii) *seventh*, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Applicable Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Applicable Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and

(ix) *eighth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (x) such payment is a payment of the principal amount of any Revolving Loans or L/C Disbursements in respect of which that Defaulting Lender has not fully funded its appropriate share and (y) such Revolving Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.01 were satisfied or waived, such payment shall be applied solely to pay the Revolving Loans of, and L/C Disbursements owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Revolving Loans of, or L/C Disbursements owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swing Line Loans are held by the Lenders pro rata in accordance with the Revolving Commitments without giving effect to Section 2.24(a)(iv). Any payments, prepayments or other amounts paid or payable to any Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 2.24(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

Any payments, prepayments or other amounts paid or payable to any Defaulting Lender that are applied (or held) to pay amounts owed by such Defaulting Lender or to post cash collateral pursuant to this Section 2.24(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(b) *Certain Fees*. No Defaulting Lender shall be entitled to receive any Commitment Fee pursuant to Section 2.05(a) or any L/C Participation Fee pursuant to Section 2.05(c) for any period during which such Lender is a Defaulting Lender (and, except as otherwise provided in Section 2.05(a), the Applicable Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to such Defaulting Lender).

(i) No Defaulting Lender shall be entitled to receive any Commitment Fee for any period during which such Lender is a Defaulting Lender (and any Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to such Defaulting Lender).

(ii) Each Defaulting Lender shall be entitled to receive L/C Participation Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Pro Rata Percentage of the stated amount of Letters of Credit for which it has provided cash collateral pursuant to Section 2.21(k).

(iii) With respect to any L/C Participation Fee not required to be paid to any Defaulting Lender pursuant to clause (A) or (B) above, the applicable Borrower shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's L/C Exposure or participation in Swing Line Loans that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to each Issuing Lender and Swing Line Lender, as applicable, the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such Issuing Lender's or Swing Line Lender's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(c) *Reallocation of Ratable Portions to Reduce Fronting Exposure*. During any period in which there is a Defaulting Lender, solely for purposes of computing the amount of the obligation of each non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit and Swing Line Loans pursuant to Sections 2.21 and 2.23, the "U.S. Revolving Pro Rata Percentage", "Canadian Revolving Pro Rata Percentage" or "Australian Revolving Pro Rata Percentage", as applicable, of each non-Defaulting Lender shall be computed without giving effect to the Revolving Commitment of such Defaulting Lender; provided, that (A) each such reallocation shall be given effect only if, at the date the applicable Lender becomes a Defaulting Lender, no Default or Event of Default exists; and (B) the aggregate obligation of any non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit and Swing Line Loans shall not exceed the positive difference, if any, of (1) the Revolving Commitments of such non-Defaulting Lender minus (2) the aggregate Revolving Credit Loans of such non-Defaulting Lender.

(d) *Cash Collateral, Repayment of Swing Line Loans*. If the reallocation described in clause (c) above cannot, or can only partially, be effected, the applicable Borrower shall, without prejudice to any right or remedy available to it hereunder or under law, (x) first, prepay Swing Line Loans in an amount equal to the applicable Swing Line Lender's Fronting Exposure and (y) second, cash collateralize the applicable Issuing Lenders' Fronting Exposure in accordance with the procedures set forth in Section 2.21(k).

(e) *Defaulting Lender Cure*. If the Applicable Borrower, the Applicable Administrative Agent, the Applicable Swing Line Lenders and the Applicable Issuing Banks agree in writing that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Applicable Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral), such Lender will, to the extent applicable, purchase at par that portion of outstanding Revolving Credit Loans of the other Revolving Lenders of the same Class or take such other actions as the Applicable Administrative Agent may determine to be necessary to cause the Revolving Credit Loans and funded and unfunded participations in Letters of Credit and Swing Line Loans to be held on a pro rata basis by the Revolving Lenders of the same Class in accordance with their "U.S. Revolving Pro Rata Percentage", "Canadian Revolving Pro Rata Percentage" or "Australian Revolving Pro Rata Percentage", as applicable, (without giving effect to clause (a)(ii) above), whereupon such Lender will cease to be a Defaulting Lender; *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Applicable Borrower while such Lender was a Defaulting Lender; and *provided further*, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(f) *New Swing Line Loans/Letters of Credit*. So long as any Lender is a Defaulting Lender, (i) the applicable Swing Line Lender shall not be required to fund any Swing Line Loans unless it is satisfied that it will have no Fronting Exposure after giving effect to such Swing Line Loan and (ii) no Issuing Bank shall be required to issue, extend, renew or increase any Letter of Credit unless it is satisfied that it will have no Fronting Exposure after giving effect thereto.

(g) *Termination of Defaulting Lender Revolving Commitment*. A Borrower may terminate the unused amount of the Revolving Commitment of a Defaulting Lender upon not less than three (3) Business Days' prior notice to the Applicable Administrative Agent (which will promptly notify the Revolving Lenders of the same Class thereof), *provided* that such termination will not be deemed to be a waiver or release of any claim a Borrower, an Administrative Agent, an Issuing Bank or any Lender may have against such Defaulting Lender.

SECTION 2.25 ***Incremental Revolving Credit Increase***.

(a) At any time after the Funding Date, any Borrower may by written notice to the Applicable Administrative Agent elect to request the establishment of one or more increases in one or more of the Revolving Commitments (an "*Incremental Revolving Commitment*") to make incremental Revolving Credit Loans (any Revolving Credit Loans made pursuant to such Incremental Revolving Commitments, the "*Incremental Revolving Credit Increase*");

provided that (1) the aggregate amount for all such Incremental Revolving Commitments shall not exceed $200,000,000 and (2) the aggregate amount for each Incremental Revolving Commitment shall not be less than a minimum principal amount of $25,000,000 or, if less, the remaining amount permitted pursuant to the foregoing clause (1). Each such notice shall specify the date (each, an "*Increased Amount Date*") on which the Applicable Borrower proposes that any Incremental Revolving Commitment shall be effective, which shall be a date not less than twenty (20) Business Days after the date on which such notice is delivered to Administrative Agent. The Applicable Borrower may invite any Lender, any Affiliate of any Lender and/or any Approved Fund, and/or any other Person reasonably satisfactory to the Applicable Administrative Agent, the Applicable Issuing Bank and the Applicable Swing Line Lender, if any, to provide an Incremental Revolving Commitment (any such Person that provides an Incremental Revolving Commitment, an "*Incremental Lender*"). Any Lender or any Incremental Lender offered or approached to provide all or a portion of any Incremental Revolving Commitment may elect or decline, in its sole discretion, to provide such Incremental Revolving Commitment. Any Incremental Revolving Commitment shall become effective as of such Increased Amount Date; *provided* that:

(A) no Default or Event of Default shall exist on such Increased Amount Date before or after giving effect to (1) any Incremental Revolving Commitment and (2) the making of any Incremental Revolving Credit Increase pursuant thereto;

(B) the Applicable Borrower shall have delivered to the Administrative Agent (which shall promptly make such information available to the Lenders in accordance with its customary practice) a Compliance Certificate demonstrating that the Borrower will be in compliance on a pro forma basis (using the criteria therefor described in Section 6.04(i)) with the financial covenants set forth in Sections 6.10 and 6.11 after giving effect to (1) any Incremental Revolving Commitment (and assuming that the Revolving Commitments (including any Incremental Revolving Commitments) are fully drawn), (2) the making of any Incremental Revolving Credit Increase pursuant thereto and (3) any Permitted Acquisition or other contemplated use of proceeds consummated in connection therewith;

(C) the proceeds of any Incremental Revolving Credit Increase shall be used for ongoing working capital requirements and other general corporate purposes of the Applicable Borrower and its Subsidiaries (including Permitted Acquisitions);

(D) each Incremental Revolving Commitment (and the Incremental Revolving Credit Increase made thereunder) shall constitute Obligations of the Applicable Borrower and shall be secured and guaranteed with the other Revolving Credit Loans of such Class on a pari passu basis;

(E) in the case of each Incremental Revolving Commitment (the terms of which shall be set forth the relevant Lender Joinder Agreement):

(1) any Incremental Revolving Credit Increase made pursuant to such Incremental Revolving Commitment shall mature on the Maturity Date, shall bear interest at the rate applicable to the Revolving Credit Loans and shall be subject to the same terms and conditions as the Revolving Credit Loans; provided that the Incremental Lenders in respect of any Incremental Revolving Commitment may receive upfront fees determined by the Applicable Administrative Agent, the applicable Incremental Lenders and the Applicable Borrower;

(2) the outstanding Revolving Credit Loans and Applicable Pro Rata Percentages of Swingline Loans and L/C Obligations of the applicable Class will be reallocated by the Applicable Administrative Agent on the applicable Increased Amount Date among the Applicable Lenders (including the Incremental Lenders providing such Incremental Revolving Commitment) in accordance with their revised Applicable Pro Rata Percentages (and the Revolving Lenders (including the Incremental Lenders providing such Incremental Revolving Commitment)) agree to make all payments and adjustments necessary to effect such reallocation and the Applicable Borrower shall pay any and all costs required pursuant to Section 2.15 in connection with such reallocation as if such reallocation were a repayment); and

(3) all of the other terms and conditions applicable to such Incremental Revolving Commitment shall, except to the extent otherwise provided in this Section 2.25, be identical to the terms and conditions applicable to the U.S. Revolving Credit Facility, the Canadian Revolving Credit Facility or the Australian Revolving Credit Facility, as the case may be;

(F) any Incremental Lender shall be entitled to the same voting rights as the existing Revolving Lenders under the U.S. Revolving Credit Facility, the Canadian Revolving Credit Facility or the Australian Revolving Credit Facility, as the case may be, and any Loans or issuances of Letters of Credit or Bankers' Acceptances made in connection with each Incremental Revolving Credit Increase shall receive proceeds of prepayments on the same basis as the other Revolving Credit Loans made hereunder;

(G) such Incremental Revolving Commitments shall be effected pursuant to one or more Lender Joinder Agreements executed and delivered by the Applicable Borrower, the Applicable Administrative Agent and the applicable Incremental Lenders (which Lender Joinder Agreement may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Applicable Administrative Agent, to effect the provisions of this Section 2.25); and

(H) the Applicable Borrower shall deliver or cause to be delivered any customary legal opinions or other documents (including, without limitation, a resolution duly adopted by the board of directors (or equivalent governing body) of each Loan Party authorizing such Incremental Loan) reasonably requested by Applicable Administrative Agent in connection with any such transaction.

(b) The Incremental Lenders shall be included in any determination of the Required U.S. Lenders, the Required Canadian Lenders or the Required Australian Lenders, and the Incremental Lenders will not constitute a separate voting class for any purposes under this Agreement.

(c) On any Increased Amount Date on which any Incremental Revolving Credit Increase becomes effective, subject to the foregoing terms and conditions, each Incremental Lender with an Incremental Revolving Commitment shall become a Revolving Lender hereunder with respect to such Incremental Revolving Commitment.

(d) The parties acknowledge and agree that any Incremental Revolving Credit Increase established for use by the Australian Borrower may be structured so as to obtain an exemption under section 128F of the Australian Tax Act (including by way of an issuance of loan notes to the extent required).

ARTICLE III

Representations and Warranties

Each Borrower represents and warrants to the Agents, the Issuing Banks and each of the Lenders that:

SECTION 3.01 ***Organization; Powers***. Each Borrower and each of its respective Subsidiaries (a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) has all requisite power and authority to own its property and assets and to carry on its business as now conducted and as proposed to be conducted, (c) is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required, except where the failure so to qualify could not reasonably be expected to result in a Material Adverse Effect, and (d) has the power and authority to execute, deliver and perform its obligations under each of the Loan Documents and the Spin Documents and each other agreement or instrument contemplated hereby or thereby to which it is or will be a party and, in the case of the Borrowers, to borrow hereunder.

SECTION 3.02 ***Authorization***. The execution, delivery and performance by each Loan Party of each of the Loan Documents and the Spin Documents to which it is a party and the consummation of the Transactions (i) have been (or will have been on, prior to or substantially contemporaneously with the Funding Date) duly authorized by all requisite organizational action on the part of such Loan Party and (ii) do not and will not (x) violate (A) any provision of law, statute, rule or regulation, (B) the terms of the organizational documents of any Loan Party, (C) any order, injunction, writ or decree of any Governmental Authority or any binding and enforceable arbitral award to which such Loan Party or its property is subject, or (D) any provision of any indenture or other instrument in respect of any Material Indebtedness or other material agreement to which any Borrower or any Subsidiary is a party or by which any of them or any of their property is or may be bound, (y) be in conflict with, result in a breach of or constitute (alone or with notice or lapse of time or both) a default under, or give rise to any right to accelerate or to require the prepayment, repurchase or redemption of any obligation under any such indenture or other instrument in respect of Material Indebtedness or other material agreement or (z) result in the creation or imposition of any Lien upon or with respect to any property or assets now owned or hereafter acquired by any Borrower or any Subsidiary (other than any Lien created hereunder or under the Security Documents).

SECTION 3.03 ***Enforceability***. This Agreement has been (or will have been on or prior to the Closing Date) duly executed and delivered by the Borrowers and constitutes, and each other Loan Document when executed and delivered by each Loan Party thereto will constitute, a legal, valid and binding obligation of such Loan Party enforceable against such Loan Party in accordance with its terms (subject to any necessary stamping and registration requirements, applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

SECTION 3.04 ***Governmental Approvals***. (a) No authorization, action, exemption, consent or approval of, registration, notice or filing with or any other action by any Governmental Authority is necessary or will be required in connection with the Loan Documents, the Spin Documents and the consummation of the Transactions, except for (i) the filing of Uniform Commercial Code financing statements, filing of financing statements at the applicable provincial or territorial personal property security registries in Canada, filing of financing statements at the PPS Register, and other filings and filing for Australian mortgage stamp duty payments to perfect Liens created under the Security Documents, (ii) those which will have been, or, in the case of filings relating to the consummation of the Spin-Off, substantially contemporaneously with the initial funding of Loans on the Funding Date will be, made or obtained and be in full force and effect on or prior to or substantially contemporaneously with the Funding Date and (iii) actions by, and notices to or filings with, Governmental Authorities (including, without limitation, the SEC) that may be required in the ordinary course of business from time to time or that may be required to comply with the express requirements of the Loan Documents (including, without limitation, to release existing Liens on the Collateral or to comply with requirements to perfect, and/or maintain the perfection of, Liens created under the Loan Documents).

SECTION 3.05 ***Financial Statements***. The U.S. Borrower has heretofore furnished to the Lenders the audited combined balance sheets and related combined statements of income, comprehensive income, changes in net investment, and cash flows of the accommodations business of Oil States, as of and for the year ended December 31, 2013. Such financial statements in each case present fairly, in all material respects, the financial condition of the accommodations business of Oil States, as of such date and for such period. Such financial statements and the notes thereto, disclose all material liabilities, direct or contingent, of the accommodations business of Oil States, as of the date thereof. Such financial statements were prepared in accordance with GAAP.

SECTION 3.06 ***No Material Adverse Change***. Since December 31, 2013, there has been no material adverse effect on the business, assets, operations or condition (financial or otherwise) of the Borrowers and the Subsidiaries, taken as a whole.

SECTION 3.07 ***Title to Properties; Possession Under Leases and Licenses***. (a) Each of the Borrowers and the other Loan Parties has good and indefeasible title to, or valid leases or licenses to access, use and occupy the material properties and assets it requires for the conduct of its business, except for minor defects in title that do not interfere with its ability to conduct its business as currently conducted or to utilize such properties and assets for their intended purposes. All such material properties and assets are free and clear of Liens, other than Liens expressly permitted by Section 6.02.

(b) Each of the Borrowers and the Subsidiaries that are Loan Parties has complied with all material obligations under all leases and material licenses to access, use and occupy property to which it is a party and all such leases and licenses are in full force and effect of the Effective Date except where the failure to so comply could not reasonably be expected to have a Material Adverse Effect. Each of the Borrowers and the Subsidiaries enjoys peaceful and undisturbed possession under all leases and licenses as of the Effective Date except where the failure could not reasonably be expected to have a Material Adverse Effect.

SECTION 3.08 ***Subsidiaries***. Schedule 3.08 sets forth as of the Funding Date a list of all Subsidiaries and Special Purpose Business Entities and, as to each such Subsidiary, the jurisdiction of formation, the outstanding Equity Interests therein and the percentage ownership interest of each class of such Equity Interests owned by the U.S. Borrower and its Subsidiaries therein. The Equity Interests indicated as owned by the U.S. Borrower and its Subsidiaries on Schedule 3.08 are owned by the Borrowers, directly or indirectly, free and clear of all Liens (other than Liens permitted by Section 6.02).

SECTION 3.09 ***Litigation; Compliance with Laws***. (a) Except as set forth on Schedule 3.09, there are no actions, suits, proceedings, claims or disputes at law, in equity, in arbitration, by or before any Governmental Authority now pending or, to the knowledge of any Borrower, threatened or contemplated against a Borrower or any Subsidiary or any business, property or rights of any such person (i) that involve any Loan Document or any of the Transactions or (ii) as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

(b) Since the Closing Date, there has been no adverse change in the status or financial effect on the U.S. Borrower and the Subsidiaries of the matters disclosed on Schedule 3.09 that, individually or in the aggregate, has resulted in, or materially increased the likelihood of, a Material Adverse Effect.

(c) None of the Borrowers, any of the Subsidiaries or any of their respective material properties or assets is in violation of, nor will the continued operation of their material properties (including licensed properties) and assets as currently conducted violate, any law, rule or regulation (including any zoning, building, Environmental Law, ordinance, code or approval or any building permits), or is in default with respect to any judgment, writ, injunction, decree or order of any Governmental Authority, in each case where such violation or default could, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

SECTION 3.10 ***Agreements***. No Borrower nor any of the Subsidiaries is in default in any manner under any provision of any indenture or other agreement or instrument, where such default has resulted in, or could, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

SECTION 3.11 ***Federal Reserve Regulations***. (a) None of the Loan Parties is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of buying or carrying Margin Stock.

(b) No part of the proceeds of any Loan or any Letter of Credit will be used, whether directly or indirectly, and whether immediately, incidentally or ultimately, for any purpose that entails a violation of, or that is inconsistent with, the provisions of the regulations of the Board, including Regulations T, U or X.

SECTION 3.12 ***Investment Company Act***. Neither the U.S. Borrower nor any Subsidiary is or is required to be registered as an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940.

SECTION 3.13 ***Use of Proceeds***. The Borrowers will use the proceeds of the Loans and will request the issuance of Letters of Credit (a) to consummate the Refinancing Transactions, (b) to make a one-time cash distribution to Oil States in connection with the Spin-Off, (c) to pay a portion of the fees, commissions and expenses associated with the Transactions and (d) to provide working capital and for other general corporate purposes of the U.S. Borrower and its Subsidiaries.

SECTION 3.14 ***Tax Returns***. Each of the Borrowers and the Subsidiaries has filed or caused to be filed all federal, state, provincial, local and foreign Tax returns or materials required to have been filed by it and has paid or caused to be paid all Taxes due and payable by it and all assessments received by it, except Taxes that are being contested in good faith by appropriate proceedings and for which the Borrowers or such Subsidiary, as applicable, shall have set aside on its books adequate reserves with respect thereto in accordance with GAAP, Canadian GAAP or Australian GAAP, as the case may be. There is no proposed tax assessment against any Borrower or any Subsidiary thereof that could reasonably be expected to have a Material Adverse Effect.

SECTION 3.15 ***No Material Misstatements***. None of (a) the Confidential Information Memorandum or (b) any other information, report, financial statement, exhibit or schedule furnished by or on behalf of the U.S. Borrower and the Subsidiaries to an Agent or any Lender in connection with the negotiation of any Loan Document or included therein or delivered pursuant thereto contained, contains or will contain any material misstatement of fact or omitted, omits or will omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were, are or will be made, not misleading; *provided* that to the extent any such information, report, financial statement, exhibit or schedule was based upon or constitutes a forecast or projection, each of the Borrowers represents only that it acted in good faith and utilized reasonable assumptions and due care in the preparation of such information, report, financial statement, exhibit or schedule.

SECTION 3.16 ***Employee Benefit Plans***. (a) Each of the Borrowers and its ERISA Affiliates is in compliance in all material respects with the applicable provisions of ERISA and the Code and the regulations and published interpretations thereunder, except where such noncompliance could not reasonably be expected to result in a Material Adverse Effect. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events, could reasonably be expected to result in liability of any Borrower or any of its ERISA Affiliates that could reasonably be expected to have a Material Adverse Effect. Except as disclosed in Schedule 3.16(a), the present value of all benefit liabilities under each Plan (based on those assumptions used for purposes of Financial Accounting Standards No. 87) did not, as of the last annual valuation preceding the Closing Date, exceed the fair market value of the assets of such Plan.

(b) Schedule 3.16(b) sets forth all Canadian Benefit Plans (other than, for greater certainty, universal plans created by and to which the Canadian Borrowers are obligated to contribute by statute) and Canadian Pension Plans as of the Closing Date. The Canadian Pension Plans are duly registered under the ITA and any other applicable laws which require registration, have been administered in all material respects in accordance with the ITA and such other applicable laws and no event has occurred which is reasonably likely to cause the loss of such registered status. All material obligations of the Canadian Parent and the Canadian Subsidiaries (including fiduciary, funding, investment and administration obligations) required to be performed in connection with the Canadian Pension Plans and the funding agreements therefor have been performed on a timely basis. There are no outstanding disputes concerning the assets of the Canadian Pension Plans or the Canadian Benefit Plans. No promises of benefit improvements under the Canadian Pension Plans or the Canadian Benefit Plans have been made except where such improvement could not reasonably be expected to have a Material Adverse Effect. All contributions or premiums required to be made or paid by the Canadian Parent and the Canadian Subsidiaries to the Canadian Pension Plans or the Canadian Benefit Plans have been made on a timely basis in accordance with the terms of such plans and all applicable laws. There have been no improper withdrawals or applications of the assets of the Canadian Pension Plans or the Canadian Benefit Plans. Except as disclosed in Schedule 3.16(b), each of the Canadian Pension Plans and the Canadian Benefit Plans is fully funded on a solvency basis and going concern basis (using actuarial methods and assumptions which are consistent with the valuations last filed with the applicable Governmental Authorities and which are consistent with Canadian GAAP).

(c) With respect to each scheme or arrangement mandated by a government other than the United States or Canada (a "Foreign Government Scheme or Arrangement") and with respect to each employee benefit plan maintained or contributed to by any Loan Party or any Subsidiary of any Loan Party that is not subject to United States or Canadian law (a "Foreign Plan"):

(i) any employer and employee contributions required by law or by the terms of any Foreign Government Scheme or Arrangement or any Foreign Plan have been made, or, if applicable, accrued, in accordance with normal accounting practices, except where the failure could not reasonably be expected to have a Material Adverse Effect;

(ii) the fair market value of the assets of each funded Foreign Plan, the liability of each insurer for any Foreign Plan funded through insurance or the book reserve established for any Foreign Plan, together with any accrued contributions, is sufficient to procure or provide for the accrued benefit obligations, as of the date hereof, with respect to all current and former participants in such Foreign Plan according to the actuarial assumptions and valuations most recently used to account for such obligations in accordance with applicable generally accepted accounting principles, except where the failure could not reasonably be expected to have a Material Adverse Effect; and

(iii) each Foreign Plan required to be registered has been registered and has been maintained in good standing with applicable regulatory authorities, except where the failure could not reasonably be expected to have a Material Adverse Effect.

SECTION 3.17 ***Environmental Matters***. (a) Except as set forth in Schedule 3.17 and except with respect to any other matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, none of the Borrowers or any of the Subsidiaries (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law necessary for the ownership and operation of their respective properties and the conduct of their respective businesses as currently conducted, (ii) has become subject to any Environmental Liability, (iii) has received notice of any claim with respect to any Environmental Liability or (iv) knows of any basis for any Environmental Liability.

(b) Since the Closing Date, there has been no change in the status of the matters disclosed on Schedule 3.17 that, individually or in the aggregate, has resulted in, or materially increased the likelihood of, a Material Adverse Effect.

SECTION 3.18 ***Insurance***. Each of the Borrowers and each Subsidiary is insured by insurance providers that it reasonably considers to be financially sound (including captive insurance companies, or through self-insurance), in such amounts, with such deductibles and covering such risks and liabilities as are consistent with past practices and is in compliance with the requirements to Section 5.02.

SECTION 3.19 ***Security Documents***. (a) Each Pledge Agreement is effective to create in favor of the Applicable Collateral Agent, for the ratable benefit of the Secured Parties referred to therein, a legal, valid and enforceable security interest in the Collateral (as defined in such Pledge Agreement) and, when such Collateral (to the extent such Collateral constitutes an instrument under the applicable Uniform Commercial Code, PPSA (Alberta) or equivalent personal property security legislation of the applicable province or territory or an investment instrument under the PPS Law) is delivered to such Collateral Agent together with, in respect of any Collateral subject to the Australian Security Deed, such instruments of transfer and stock powers endorsed in blank in respect of such Collateral and the registration of the security interests arising from the Australian Security Deed on the PPS Register, such Pledge Agreement shall constitute a fully perfected first priority Lien on, and security interest in, all right, title and interest of the pledgors thereunder in such Collateral, in each case prior and superior in right to any other person.

(b) Each of the Security Agreements is (subject to payment of any applicable mortgage duty in relation to security over assets located in New South Wales, Australia) is effective to create in favor of the Applicable Collateral Agent, for the ratable benefit of the Secured Parties referred to therein, a legal, valid and enforceable security interest in the Collateral (as defined in such Security Agreement) and when financing statements in appropriate form are filed with the appropriate offices or Governmental Authority, such Security Agreement shall constitute a fully perfected Lien on, and security interest in, all right, title and interest of the grantors thereunder in such portion of the Collateral in which a security interest may be perfected by the filing of a financing statement under the applicable Uniform Commercial Code, PPSA (Alberta), PPS Law or equivalent personal property security legislation of the applicable province or territory) (other than the Intellectual Property, as defined in the U.S. Security Agreement), in each case prior and superior in right to any other person, other than with respect to Liens expressly permitted by Section 6.02.

(c) Each of the Security Agreements set forth, as of the Closing Date, (a) the exact legal name of each Loan Party as it appears in its articles or certificate of incorporation (or equivalent organizational document), the state of its incorporation or formation and the organizational identification number (or a specific designation that one does not exist) issued by its jurisdiction of incorporation or formation and (b) each other legal name any Loan Party has had at any time during the five years preceding the Closing Date, together with the date of the relevant change.

SECTION 3.20 ***Intellectual Property***. The U.S. Borrower and each of its Subsidiaries own or are licensed or otherwise have the legal right to use all of the patents, trademarks, service marks, trade names, copyrights, franchises, authorizations and other rights that are reasonably necessary for the operation of their respective businesses, except where the failure could not reasonably be expected to have a Material Adverse Effect.

SECTION 3.21 ***Labor Matters***. As of the Closing Date, there are no strikes, lockouts or slowdowns against the U.S. Borrower or any Subsidiary pending or, to the knowledge of the Borrowers, threatened. The hours worked by and payments made to employees of the Borrowers and the Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable federal, state, provincial, local or foreign law dealing with such matters, except where such violation, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. All payments due from any Borrower or any Subsidiary, or for which any claim may be made against any Borrower or any Subsidiary, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of such Borrower or such Subsidiary, except where the failure to do the same, either individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.22 ***Solvency***. Immediately following the making of each Loan and the giving of each of the Guarantee Agreements and after giving effect to the application of the proceeds of each Loan, the U.S. Borrower and its subsidiaries on a consolidated basis will be Solvent.

SECTION 3.23 ***Anti-Corruption Laws***. None of the U.S. Borrower and its subsidiaries nor, to the knowledge of the Loan Parties, any director or officer acting on behalf of any the U.S. Borrower or any of its subsidiary has used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; or violated or is in violation of any provision of the Anti-Corruption Laws.

SECTION 3.24 ***Anti-Money Laundering Laws***. The operations of the U.S. Borrower and each subsidiary are and have been conducted at all times in compliance with Anti-Money Laundering Laws in all material respects and no action, suit or proceeding by or before any court or Governmental Agency or any arbitrator involving the U.S. Borrower or any of its subsidiary with respect to Anti-Money Laundering Laws is pending and no such actions, suits or proceedings have been threatened.

SECTION 3.25 ***Foreign Assets Control Regulations, etc***. (a) The U.S. Borrower and the Subsidiaries are in compliance the FCPA and the Currency and Foreign Transactions Reporting Act of 1970 and, (b) to the knowledge of the Loan Parties, no director, officer or employee of the U.S. Borrower and the Subsidiaries is the target of any United States sanctions administered by OFAC, in each case where such violation or sanctions could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

ARTICLE IV

Conditions to Closing and Funding

The obligations of the Lenders to make Loans and of the Issuing Banks to issue Letters of Credit hereunder are subject to the satisfaction of the following conditions:

SECTION 4.01 ***Conditions to All Credit Events***. On the date of each Borrowing, and on the date of each issuance, amendment, extension or renewal of a Letter of Credit (each such event being called a "*Credit Event*"):

(a) The Applicable Administrative Agent shall have received a notice of such Borrowing as required by Section 2.03 (or such notice shall have been deemed given in accordance with Section 2.03) or, in the case of the issuance, amendment, extension or renewal of a Letter of Credit, the Applicable Issuing Bank and the Applicable Administrative Agent shall have received a notice requesting the issuance, amendment, extension or renewal of such Letter of Credit as required by Section 2.21(b) or, in the case of a Swing Line Loan, the Applicable Swing Line Lender and the Applicable Administrative Agent shall have received a notice requesting such Swing Line Loan as required by Section 2.23.

(b) The representations and warranties set forth in Article III hereof and in each other Loan Document shall be true and correct in all material respects (*provided* that to the extent any representation and warranty is qualified as to "Material Adverse Effect" or otherwise as to "materiality", such representation and warranty is true and correct in all respects) on and as of the date of such Credit Event with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representation and warranty is true and correct in all material respects (*provided* that to the extent any such representation and warranty is qualified as to "Material Adverse Effect" or otherwise as to "materiality", such representation and warranty is true and correct in all respects) as of such earlier date.

(c) Each Borrower and each other Loan Party shall be in compliance with all the terms and provisions set forth herein and in each other Loan Document on its part to be observed or performed, and at the time of and immediately after such Credit Event, no Event of Default or Default shall have occurred and be continuing.

(d) With respect to Australian Revolving Borrowings only the Australian Administrative Agent shall have received, on behalf of themselves, the Lenders and the Issuing Banks:

(i) evidence satisfactory to the Administrative Agent that the financial assistance shareholder approval process provided for in section 260B of the Australian Corporations Act allowing the Australian Borrower and the Australian Subsidiary Guarantors to enter into this Agreement and any other Loan Document has been completed ("*Whitewash*"), including (i) receiving copies of all corporate authorizations, notices of meeting, explanatory statements and any other documents, forms or certificates that relate to the Whitewash process (all in form and substance reasonably satisfactory to the Administrative Agent); and (ii) evidence that all requisite forms have been lodged with the Australian Securities and Investments Commission and the 14 day statutory standstill period referred to in section 260B(6) of the Australian Corporations Act has elapsed; and

(ii) the Australian Security Deed, duly executed by the Australian Loan Parties party thereto and, subject to Section 5.10, any other duly executed documents required by or law or reasonably requested by the Australian Collateral Agent to enable the Australian Collateral Agent to stamp and register the Australian Security Deed or any security interest arising under it with any Governmental Authority, in each case, necessary to create in favor of the Applicable Collateral Agent for the benefit of the Secured Parties a valid, legal and perfected first-priority Lien on the Collateral (subject to any Lien expressly permitted by Section 6.02) described in the Australian Security Deed (which, for the avoidance of doubt, shall exclude any property or assets the granting of a Lien on which would result in material adverse tax consequences to the U.S. Borrower or any Subsidiary).

Each Credit Event shall be deemed to constitute a representation and warranty by the Borrowers on the date of such Credit Event as to the matters specified in paragraphs (b) and (c) of this Section 4.01.

SECTION 4.02 ***Conditions to Closing***. On or before the Closing Date, the Administrative Agents shall have received, on behalf of themselves, the Lenders and the Issuing Banks:

(a) this Agreement, executed by the Borrowers, the Lenders and each of the other parties hereto, and all attached Exhibits and Schedules;

(b) any Note requested by a Lender pursuant to Section 2.04 payable to such requesting Lender;

(c) a favorable written opinion of each of (1) Simpson Thacher & Bartlett LLP, U.S. counsel for the Borrowers, substantially to the effect set forth in Exhibit F-1, (2) Dentons Canada LLP, Canadian counsel to the Canadian Borrowers, substantially to the effect set forth in Exhibit F-2, and (3) Arnold Bloch Leibler, Australian counsel to the Australian Secured Parties, substantially to the effect set forth in Exhibit F-3, in each case (A) dated as of the Closing Date, (B) addressed to the Administrative Agents, the Issuing Banks and the Lenders, and (C) covering such other matters relating to the Loan Documents in respect of the jurisdiction of the relevant counsel as the Administrative Agents shall reasonably request, and the Borrowers hereby request such counsel to deliver such opinions;

(d) a certificate as to the good standing or tax status of each Loan Party (other than an Australian Loan Party) or a certified copy of the certificate incorporation of each Australian Loan Party as of a recent date, from the Secretary of State or other relevant Governmental Authority of the state or jurisdiction of its organization;

(e) a certificate of the Secretary, Assistant Secretary or, in respect of an Australian Loan Party, director or company secretary (or such other corporate officer satisfactory to the Administrative Agent) of each Loan Party dated as of the Closing Date and certifying (1) that attached thereto is a true and complete copy of the organizational documents of each Loan Party as in effect on the Closing Date and at all times since a date prior to the date of the resolutions described in clause (2) below, (2) that (A) in the case of a Loan Party other than an Australian Loan Party, attached thereto is a true and complete copy of, or (B) in the case of an Australian Loan Party, attached there is an extract of, resolutions duly adopted by the Board of Directors (or persons performing similar functions) of such Loan Party authorizing the Transactions to be entered into by such Loan Party and the execution, delivery and performance of the Loan Documents to which such person is a party and, in the case of the Borrowers, the borrowings hereunder, and that such resolutions have not been modified, rescinded or amended and are in full force and effect, and (3) as to the incumbency and specimen signature of each officer executing any Loan Document or any other document delivered in connection herewith on behalf of such Loan Party;

(f) a certificate, dated the Closing Date and signed by a Financial Officer of the U.S. Borrower, certifying (1) compliance with the conditions precedent set forth in Section 4.01(b) and (c), and (2) based on the U.S. Borrower's projections, in each case after giving pro forma effect (using the criteria therefor described in Section 6.04(i)) to the initial Borrowing contemplated hereunder, the Spin-Off, the Refinancing Transactions and the other transactions contemplated hereby, that (A) the U.S. Borrower and its subsidiaries, taken as a whole, will be Solvent on the Funding Date and (B) the U.S. Borrower and its subsidiaries will be in pro forma compliance (using the criteria therefor described in Section 6.04(i)) with Sections 6.10 and 6.11 as of Funding Date;

(g) the U.S. Pledge Agreement duly executed by the parties thereto and pledging (i) all the outstanding Equity Interests of each Material Subsidiary of the U.S. Borrower that is a Domestic Subsidiary (other than any Domestic Subsidiary that is a subsidiary of a Foreign Subsidiary or a Domestic Subsidiary that is a FSHCO) and (ii) 65% of the voting Equity Interests and 100% of the nonvoting Equity Interests (if any) of each Material Subsidiary of the U.S. Borrower that is a first-tier Foreign Subsidiary directly owned by the U.S. Borrower, shall have been duly and validly pledged thereunder to the U.S. Collateral Agent for the ratable benefit of the Secured Parties, together with certificates representing such shares, if any, accompanied by instruments of transfer and stock powers endorsed in blank, shall be in the actual possession of the U.S. Collateral Agent, and the delivery of UCC-1 financing statements necessary to create a valid, legal and perfected first-priority Lien on the Collateral described therein (subject to any Lien expressly permitted by Section 6.02);

(h) the Canadian Pledge Agreement, duly executed by the parties thereto, and all the outstanding Equity Interests of the Canadian Parent, the Australian Borrower, certain of their Subsidiaries, as of the Closing Date shall have been duly and validly pledged thereunder to the Canadian Collateral Agent for the ratable benefit of the Canadian Secured Parties or to the Australian Collateral Agent for the ratable benefit of the Australian Secured Parties (as applicable), together with certificates, if any, representing such Equity Interests, accompanied by instruments of transfer and stock powers endorsed in blank, shall be in the actual possession of the Canadian Collateral Agent or Australian Collateral Agent and, if required, the delivery of the applicable financing statements registered at the applicable personal property registry in Canada or the PPS Register in Australia necessary to create a valid, legal and perfected first-priority Lien on the Collateral described therein (subject to any Lien expressly permitted by Section 6.02);

(i) the U.S. Security Agreement and Canadian Security Agreement duly executed by the Loan Parties party thereto and in respect of each of the U.S. Security Agreement and Canadian Security Agreement, each document (including each financing statement) required by law or reasonably requested by the Applicable Collateral Agents to be filed, registered or in order to create in favor of the Applicable Collateral Agent for the benefit of the Secured Parties a valid, legal and perfected first-priority Lien on the Collateral (subject to any Lien expressly permitted by Section 6.02) described in such agreement (which, for the avoidance of doubt, shall exclude any property or assets the granting of a Lien on which would result in material adverse tax consequences to the U.S. Borrower or any Subsidiary);

(j) the results of (i) a search of the Uniform Commercial Code filings, (ii) searches of filings at the applicable provincial or territorial personal property security registries in Canada or (iii) searches obtained from the Australian Securities & Investments Commission and organization grantor searches of the PPS Register, as applicable (made with respect to each of the Loan Parties in the state (or other jurisdiction) within the U.S., Canada or Australia in which such person is organized, and the other jurisdictions in which Uniform Commercial Code filings (or equivalent PPSA (Alberta) or equivalent personal property security legislation of applicable provinces or territories in Canada, Australian Securities & Investments Commission or PPS Register filings) are to be made or amended pursuant to the preceding paragraph, together with copies of the financing statements (or similar documents) disclosed by such search, and accompanied by evidence satisfactory to the Collateral Agents that the Liens indicated in any such financing statement (or similar document) would be permitted under Section 6.02 or have been or will be contemporaneously released or terminated on the Funding Date;

(k) [reserved];

(l) (i) the U.S. Guarantee Agreement, duly executed by the parties thereto and (ii) the Canadian Guarantee Agreement, duly executed by the parties thereto, except for any Australian Loan Party;

(m) a copy of, or a certificate as to coverage under, the insurance policies required by Section 5.02;

(n) projections prepared by management of the U.S. Borrower of balance sheets, income and cash flow statements of the U.S. Borrower and its subsidiaries for the five year period through December 31, 2018; and

(o) all documentation and other information that the Administrative Agents, the Lead Arrangers and the Lender shall have requested in order to comply with its respective obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act, in each case to the extent such documentation and other information shall have been requested reasonably in advance of the Closing Date.

SECTION 4.03 ***Conditions to Funding***.

(a) On or before the Funding Date, the Administrative Agents shall have received, in addition to documents and information required pursuant to Section 4.02, on behalf of themselves, the Lenders and the Issuing Banks:

(i) copies of all Spin Documents and any financial statements required to be included in the Form 10, together with all amendments, supplements, waivers or other modifications thereto, in each case certified by a Responsible Officer of the U.S. Borrower as true, correct and complete; and

(ii) a certificate, dated the Funding Date and signed by a Financial Officer of the U.S. Borrower, certifying (1) compliance with the conditions precedent set forth in Section 4.01(b) and (c); (2) that (A) the SEC shall have declared effective the Form 10 under the Securities Exchange Act of 1934, no stop order suspending the effectiveness of the Form 10 shall be in effect and no proceedings for such purpose shall be pending before or threatened by the SEC, (B) any required actions and filing with regard to state securities and blue sky laws of the United States (and any comparable laws under any foreign jurisdiction) will have been taken and, where applicable, have become effective or been accepted, (C) the U.S. Borrower's common stock will have been authorized for listing on the NYSE or another national securities exchange, subject to official notice of issuance, and (D) any government approvals and other material consents necessary to consummate the Spin-Off will have been obtained and be in full force and effect and (3) that, substantially contemporaneously with the initial funding and the related cash distribution, Oil States will have obtained the consent of the holders of a majority in aggregate principal amount of each of its then outstanding $400.0 million 5-1/8% Senior Notes due 2023 and its then outstanding $600.0 million 6.5% Senior Notes due 2019 to effect an amendment to each related indenture to permit the distribution of the issued and outstanding shares of common stock of the U.S. Borrower or otherwise consent to such distribution.

(b) As of the Funding Date, no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or Governmental Authority or other legal restraint or prohibition preventing the Spin-Off is in effect, and no steps have been taken by any Governmental Authority to effect any of the above, in either case, that provides the U.S. Borrower with the right to terminate its obligations under the Separation Agreement as a result thereof.

(c) Substantially concurrently with the initial Credit Event, the (i) guarantees by the U.S. Borrower and its subsidiaries and (ii) liens on the assets and equipment of the U.S. Borrower and its subsidiaries granted under or in connection with the Existing OSI Credit Agreement or the Existing MAC Group Credit Agreement shall have been released, and the Existing MAC Group Credit Agreement shall have been terminated.

(d) On or before the Funding Date, the Administrative Agents and the Lead Arrangers shall have received all Fees and other amounts due and payable on or prior to the Closing Date, including, to the extent invoiced, reimbursement or payment of all out-of-pocket expenses (including, without limitation, the reasonable fees, charges and disbursements of counsel for the Agents) required to be reimbursed or paid by the Borrowers hereunder or under any other Loan Document.

(e) The Funding Date shall have occurred (i) on or prior to July 15, 2014 and (ii) within five Business Days of the Closing Date.

ARTICLE V

Affirmative Covenants

Each of the Borrowers covenants and agrees with each Lender that so long as this Agreement shall remain in effect and until the Commitments have been terminated and the principal of and interest on each Loan, all Fees and all other expenses or amounts payable under any Loan Document shall have been paid in full and all Letters of Credit have been canceled or have expired and all amounts drawn thereunder have been reimbursed in full, unless the Required Lenders shall otherwise consent in writing, each of the Borrowers will, and will cause each of its Subsidiaries to:`

SECTION 5.01 ***Existence; Businesses and Properties***. (a) Do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and (to the extent the concept is applicable in such jurisdiction) good standing under the legal requirements of the jurisdiction of its formation, except as otherwise expressly permitted under Section 6.05, except where failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) Qualify and remain qualified as a foreign entity in each jurisdiction in which qualification is necessary in view of its business and operations or the ownership of its properties, except where failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(c) Do or cause to be done all things necessary to obtain, preserve, renew, extend, maintain and keep in full force and effect the rights, privileges, licenses, permits, franchises, authorizations, patents, copyrights, trademarks and trade names material to the conduct of its business, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect; maintain and operate such business in substantially the manner in which it is presently conducted and operated; comply in all material respects with all applicable laws, rules, regulations, decrees and orders of any Governmental Authority, whether now in effect or hereafter enacted, except where the failure do so could not reasonably be expected to have a Material Adverse Effect; and at all times maintain and preserve all property material to the conduct of such business and keep such property in good repair, working order and condition and from time to time make, or cause to be made, all needful and proper repairs, renewals, additions, improvements and replacements thereto necessary in order that the business carried on in connection therewith may be properly conducted at all times, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

SECTION 5.02 ***Insurance***. (a) Maintain insurance with insurance providers that it reasonably considers to be financially sound (including captive insurance companies, or through self-insurance), in such amounts, with such deductibles and covering such risks and liabilities as are consistent with past practices.

(b) Cause all such policies (other than policies relating to public liability, third party claims or workers' compensation) covering any Collateral to be endorsed or otherwise amended to include a customary lender's loss payable endorsement or name the Applicable Collateral Agent as loss payee as their interests may appear, in form and substance reasonably satisfactory to the Collateral Agents (or with respect to insurance policies covering the Australian Loan Parties to note the interests of the Applicable Collateral Agent), which endorsement shall provide that, from and after the Funding Date, if the insurance carrier shall have received written notice from a Collateral Agent of the occurrence of an Event of Default, the insurance carrier shall pay all proceeds otherwise payable to the applicable Loan Party under such policies directly to the Applicable Collateral Agent; deliver original or certified copies of all such policies to the Collateral Agents; cause each such policy to provide that it shall not be canceled, modified or not renewed (i) by reason of nonpayment of premium upon not less than 10 days' prior written notice thereof by the insurer to the Applicable Administrative Agent and the Applicable Collateral Agent (giving such Agents the right to cure defaults in the payment of premiums), or (ii) for any other reason upon not less than 30 days' prior written notice thereof by the insurer to the Agents; deliver to the Applicable Administrative Agent and the Applicable Collateral Agent, evidence of the insurance maintained pursuant to paragraph (a) above; cause all liability insurance policies maintained by any Loan Party to name the Collateral Agents as an additional insured (or with respect to insurance policies covering the Australian Loan Parties to note the interests of the Applicable Collateral Agent).

SECTION 5.03 ***Obligations and Taxes***. Pay its Indebtedness and other obligations promptly and in accordance with their terms and pay and discharge promptly when due all Taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or in respect of its property, before the same shall become delinquent or in default, as well as all lawful claims for labor, materials and supplies or otherwise that, if unpaid, might give rise to a Lien upon such properties or any part thereof; *provided*, *however*, that such payment and discharge shall not be required with respect to any such obligation Tax, assessment, charge, levy or claim so long as the validity or amount thereof shall be contested in good faith by appropriate proceedings and applicable Borrower or Subsidiary shall have set aside on its books adequate reserves with respect thereto in accordance with GAAP, Canadian GAAP or Australian GAAP, as the case may be, and such contest operates to suspend collection of the contested obligation, tax, assessment or charge and enforcement of a Lien.

SECTION 5.04 ***Financial Statements, Reports, etc***. Furnish to the Administrative Agent and, in the case of Section 5.04(f) or (g), the applicable Lender:

(a) within five Business Days after the date in each fiscal year on which the U.S. Borrower is required to file its Annual Report on Form 10-K with the SEC (or would be required if the U.S. Borrower is no longer required to file regular and periodic reports with the SEC), in each case without giving effect to any extension thereof, the audited consolidated balance sheet and related consolidated statements of income, stockholders' equity and comprehensive income and cash flows of the U.S. Borrower, showing its consolidated financial condition as of the close of such fiscal year and the results of its operations and the operations of its consolidated subsidiaries during such year and setting forth in each case in comparative form the figures for the previous fiscal year, audited by independent public accountants of recognized national standing and accompanied by an opinion of such accountants (which shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements fairly present in all material respects the financial condition and results of operations of the U.S. Borrower and its consolidated subsidiaries on a consolidated basis in accordance with GAAP;

(b) within five Business Days after each date in each fiscal year on which the U.S. Borrower is required to file a Quarterly Report on Form 10-Q with the SEC (or would be required if the U.S. Borrower is no longer required to file regular and periodic reports with the SEC), in each case without giving effect to any extension thereof, the unaudited consolidated balance sheets and related condensed statements of operations and cash flows of the U.S. Borrower, showing its consolidated financial condition as of the close of such fiscal quarter and the results of its operations and the operations of its consolidated subsidiaries during such fiscal quarter and the then elapsed portion of the fiscal year and setting forth in each case in comparative form the figures for the corresponding period in the previous fiscal year, all certified by one of its Financial Officers as fairly presenting in all material respects the financial condition and results of operations of the U.S. Borrower and its consolidated subsidiaries on a consolidated basis in accordance with GAAP, subject to normal year-end audit adjustments and the absence of footnotes;

(c) concurrently with any delivery of financial statements under paragraph (a) or (b) above, a certificate in the form of Exhibit G (a "*Compliance Certificate*") of a Financial Officer (i) certifying that no Event of Default or Default has occurred or, if such an Event of Default or Default has occurred, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto and (ii) setting forth computations in detail reasonably satisfactory to the Agents demonstrating compliance with the covenants contained in Sections 6.10 and 6.11;

(d) promptly upon receipt thereof, copies of any audit or other reports delivered to the board of directors of the U.S. Borrower (or the audit committee of such board) by an independent registered public accounting firm in connection with such firm's audit of the consolidated financial statements of the U.S. Borrower if such reports identify material weaknesses in internal controls over financial reporting of the U.S. Borrower;

(e) promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials (other than filings under Section 16 of the Securities Exchange Act of 1934) filed by the U.S. Borrower or any Subsidiary with the SEC, or any Governmental Authority succeeding to any or all of the functions of said Commission, or with any national securities exchange, or distributed to its shareholders, as the case may be, and all press releases;

(f) promptly, following a request by any Lender, all documentation and other information that such Lender reasonably requests in order to comply with its ongoing obligations under applicable "know your customer" and Anti-Money Laundering Laws, including the Patriot Act;

(g) promptly, following a request by any Lender, an updated organizational chart of the U.S. Borrower and its subsidiaries; and

(h) promptly, from time to time, such other information regarding the operations, business affairs and financial condition of the Borrowers or any Subsidiary, or compliance with the terms of any Loan Document, as the Applicable Administrative Agent or any Lender may reasonably request.

Documents required to be delivered pursuant this Section 5.04 may be delivered electronically and, in the case of Sections 5.04(a), (b) or (e) shall be deemed to have been delivered if such documents, or one or more annual, quarterly or other reports or filings containing such documents (including, in the case of certifications required pursuant to Section 5.04(b), the certifications accompanying any such quarterly report pursuant to Section 302 of the Sarbanes-Oxley Act of 2002), (i) shall have been posted or provided a link to on the U.S. Borrower's website on the Internet at www.civeo.com, (ii) shall be available on the website of the SEC at http://www.sec.gov or (iii) shall have been posted on the U.S. Borrower's behalf on SyndTrak or another website, if any, to which each Lender and the Administrative Agents have access (whether a commercial, third-party website or whether sponsored by an Administrative Agent). No Administrative Agent shall have an obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the U.S. Borrower with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The U.S. Borrower hereby acknowledges that (a) the Agents will make available to the Lenders and the Issuing Banks materials and/or information provided by or on behalf of the Loan Parties hereunder (collectively, the "*Borrower Materials*") by posting the Borrower Materials on SyndTrak or another similar electronic system (the "*Platform*") and (b) certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to any Loan Party or its securities) (each, a "*Public Lender*"). If any Borrower Materials are designated by the Loan Parties as "PRIVATE", such Borrower Materials will not be made available to that portion of the Platform designated "Public Investor," which is intended to contain only information that (x) prior to any public offering of securities by any Loan Party, is of a type that would be contained in a customary offering circular for an offering of debt securities made in reliance on Rule 144A under the Securities Act or (y) following any public offering of securities by a Loan Party, is either publicly available or not material information (though it may be sensitive and proprietary) with respect to such Loan Party or its securities for purposes of United States Federal and State securities laws. The Agents shall be entitled to treat any Borrower Materials that are not marked "PRIVATE" or "CONFIDENTIAL" as not containing any material non-public information with respect to the Loan Parties or any securities for purposes of United States Federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 9.16).

SECTION 5.05 ***Litigation and Other Notices***. Upon obtaining knowledge thereof, furnish to the Administrative Agents prompt written notice of the following:

(a) any Event of Default or Default, specifying the nature and extent thereof and the corrective action (if any) taken or proposed to be taken with respect thereto;

(b) the filing or commencement of any action, suit or proceeding, whether at law or in equity or by or before any Governmental Authority, against a Borrower or any Subsidiary thereof that could reasonably be expected to result in a Material Adverse Effect;

(c) the occurrence of any ERISA Event or analogous event with respect to a Canadian Pension Plan or Canadian Benefit Plan that, alone or together with any other such events that have occurred, could reasonably be expected to result in a Material Adverse Effect;

(d) a copy of any form of written notice, summons, material correspondence or citation received from any Governmental Authority or any other person, (i) concerning material violations or alleged violations of Environmental Laws, which seeks or threatens to impose liability on the U.S. Borrower or its Subsidiaries therefor, (ii) alleging liability for any material action or omission on the part of the U.S. Borrower or any of its Subsidiaries in connection with any Release of Hazardous Material, (iii) providing any written notice of potential responsibility or liability under any Environmental Law, or (iv) concerning the filing of a Lien other than a Permitted Lien upon, against or in connection with the U.S. Borrower or any of its Subsidiaries, or any of their leased or owned material property, wherever located, in each of cases (i) through (iv) that, individually or in the aggregate, could reasonably be expected to result in a liability (to the extent not covered by insurance) of the U.S. Borrower or any of its Subsidiaries in an aggregate amount exceeding $25,000,000; or

(e) any development that has resulted in, or could reasonably be expected to result in, a Material Adverse Effect.

SECTION 5.06 ***Information Regarding Collateral***. Furnish to the Administrative Agent prompt (and in any event within 30 days) written notice (a) of any change in the legal name, corporate structure, jurisdiction of organization or formation or organizational identification number within 30 days after the occurrence thereof; and (b) if any material portion of the Collateral is expropriated, damaged or destroyed.

SECTION 5.07 ***Maintaining Records; Access to Properties and Inspections***. Keep proper books of record and account in which full, true and correct entries in conformity with GAAP and all requirements of law are made of all dealings and transactions in relation to its business and activities. Each Loan Party will, and will cause each Subsidiary to, permit any representatives designated by the Agents or any Lender to visit and inspect the financial records and the properties of the Borrowers or any Subsidiary and to make extracts from and copies of such financial records, and permit any representatives designated by the Agents or any Lender to discuss the affairs, finances and condition of the Borrowers or any Subsidiary with the officers thereof and independent accountants therefor, all at the expense of the U.S. Borrower and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the applicable Loan Party or Subsidiary; provided that the Loan Parties shall be responsible for such expenses not more than one (1) time per year unless an Event of Default has occurred and is continuing, in which case the Loan Parties shall be responsible for all such expenses.

SECTION 5.08 ***Use of Proceeds***. Use the proceeds of the Loans and request the issuance of Letters of Credit only for the purposes set forth in Section 3.13.

SECTION 5.09 ***Further Assurances***. At its sole cost and expense, (a) execute any and all further documents, financing statements, agreements and instruments, and take all further action (including filing Uniform Commercial Code, financing statements under the PPSA (Alberta) or equivalent personal property security legislation in applicable provinces or territories in Canada, PPS Register and other financing statements) that may be required under applicable law, or that any Agent may reasonably request, in order to effectuate the transactions contemplated by the Loan Documents and in order to grant, preserve, protect and perfect the validity and first priority of the security interests created or intended to be created by the Security Documents.

(b) Cause any subsequently acquired or organized Domestic Subsidiary (other than a Domestic Subsidiary that is a Subsidiary of a Foreign Subsidiary or a FSHCO) that is a Material Subsidiary or any Domestic Subsidiary (other than a Domestic Subsidiary that is a Subsidiary of a Foreign Subsidiary or a FSHCO) that was not a Material Subsidiary that subsequently becomes a Material Subsidiary, to execute a supplement making it a party to the U.S. Subsidiary Guarantee Agreement and each applicable U.S. Security Document in favor of the Collateral Agent, in each case within thirty (30) days (or such longer period as may be agreed to by the Administrative Agent) after such acquisition, organization or change in status.

(c) Cause any subsequently acquired or organized Canadian Subsidiary that is a Material Subsidiary or any Canadian Subsidiary that was not a Material Subsidiary that subsequently becomes a Material Subsidiary to execute a supplement to the Canadian Guarantee Agreement and each applicable Canadian Security Document, in each case within thirty (30) days (or such longer period as may be agreed to by the Administrative Agent) after such acquisition, organization or change in status.

(d) Cause any subsequently acquired or organized Australian Subsidiary that is a wholly-owned Material Subsidiary or any Australian Subsidiary that was not a Material Subsidiary that subsequently becomes a Material Subsidiary to execute a supplement to the Australian Guarantee Agreement and each applicable Australian Security Document, in each case within thirty (30) days (or such longer period as may be agreed to by the Administrative Agent) after such acquisition, organization or change in status.

(e) From time to time, promptly secure the Obligations by pledging or creating, or causing to be pledged or created, perfected security interests with respect to such of their respective personal property located within the United States, Canada or Australia as the Administrative Agent shall designate (it being understood that it is the intent of the parties that the Obligations of the U.S. Borrower shall be secured by substantially all the material personal property of the U.S. Borrower and the U.S. Subsidiary Guarantors located in the United States (provided that 100% of the Equity Interests of Material Subsidiaries that are Domestic Subsidiaries (other than a Domestic Subsidiary that is a Subsidiary of a Foreign Subsidiary or a Domestic Subsidiary that is a FSHCO) and no more than 65% of the Equity Interests in Material Subsidiaries that are first-tier Foreign Subsidiaries and that are directly owned by the U.S. Borrower shall be pledged in support of the Obligations of the U.S. Borrower), and the Obligations of the Canadian Borrowers and the Australian Borrowers shall be secured by (A) the Collateral securing the U.S. Term Loan Facility and the U.S. Revolving Credit Facility and (B) substantially all the material personal property of the Canadian Borrowers and the Canadian Subsidiary Guarantors and the Australian Borrower and the Australian Subsidiary Guarantors (including personal property which, individually, has an estimated market value in excess of U.S.$1,000,000; 100% of the Equity Interests of Material Subsidiaries of the U.S. Borrower; 100% of the Equity Interests of the Canadian Borrowers and the Australian Borrower; 100% of the Equity Interests of certain subsidiaries of the Canadian Borrowers; and 100% of the Equity Interests of certain subsidiaries of the Australian Borrower). Such security interests and Liens will be created under the Security Documents and other security agreements, instruments and documents in form and substance reasonably satisfactory to the Collateral Agents, and the Borrowers shall deliver or cause to be delivered to the Lenders all such instruments and documents (including legal opinions and lien searches) as the Collateral Agents shall reasonably request to evidence compliance with this Section. The Borrowers agree to provide such evidence as the Collateral Agents shall reasonably request as to the perfection and priority status of each such security interest and Lien. Notwithstanding the foregoing, the parties agree that (i) recordings in the United States Patent and Trademark Office, the United States Copyright Office, the Canadian Intellectual Property Office and the PPS Register will not be required with respect to registered trademarks, trademark applications and copyrights of any Loan Party and (ii) the collateral for the Facilities shall exclude any property or assets the granting of a Lien on which would result in material adverse tax consequences to the U.S. Borrower or any Subsidiary.

(f) Within three Business Days following the Funding Date, the Administrative Agent shall have received evidence reasonably satisfactory to it that the Spin-Off shall have been consummated pursuant to and in accordance with the provisions of the Separation Agreement without giving effect to any waiver or modification of any provision thereof that is materially adverse to the interest of the Lenders and that is not approved by the Administrative Agent (such consent not to be unreasonably withheld or delayed).

SECTION 5.10 ***Mortgage Duty***. The Australian Borrower will ensure that, within 45 days of the Funding Date or such extended time as the Australian Collateral Agent shall permit in its sole discretion, the Australian Collateral Agent shall have received (a) a multi-jurisdictional mortgage statement signed on behalf of each Australian Loan Party where any of the Collateral the subject of the Australian Security Deed is situated or taken under the Duties Act 1997 (NSW) to be situated in New South Wales, Australia, and (b) cleared funds sufficient to pay any duty payable as determined on the basis of the multi-jurisdictional mortgage statement.

SECTION 5.11 ***Actions Following Whitewash***. Following satisfaction of the condition in Section 4.01(d)(i), the Australian Loan Parties will use commercially reasonable efforts to promptly execute the Australian Guarantee Agreement and the Canadian Guarantee Agreement, to the extent that they are parties thereto.

ARTICLE VI

Negative Covenants

Each of the Borrowers covenants and agrees with each Lender that, so long as this Agreement shall remain in effect and until the Commitments have been terminated and the principal of and interest on each Loan, all Fees and all other expenses or amounts payable under any Loan Document have been paid in full and all Letters of Credit have been canceled or have expired and all amounts drawn thereunder have been reimbursed in full, unless the Required Lenders shall otherwise consent in writing, no Borrower will, nor will it cause or permit any of its Subsidiaries to:

SECTION 6.01 ***Indebtedness***. On or after the Closing Date, incur, create, assume or permit to exist any Indebtedness, except:

(a) Indebtedness existing on the date hereof and set forth in Schedule 6.01, and any extensions, renewals or replacements of such Indebtedness to the extent the principal amount of such Indebtedness is not increased, neither the final maturity nor the weighted average life to maturity of such Indebtedness is decreased, such Indebtedness, if subordinated to the Obligations, remains so subordinated on terms not less favorable to the Lenders and the original obligors in respect of such Indebtedness remain the only obligors thereon;

(b) Indebtedness created hereunder and under the other Loan Documents;

(c) intercompany Indebtedness of the Borrowers and the Subsidiaries to the extent permitted by Sections 6.04(a), (f), (g), (k) and (l);

(d) Indebtedness under bid bonds, labor and materials payment bonds, performance bonds and similar bonds or standby letters of credit or bank guarantees or with respect to workers' compensation claims, in each case incurred in the ordinary course of business;

(e) unsecured Indebtedness issued by the U.S. Borrower and guarantees thereof by the U.S. Subsidiary Guarantors; *provided* that, as of the date of issuance, the U.S. Borrower would be in compliance with the covenants set forth in Sections 6.10 and 6.11 as of the most recently completed period of four consecutive fiscal quarters ending prior to such transaction for which the financial statements required by Section 5.04(a) or 5.04(b) have been delivered or for which comparable financial statements have been filed with the SEC, after giving *pro forma* effect (using the criteria therefor described in Section 6.04(i)) to such transaction as if such transaction had occurred as of the first day of such period;

(f) secured Indebtedness of the U.S. Borrower and guarantees thereof by the U.S. Subsidiary Guarantors not otherwise permitted under this Section 6.01; *provided* that, as of the date of incurrence, (i) the Liens securing such Debt are permitted under Section 6.02(j) and (ii) the U.S. Borrower would be in compliance with the covenants set forth in Sections 6.10 and 6.11 as of the most recently completed period of four consecutive fiscal quarters ending prior to such transaction for which the financial statements required by Section 5.04(a) or 5.04(b) have been delivered or for which comparable financial statements have been filed with the SEC, after giving *pro forma* effect (using the criteria therefor described in Section 6.04(i)) to such transaction as if such transaction had occurred as of the first day of such period; and

(g) Indebtedness of the Subsidiaries and guaranties thereunder by the U.S. Borrower in an aggregate principal amount not to exceed when incurred 5% of the U.S. Borrower's Consolidated Net Worth calculated as of the most recent fiscal quarter for which financial statements are available.

SECTION 6.02 ***Liens***. On or after the Closing Date, create, incur, assume or permit to exist any Lien on any property or assets (including stock or other securities of any person, including any Subsidiary) now owned or hereafter acquired by it or on any income or revenues or rights in respect of any thereof, except:

(a) Liens existing on the Closing Date and set forth in Schedule 6.02; *provided* that such Liens shall secure only those obligations which they secure on the date hereof and extensions, renewals and replacements thereof permitted hereunder;

(b) any Lien created under the Loan Documents;

(c) Liens for taxes not yet due or which are being contested in compliance with Section 5.03;

(d) carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business and securing obligations that are not due and payable or which are being contested in compliance with Section 5.03;

(e) Liens (other than any Lien imposed by ERISA), pledges and deposits made in the ordinary course of business in compliance with workmen's compensation, unemployment insurance and other social security laws or regulations;

(f) deposits to secure the performance of bids, trade contracts (other than for Indebtedness), leases (including Capital Lease Obligations), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(g) zoning restrictions, easements, rights-of-way, restrictions on use of real property and other similar encumbrances incurred in the ordinary course of business which, in the aggregate, are not substantial in amount and do not materially detract from the value of the property subject thereto or interfere with the ordinary conduct of the business of the Borrowers or any of the Subsidiaries;

(h) Liens arising out of judgments or awards in respect of which a Borrower or any of the Subsidiaries shall in good faith be prosecuting an appeal or proceedings for review in respect of which there shall be secured a subsisting stay of execution pending such appeal or proceedings; *provided* that the aggregate amount of all such judgments or awards (and any cash and the fair market value of any property subject to such Liens) does not exceed U.S.$10,000,000 at any time outstanding;

(i) Liens on certain general intangibles of the Canadian Parent in favor of 3045843 Nova Scotia Company to secure certain intercompany debt of the Canadian Parent permitted by Section 6.04;

(j) purchase money security interests in real property, improvements thereto or equipment hereafter acquired (or, in the case of improvements, constructed) by the Borrowers or any Subsidiary; *provided* that (i) such security interests secure Indebtedness permitted by Section 6.01, (ii) such security interests are incurred, and the Indebtedness secured thereby is created, within 90 days after such acquisition (or construction), (iii) the Indebtedness secured thereby does not exceed 90% of the lesser of the cost or the fair market value of such real property, improvements or equipment at the time of such acquisition (or construction) and (iv) such security interests do not apply to any other property or assets of the Borrowers or any Subsidiary;

(k) Liens on Equity Interests in a Special Purpose Business Entity incurred for the purpose of providing independent financing for such Special Purpose Business Entity; *provided*, however, that such Liens are non-recourse as to the Canadian Parent or any of its Subsidiaries holding any Equity Interests in such Special Purpose Business Entity;

(l) Liens securing Indebtedness and not otherwise permitted under this Section 6.02; *provided* that the aggregate principal amount of all Debt secured by such Liens does not exceed 5% of the U.S. Borrower's Consolidated Net Worth calculated on the date of incurrence as of the most recent fiscal quarter for which financial statements are available; *provided further* that the aggregate principal amount of all Debt secured by such Liens on the assets of the U.S. Borrower and its Domestic Subsidiaries shall not exceed $10,000,000 in the aggregate; *provided further* that no Lien on any Collateral of any Borrower or any of their Subsidiaries shall be permitted by this Section 6.02(l);

(m) with respect to the Australian Borrower or any Australian Subsidiary, Liens arising in connection with a deemed security interest under Section 12(3) of the PPSA (Australia) which do not secure payment or performance of any obligation;

(n) with respect to the Australian Borrower or any Australian Subsidiary, Liens arising solely by operation of the PPS Law in the proceeds of an asset which is the subject of a Lien (including under any retention of title arrangement in the ordinary course of business) or any commingled product or mass of which that asset becomes part, where the obligation secured by that Lien is limited to the unpaid balance of the purchase money for the original asset and that unpaid balance is not yet due; and

(o) with respect to the Australian Borrower or any Australian Subsidiary, any Lien over goods and products, or documents of title to goods and products (including under any retention of title arrangement) each arising in the ordinary course of business where that Lien secures only the acquisition cost or selling price (and other amounts incidental to those amounts) of such goods and products.

SECTION 6.03 ***Sale and Lease-Back Transactions***. Enter into any arrangement, directly or indirectly, with any person whereby it shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property which it intends to use for substantially the same purpose or purposes as the property being sold or transferred unless the Indebtedness or Liens arising therefrom, if any, are permitted by Section 6.01 and 6.02, respectively.

SECTION 6.04 ***Investments, Loans and Advances***. Purchase, hold or acquire any Equity Interests, evidences of indebtedness or other securities of, make or permit to exist any loans or advances to, or make or permit to exist any investment or any other interest in, any other person (referred to herein as an "*Investment*"), except:

(a) Investments of the U.S. Borrower and its Subsidiaries in existence on the Closing Date and set forth on Schedule 6.04;

(b) Permitted Investments;

(c) accounts receivable owing to the Borrowers or any of the Subsidiaries arising from sales of inventory or the provision of services in the ordinary course of business;

(d) advances to directors, officers and employees of the Borrowers or any of the Subsidiaries to meet expenses incurred by such directors, officers and employees in the ordinary course of business, in an aggregate amount not to exceed U.S.$5,000,000 at any time outstanding;

(e) securities of any customer of a Borrower or any Subsidiary received in lieu of cash payment, if such Borrower reasonably deems such customer to be in a reorganization or unable to make a timely cash payment on Indebtedness of such customer owing to it, *provided* that such Borrower or such Subsidiary, as the case may be, has paid no new consideration (other than forgiveness of Indebtedness) therefor;

(f) Investments of a Loan Party in or to another Loan Party;

(g) the U.S. Borrower may make intercompany loans and advances to 3045843 Nova Scotia Company provided that the proceeds of such loans and advances are subsequently loaned or advanced, directly or indirectly, to a Canadian Borrower or a Canadian Subsidiary Guarantor;

(h) the Borrowers may enter into Hedging Agreements to the extent permitted by Section 6.12;

(i) the U.S. Borrower and its Subsidiaries may acquire all or substantially all the assets of a person or line of business of such person, or Equity Interests of a person that would become a wholly owned Subsidiary (in each case referred to herein as the "*Acquired Entity*"); provided that (any acquisition of an Acquired Entity meeting all the criteria of this Section 6.04(i) being referred to herein as a "*Permitted Acquisition*") at the time of such transaction:

(i) both before and after giving effect thereto, no Event of Default or Default shall have occurred and be continuing;

(ii) the U.S. Borrower would be in compliance with the covenants set forth in Sections 6.10 and 6.11 as of the most recently completed period of four consecutive fiscal quarters ending prior to such transaction for which the financial statements required by Section 5.04(a) or 5.04(b) have been delivered or for which comparable financial statements have been filed with the SEC, after giving pro forma effect to such transaction and to any other event occurring during or after such period as to which pro forma recalculation is appropriate (including any Asset Sale and any other transaction described in this Section 6.04(i) occurring during or after such period) as if such transaction had occurred as of the first day of such period;

(iii) after giving effect to such acquisition, there must be at least U.S.$25,000,000 of the Revolving Commitments unused and available;

provided, *however* that all pro forma calculations required to be made pursuant to this Section 6.04(i) shall (A) include only those adjustments that would be permitted or required by Regulation S-X under the Securities Act of 1933, as amended and (B) be certified to by a Financial Officer as having been prepared in good faith based upon reasonable assumptions;

(j) Investments consisting of non-cash proceeds of Asset Sales;

(k) Investments by a Subsidiary that is not a Loan Party in or to a Loan Party; and

(l) other Investments, without duplication, in an aggregate amount (valued at cost or outstanding principal amount, as the case may be) not greater than 7.5% of the U.S. Borrower's Consolidated Net Worth calculated on the date of such Investment as of the most recent fiscal quarter for which financial statements are available.

SECTION 6.05 ***Mergers, Consolidations, Sales of Assets and Acquisitions***. (a) Merge, amalgamate or consolidate with or into any other person, or permit any other person to merge, amalgamate or consolidate with or into it, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) as part of any Asset Sale all or substantially all of the assets of a Loan Party (whether now owned or hereafter acquired) or less than all or substantially all of the Equity Interests of any Loan Party (in each case, whether now owned or hereafter acquired), or liquidate or dissolve, except that (a) the U.S. Borrower may merge, amalgamate or consolidate with any person provided that (i) no Change in Control occurs and (ii) immediately after giving effect to any such proposed transaction no Default or Event of Default would exist, and (iii) the U.S. Borrower is the surviving entity, (b) the U.S. Borrower may merge or amalgamate with any of its wholly owned Subsidiaries, provided that immediately after giving effect to any such proposed transaction no Default would exist and the U.S. Borrower is the surviving entity, (c) any Subsidiary may merge into or consolidate with any other wholly owned Subsidiary (or, in order to consummate a Permitted Acquisition, any other person) in a transaction in which the surviving entity is a wholly owned Subsidiary and (except in the case of Permitted Acquisitions) no person other than the Borrowers or a wholly owned Subsidiary receives any consideration, *provided* that (i) the requirements of Section 6.04(i) are met with respect to such merger described in this clause (c) and (ii) if any such merger described in this clause (c) shall involve a Loan Party, the surviving entity of such merger shall be or become a Loan Party and (d) any Subsidiary of the U.S. Borrower may liquidate or dissolve if the U.S. Borrower determines in good faith that such liquidation or dissolution is in the best interests of the U.S. Borrower and is not materially disadvantageous to the Lenders.

(b) Engage in any Asset Sale not otherwise permitted under paragraph (a) above unless (i) such consideration is at least equal to the fair market value of the assets being sold, transferred, leased or disposed of, and (ii) the fair market value of all assets sold, transferred, leased or disposed of pursuant to this paragraph (b) after the Closing Date shall not exceed 7.5% of Consolidated Net Worth calculated on the date of incurrence as of the most recent fiscal quarter for which financial statements are available in the aggregate.

SECTION 6.06 ***Restricted Payments; Restrictive Agreements***. (a) Declare or make, or agree to declare or make, directly or indirectly, any Restricted Payment (including pursuant to any Synthetic Purchase Agreement), or incur any obligation (contingent or otherwise) to do so; *provided*, *however*, that (i) any Subsidiary may declare and pay dividends or make other distributions ratably to its equity holders of a given class, (ii) so long as no Event of Default or Default shall have occurred and be continuing or would result therefrom, the U.S. Borrower may repurchase its Equity Interests owned by employees of the U.S. Borrower or the Subsidiaries or make payments to employees of the U.S. Borrower or the Subsidiaries upon termination of employment in connection with the exercise of stock options, stock appreciation rights or similar equity incentives or equity based incentives pursuant to management incentive plans or in connection with the death or disability of such employees in an aggregate amount not to exceed U.S.$10,000,000 in any fiscal year, (iii) so long as (A) no Event of Default or Default shall have occurred and be continuing or result therefrom, (B) at least U.S.$25,000,000 of the Revolving Commitments is unused and available after giving effect to such Restricted Payment, and (C) the U.S. Borrower would be in compliance with the covenants set forth in Sections 6.10 and 6.11 as of the most recently completed period of four consecutive fiscal quarters ending prior to such transaction for which the financial statements required by Section 5.04(a) or 5.04(b) have been delivered or for which comparable financial statements have been filed with the SEC, after giving pro forma effect (using the criteria therefor described in Section 6.04(i)) to such transaction and to any other event occurring during or after such period as to which pro forma recalculation is appropriate as if such transaction had occurred as of the first day of such period, the U.S. Borrower and, with respect to the Exchangeable Shares, PTI Holdco (with funds advanced by the U.S. Borrower) may make Restricted Payments in any amount and (iv) the U.S. Borrower may make a one-time distribution to Oil States on the Funding Date in an amount not to exceed U.S.$850,000,000.

(b) Enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon (i) the ability of the U.S. Borrower or any Subsidiary to create, incur or permit to exist any Lien upon any of its property or assets in favor of a Collateral Agent or any successor thereto hereunder or under any agreement that replaces or refinances this Agreement, or (ii) the ability of any Subsidiary to pay dividends or other distributions with respect to any of its Equity Interests or to make or repay loans or advances to the U.S. Borrower or any other Subsidiary or to Guarantee Indebtedness of the U.S. Borrower or any other Subsidiary; *provided* that (A) the foregoing shall not apply to restrictions and conditions imposed by law or by any Loan Document, (B) the foregoing shall not apply to customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary pending such sale, *provided* such restrictions and conditions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder, (C) the foregoing shall not apply to restrictions and conditions imposed on any Foreign Subsidiary (other than the Canadian Borrowers, any Canadian Subsidiary, the Australian Borrower or any Australian Subsidiary) by the terms of any Indebtedness of such Foreign Subsidiary permitted to be incurred hereunder, (D) clause (i) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness, (E) clause (i) of the foregoing shall not apply to customary provisions in leases and other contracts restricting the assignment thereof and (F) clause (ii) of the foregoing (solely as it relates to dividends) shall not apply to the restrictions on PTI Holdco required by the terms of the Exchangeable Shares as in effect on the date hereof.

SECTION 6.07 ***Transactions with Affiliates***. Except for transactions by or among Loan Parties, transactions under the Spin Documents and transactions expressly permitted under this Agreement, sell or transfer any property or assets to, or purchase or acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates, except that the Borrowers or any Subsidiary may engage in any of the foregoing transactions in the ordinary course of business at prices and on terms and conditions not less favorable to the Borrowers or such Subsidiary than could be obtained on an arm's-length basis from unrelated third parties.

SECTION 6.08 ***Business of Borrowers and Subsidiaries***. Engage at any time in any business or business activity other than providing products and services to the energy industry, accommodations and business activities reasonably incidental thereto.

SECTION 6.09 ***Other Indebtedness and Agreements***. (a) Permit any waiver, supplement, modification, amendment, termination or release of any indenture, instrument or agreement pursuant to which any Material Indebtedness of a Borrower or any of the Subsidiaries is outstanding if the effect of such waiver, supplement, modification, amendment, termination or release would increase the interest rate thereon, shorten the final maturity or the average life thereof or cause an Event of Default.

(b) Make any distribution, whether in cash, property, securities or a combination thereof, other than regular scheduled payments of principal and interest as and when due (to the extent not prohibited by applicable subordination provisions), in respect of, or pay, or offer or commit to pay, or directly or indirectly (including pursuant to any Synthetic Purchase Agreement) redeem, repurchase, retire or otherwise acquire for consideration, or set apart any sum for the aforesaid purposes, any Subordinated Indebtedness, except (i) to the extent the U.S. Borrower could make a Restricted Payment pursuant to Section 6.06(a) or (ii) to the extent any Subordinated Indebtedness is repaid with the proceeds of a refinancing of such Subordinated Indebtedness permitted under Section 6.01(a) or Section 6.01(e).

SECTION 6.10 ***Interest Coverage Ratio***. Permit the Interest Coverage Ratio for any period of four consecutive fiscal quarters of the U.S. Borrower, in each case taken as one accounting period, to be less than 3.0 to 1.0.

SECTION 6.11 ***Maximum Leverage Ratio***. Permit the Leverage Ratio for any period of four consecutive fiscal quarters of the U.S. Borrower, in each case taken as one accounting period, to be greater than 3.50 to 1.0.

SECTION 6.12 ***Hedging Agreements***. Enter into any Hedging Agreement, other than Hedging Agreements entered into in the ordinary course of business to hedge or mitigate risks to which a Borrower or any Subsidiary is exposed in the conduct of its business or the management of its liabilities.

SECTION 6.13 ***Pension Plans***. (a) Terminate, in whole or in part, or initiate the termination of, in whole or in part, any Canadian Pension Plan so as to result in any liability to the Canadian Parent or its applicable Canadian Subsidiary which could reasonably be expected to have a Material Adverse Effect; (b) permit to exist any event or condition in respect of any Canadian Pension Plan which presents the risk of liability of the Canadian Parent which could reasonably be expected to have a Material Adverse Effect; (c) enter into any new Canadian Pension Plan or Canadian Benefit Plan or modify any such existing plans so as to increase its obligations thereunder which could result in any liability to the Canadian Parent or any of its Canadian Subsidiaries and which could reasonably be expected to have a Material Adverse Effect; (d) permit their unfunded obligations and liabilities under Canadian Pension Plans to remain unfunded, other than in accordance with applicable law; (e) engage in any transactions which result in a fine or penalty against the Canadian Parent in excess of C$10,000,000 in respect of any Canadian Pension Plan or Canadian Benefit Plan which fine or penalty has not been paid within 30 days of final assessment unless (i) such fine or penalty is being contested in good faith by appropriate proceedings, (ii) the Canadian Parent has set aside on its books adequate reserves with respect thereto in accordance with Canadian GAAP and (iii) such contest does not operate to suspend collection of the contested fine or penalty; or (f) fail to make a required contribution under any Canadian Pension Plan or Canadian Benefit Plan which would result in the imposition of a Lien upon the assets of the Canadian Parent or any of its Subsidiaries within 30 days after the date such payment becomes due, unless such payment is being contested in compliance with the preceding clause (e) and there is no risk of forfeiture, loss or subordination of the Secured Parties' Liens on such assets.

SECTION 6.14 ***Amendment of the Spin Documents***. Permit any supplement, amendment or other modification of, or any waiver under, the Spin Documents in a manner that is materially adverse to the interests of the Lenders.

SECTION 6.15 ***Sanction Laws and Regulations***. (a) Use the proceeds of the facilities under the Loan Documents, or lend, contribute or otherwise make available such proceeds to any Borrower or any Subsidiary, joint venture partner or other person or entity for the purpose of (i) funding any activities or business of or with any Designated Person, or in any country or territory that at the time of such funding is the subject of any sanctions under any Sanctions Laws and Regulations, or (ii) causing a violation of any Sanctions Laws and Regulations by any party to this Agreement.

(a) Pay any amount due pursuant under the Loan Documents with funds obtained from transactions with or relating to Designated Persons or countries which are the subject of sanctions under any Sanctions Laws and Regulations, including but not limited to, Iran, Sudan, Cuba, and Syria.

SECTION 6.16 ***Anti-Corruption Laws***. Violate the laws or regulations described in Section 3.23 in such a manner as to result in a Material Adverse Effect.

SECTION 6.17 ***Cross-Guarantee***. No Loan Party shall enter into a deed of cross-guarantee for the purposes of ASIC Class Order CO 98/1418 other than with PTI Holdings Company 1 Pty Limited and its subsidiaries.

ARTICLE VII

Events of Default

SECTION 7.01 ***Events of Default***. In case of the happening of any of the following events ("*Events of Default*"):

(a) any representation or warranty made or deemed made in or in connection with any Loan Document or the borrowings or issuances of Letters of Credit hereunder, or any representation, warranty, statement or information contained in any report, certificate, financial statement or other instrument furnished in connection with or pursuant to any Loan Document, shall prove to have been false or misleading in any material respect when so made, deemed made or furnished; *provided* that to the extent that any representation or warranty is qualified as to "Material Adverse Effect" or otherwise as to "materiality", such representation and warranty shall prove to be incorrect in any respect when made or deemed to be made;

(b) default shall be made in the payment in the applicable currency of any principal of any Loan or the reimbursement with respect to any L/C Disbursement when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or by acceleration thereof or otherwise;

(c) default shall be made in the payment in the applicable currency of any interest on any Loan or any Fee or L/C Disbursement or any other amount (other than an amount referred to in (b) above) due under any Loan Document, when and as the same shall become due and payable, and such default shall continue unremedied for a period of three Business Days;

(d) default shall be made in the due observance or performance by a Borrower or any Subsidiary of any covenant, condition or agreement contained in Section 5.01(a), 5.05(a), 5.08 or in Article VI;

(e) default shall be made in the due observance or performance by a Borrower or any Subsidiary of any covenant, condition or agreement contained in any Loan Document (other than those specified in Section 7.01(b), (c) or (d)) and such default shall continue unremedied for a period of 30 days after the earlier of (i) notice thereof from any Agent or any Lender to the U.S. Borrower or (ii) any Responsible Officer of the U.S. Borrower obtains actual knowledge thereof;

(f) (i) a Borrower or any Material Subsidiary shall fail to pay any principal or interest, regardless of amount, due in respect of any Material Indebtedness, when and as the same shall become due and payable, or (ii) any other event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf to cause any Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; *provided* that this clause (ii) shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness;

(g) an involuntary proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking (i) relief in respect of a Borrower or any Material Subsidiary, or of a substantial part of the property or assets of a Borrower or any Material Subsidiary, under any Insolvency Law, (ii) the appointment of a receiver, liquidator, provisional liquidator, trustee, custodian, administrator, sequestrator, conservator or similar official for a Borrower or any Material Subsidiary or for a substantial part of the property or assets of a Borrower or any Material Subsidiary or (iii) the winding-up or liquidation of a Borrower or any Material Subsidiary; and such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(h) a Borrower or any Material Subsidiary shall (i) if such Borrower or Material Subsidiary is incorporated in Australia, (A) become or state that it is insolvent as defined in the Australian Corporations Act, (B) become an insolvent under administration as defined in the Australian Corporations Act, or (C) fail under section 459F(1) of the Australian Corporations Act to comply with a statutory demand, (ii) voluntarily commence any proceeding or file any petition seeking relief under any Insolvency Law, (iii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or the filing of any petition described in (g) above, (iv) apply for or consent to the appointment of a receiver, trustee, custodian, administrator, sequestrator, conservator or similar official for a Borrower or any Material Subsidiary or for a substantial part of the property or assets of a Borrower or any Material Subsidiary, (v) file an answer admitting the material allegations of a petition filed against it under an Insolvency Law in any such proceeding, (vi) make a general assignment for the benefit of creditors, (vii) become unable, admit in writing its inability or fail generally to pay its debts as they become due or (viii) take any action for the purpose of effecting any of the foregoing;

(i) one or more judgments for the payment of money in an aggregate amount in excess of U.S.$25,000,000 (to the extent not covered by insurance) shall be rendered against a Borrower or any Material Subsidiary thereof and the same shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to levy upon assets or properties of a Borrower or any Material Subsidiary to enforce any such judgment;

(j) an ERISA Event shall have occurred that, in the opinion of the Required Lenders, when taken together with all other such ERISA Events, could reasonably be expected to result in liability of a Borrower and its ERISA Affiliates in an aggregate amount exceeding U.S.$25,000,000;

(k) any Guarantee under any Guarantee Agreement for any reason shall cease to be in full force and effect (other than in accordance with its terms), or any Guarantor shall deny in writing that it has any further liability under its Guarantee Agreement (other than as a result of the discharge of such Guarantor in accordance with the terms of the Loan Documents);

(l) any security interest purported to be created by any Security Document shall cease to be, or shall be asserted by a Borrower or any other Loan Party not to be, a valid, perfected, first priority (except as otherwise expressly provided in this Agreement or such Security Document) security interest in the securities, assets or properties covered thereby having an estimated market value in excess of U.S.$2,500,000, except to the extent that any such loss of perfection or priority results from the failure of a Collateral Agent to maintain possession of certificates representing securities pledged under a Pledge Agreement; or

(m) there shall have occurred a Change in Control.

SECTION 7.02 ***Optional Acceleration of Maturity***. If any Event of Default (other than an Event of Default pursuant to Section 7.01(g) or (h)) shall have occurred and be continuing, then, and in any such event:

(a) the Administrative Agent (i) shall at the request, or may, with the consent, of the Required Revolving Lenders, by notice to the U.S. Borrower, declare the Revolving Commitments and the obligation of each Revolving Lender and the Issuing Banks to make extensions of credit hereunder, including making Loans and issuing Letters of Credit, to be terminated, whereupon the same shall forthwith terminate, and/or (ii) shall at the request, or may, with the consent, of the Required Lenders, by notice to the U.S. Borrower, declare all principal, interest, fees, reimbursements, indemnifications, and all other amounts payable under this Agreement and the other Loan Documents to be forthwith due and payable, whereupon all such amounts shall become and be forthwith due and payable in full, without notice of intent to demand, demand, presentment for payment, notice of nonpayment, protest, notice of protest, grace, notice of dishonor, notice of intent to accelerate, notice of acceleration, and all other notices, all of which are hereby expressly waived by the Borrowers;

(b) the Borrowers shall, on demand of any Administrative Agent at the request or with the consent of the Required Revolving Lenders, Cash Collateralize the Letters of Credit in accordance with Section 2.21(k); and

(c) the Collateral Agents shall at the request of, or may with the consent of, the Required Lenders proceed to enforce their respective rights and remedies under the Security Documents, this Agreement, and any other Loan Document for the ratable benefit of the Lenders by appropriate proceedings.

SECTION 7.03 ***Automatic Acceleration of Maturity***. If any Event of Default pursuant to Section 7.01(g) or (h) shall occur:

(a) (i) the Revolving Commitments and the obligation of each Revolving Lender and the Issuing Bank to make extensions of credit hereunder, including making Loans and issuing Letters of Credit, shall terminate, and (ii) all principal, interest, fees, reimbursements, indemnifications, and all other amounts payable under this Agreement and the other Loan Documents shall become and be forthwith due and payable in full, without notice of intent to demand, demand, presentment for payment, notice of nonpayment, protest, notice of protest, grace, notice of dishonor, notice of intent to accelerate, notice of acceleration, and all other notices, all of which are hereby expressly waived by the Borrowers;

(b) the Borrowers shall Cash Collateralize the Letters of Credit in accordance with Section 2.21(k); and

(c) the Collateral Agents shall at the request of, or may with the consent of, the Required Lenders proceed to enforce its rights and remedies under the Security Documents, this Agreement, and any other Loan Document for the ratable benefit of the Lenders by appropriate proceedings.

SECTION 7.04 ***Non-exclusivity of Remedies***
. No remedy conferred upon the Agents, the Issuing Banks and the Lenders is intended to be exclusive of any other remedy, and each remedy shall be cumulative of all other remedies existing by contract, at law, in equity, by statute or otherwise.

SECTION 7.05 ***Application of Proceeds***
. From and during the continuance of any Event of Default, any monies or property actually received by an Agent pursuant to this Agreement or any other Loan Document, the exercise of any rights or remedies under any Security Document or any other agreement with any Loan Party which secures any of the Obligations, shall be applied in the following order:

(a) *First*, to payment of the reasonable expenses, liabilities, losses, costs, duties, fees, charges or other moneys whatsoever (together with interest payable thereon) as may have been paid or incurred in, about or incidental to any sale or other realization of Collateral, including reasonable out-of-pocket expenses and indemnities, in each case for which any Agent or any Secured Party is to be reimbursed pursuant to this Agreement or any other Loan Document and that are then due and payable;

(b) *Second*, to the ratable payment of accrued but unpaid Fees, Commitment Fees, and Issuing Bank Fees owing to the Issuing Banks and the Lenders in respect of the Loans and Letters of Credit under this Agreement;

(c) *Third*, to the ratable payment of accrued but unpaid interest on the Loans and any unpaid L/C Disbursements, the L/C Participation Fees and the Issuing Bank Fees then due and payable under this Agreement;

(d) *Fourth*, to the ratable payment of all outstanding principal of the Loans, L/C Disbursements, any Banking Services Obligations owing to any Lender or Affiliate thereof, all obligations of the U.S. Borrower or its Subsidiaries owing to any Lender or Affiliate thereof party to any Hedging Agreement according to the unpaid termination amounts thereof, if any, then due and payable and to Cash Collateralize the Aggregate L/C Exposure in accordance with Section 2.21(i);

(e) *Fifth*, to the ratable payment of all obligations to Cash Collateralize the Aggregate L/C Exposure in accordance with Section 2.21(k);

(f) *Sixth*, ratably, according to the then unpaid amounts thereof, without preference or priority of any kind among them, to the ratable payment of all other Obligations then due and payable which relate to Loans and Letters of Credit and which are owing to the Agents, the Issuing Banks and the Lenders;

(g) *Seventh*, to the ratable payment of any other outstanding Obligations then due and payable; and

(h) *Eighth*, any excess after payment in full of all Obligations shall be paid to the U.S. Borrower or any other Loan Party as appropriate or to such other person who may be lawfully entitled to receive such excess.

Notwithstanding the foregoing, Obligations arising under Hedging Agreements or Banking Services with a Lender or an Affiliate thereof shall be excluded from the application described above if the Administrative Agent has not received written notice thereof, together with such supporting documentation as the Administrative Agent may reasonably request, from the applicable Lender.

ARTICLE VIII

The Administrative Agents, the Collateral Agents,
the Issuing Banks and the Swing Line Lenders

SECTION 8.01 ***Appointment and Authority***. Each of the Lenders, the Swing Line Lenders and the Issuing Banks hereby irrevocably appoints RBC to act on its behalf as the Administrative Agent and the U.S. Collateral Agent hereunder and under the other Loan Documents. Each of the Lenders and the Issuing Banks hereby irrevocably appoints RBC to act on its behalf as the Canadian Administrative Agent and Canadian Collateral Agent hereunder and under the other Loan Documents. Each of the Lenders and the Issuing Banks hereby irrevocably appoints RBC Europe to act on its behalf as the Australian Administrative Agent and Australian Collateral Agent hereunder and under the other Loan Documents. Each of the Lenders, the Swing Line Lenders and the Issuing Banks authorizes each Agent to take such actions on its behalf and to exercise such powers as are delegated to such Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Agents, the Lenders and the Issuing Bank, and no Loan Party shall have rights as a third party beneficiary of any of such provisions. Each of the Secured Parties hereby acknowledges and confirms their agreement that the Collateral Agents are subject to certain Security Documents as trustee for and on behalf of the Lenders or the terms of the declaration of trust and other terms and conditions set forth in the applicable Security Documents.

SECTION 8.02 ***Rights as a Lender***. The person serving as an Agent or an Issuing Bank or a Swing Line Lender hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not an Agent, an Issuing Bank or a Swing Line Lender and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the person serving as an Agent, an Issuing Bank or a Swing Line Lender hereunder in its individual capacity. Such person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Borrower or any Subsidiary or other Affiliate thereof as if such person were not an Agent, an Issuing Bank or a Swing Line Lender hereunder and without any duty to account therefor to the Lenders.

SECTION 8.03 ***Exculpatory Provisions***. None of the Agents, Issuing Banks or the Swing Line Lenders shall have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, none of the Agents or the Issuing Banks:

(a) shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that such Agent, Issuing Bank or Swing Line Lender is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), *provided* that such Agent, Issuing Bank or Swing Line Lender shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent, Issuing Bank or Swing Line Lender to liability or that is contrary to any Loan Document or legal requirement; and

(c) shall, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the U.S. Borrower or any of its Affiliates or Subsidiaries that is communicated to or obtained by the person serving as Agent, Issuing Bank, Swing Line Lender or any of their respective Affiliates in any capacity.

None of the Agents or the Issuing Banks shall be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as such Agent or Issuing Bank shall believe in good faith shall be necessary, under the circumstances as provided in Sections 9.08) or (ii) in the absence of its own gross negligence or willful misconduct. None of the Agents, the Issuing Banks and the Swing Line Lenders shall be deemed to have knowledge of any Default unless and until notice describing such Default is given to such Agent, Issuing Bank or Swing Line Lender by a Borrower, a Loan Party, a Lender or an Issuing Bank.

None of the Agents, Issuing Banks or the Swing Line Lenders shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to such Agent, Issuing Bank or Swing Line Lender or satisfaction of any condition that expressly refers to the matters described therein being acceptable or satisfactory to such Agent, Issuing Bank or Swing Line Lender.

SECTION 8.04 ***Reliance by the Agents, the Issuing Banks and the Swing Line Lenders***. Each of the Agents, Issuing Banks and the Swing Line Lenders shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper person. Each of the Agents, the Issuing Banks and the Swing Line Lenders also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an Issuing Bank, an Agent may presume that such condition is satisfactory to such Lender or Issuing Bank unless such Agent shall have received notice to the contrary from such Lender or Issuing Bank prior to the making of such Loan or the issuance of such Letter of Credit. An Agent, Issuing Bank or Swing Line Lender may consult with legal counsel (who may be counsel for a Loan Party), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

SECTION 8.05 ***Delegation of Duties***. Each of the Agents may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by such Agent. Each of the Agents and any of their respective sub-agents may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of such Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as such Agent.

SECTION 8.06 ***Resignation of an Agent or a Swing Line Lender***.

(a) An Agent may resign at any time by giving prior written notice thereof to the Lenders and the U.S. Borrower, such resignation to be effective upon the appointment of a successor Agent or, if no successor Agent has been appointed, forty-five (45) days after the retiring Agent gives notice of its intention to resign. Upon any such resignation, the Required U.S. Lenders shall have the right to appoint, on behalf of the Borrowers and the U.S. Lenders, a successor Administrative Agent or U.S. Collateral Agent, which shall be a financial institution with an office in New York City. Upon any such resignation, the Required Canadian Lenders shall have the right to appoint, on behalf of the Canadian Borrowers and the Lenders, a successor Canadian Administrative Agent or Canadian Collateral Agent, which shall be a financial institution with an office in New York City. Upon any such resignation, the Required Australian Lenders shall have the right to appoint, on behalf of the Australian Borrower and the Lenders, a successor Australian Administrative Agent or Australian Collateral Agent, which shall be a financial institution with an office in New York City. If no successor Agent shall have been so appointed by the Applicable Required Lenders within thirty (30) days after the resigning Agent's giving notice of its intention to resign, then the resigning Agent may appoint, on behalf of the Borrowers and the Lenders, a successor Agent. If either the Administrative Agent, the Canadian Administrative Agent or the Australian Administrative Agent has resigned and no successor Agent has been appointed, the Applicable Required Lenders may perform all the duties of such Agent hereunder and the Borrowers shall make all payments in respect of the Obligations to the applicable Lender and for all other purposes shall deal directly with the Required Lenders until such successor Agent shall have been appointed as provided herein. No successor Agent shall be deemed to be appointed hereunder until such successor Agent has accepted the appointment or, in the case of a successor U.S. Collateral Agent, Canadian Collateral Agent or Australian Collateral Agent, upon the execution and filing or recording of such financing statements, or amendments thereto, and such amendments or supplements to the Security Documents, and such other instruments or notices, as may be necessary or desirable, or as the Applicable Required Lenders may reasonably request, in order to continue the perfection of the Liens granted or purported to be granted by the Security Documents. Upon the acceptance of any appointment as Administrative Agent or Collateral Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the resigning Agent. Upon the effectiveness of the resignation of an Administrative Agent or Collateral Agent, the resigning Agent shall be discharged from its duties and obligations hereunder and under the Loan Documents. After the effectiveness of the resignation of an Agent, the provisions of this Article VIII shall continue in effect for the benefit of such Agent in respect of any actions taken or omitted to be taken by it while it was acting as an Agent hereunder and under the other Loan Documents.

(b) Any resignation by RBC as Administrative Agent pursuant to this Section shall also constitute its resignation as an Issuing Bank under the U.S. Revolving Credit Facility and as the U.S. Swing Line Lender. Any resignation by RBC as Canadian Administrative Agent pursuant to this Section shall also constitute its resignation as an Issuing Bank under the Canadian Revolving Credit Facility and as the Canadian Swing Line Lender. Any resignation by RBC Europe as Australian Administrative Agent pursuant to this Section shall also constitute its resignation as an Issuing Bank. Upon the acceptance of a successor's appointment as the Administrative Agent, Canadian Administrative Agent or Australian Administrative Agent hereunder, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Issuing Bank and, in the case of the Administrative Agent or Canadian Administrative Agent, the retiring Swing Line Lender, (b) the retiring Issuing Bank and, in the case of the Administrative Agent or Canadian Administrative Agent, the retiring Swing Line Lender, shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents, and (c) the successor Issuing Bank shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangement satisfactory to the retiring Issuing Bank to effectively assume the obligations of the retiring Issuing Bank with respect to such Letters of Credit.

SECTION 8.07 ***Non-Reliance on Agents and Other Lenders; Certain Acknowledgments***.

(a) Each Lender and Issuing Bank acknowledges that it has, independently and without reliance upon any Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and Issuing Bank also acknowledges that it will, independently and without reliance upon any Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder. In this regard, each party hereto acknowledges that (i) Latham & Watkins LLP is acting in this transaction as special counsel to the Administrative Agent and U.S. Collateral Agent only, (ii) Borden Ladner Gervais LLP is acting in this transaction as special counsel to the Canadian Administrative Agent and Canadian Collateral Agent only and (iii) Arnold Bloch Leibler is acting in this transaction as special counsel to the Australian Administrative Agent and Australian Collateral Agent only. Each other party hereto will consult with its own legal counsel to the extent that it deems necessary in connection with the Loan Documents and the matters contemplated therein.

(b) Each Lender shall be deemed by delivering its signature page to this Agreement and making any Loan on the Funding Date to have consented to, approved or accepted each Loan Document and each other document or other matter referred to in Section 4.01, 4.02 or 4.03 required to be consented to or approved by or acceptable or satisfactory to the Agents, the Lead Arrangers or the Lenders and to have been satisfied with the satisfaction of all other conditions precedent required to be satisfied under Section 4.01, 4.02 or 4.03.

SECTION 8.08 ***Indemnification***. The Lenders severally agree to indemnify upon demand the Agents, the Issuing Banks, the Swing Line Lenders and each Related Party of any of the foregoing (to the extent not reimbursed by the Loan Parties), according to their respective ratable shares, and hold harmless such Indemnitee from and against any and all Indemnified Liabilities in all cases, whether or not caused by or arising, in whole or in part, out of the negligence of any Related Party; *provided, however,* that no Lender shall be liable for (a) the payment to any Indemnitee for any portion of such Indemnified Liabilities to the extent determined in a final, nonappealable judgment by a court of competent jurisdiction to have resulted from such Indemnitee's own gross negligence or willful misconduct and (b) claims made or legal proceedings commenced against such Indemnitee by any security holder or creditor thereof arising out of and based on rights afforded any such security holder or creditor solely in its capacity as such; *provided further, however,* that no action taken in accordance with the directions of the Applicable Required Lenders shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section. Without limitation of the foregoing, each Lender agrees to reimburse the Agents, the Issuing Banks, the Swing Line Lenders and each Related Party promptly upon demand for its ratable share of any out-of-pocket expenses (including all fees, expenses and disbursements of any law firm or other external counsel) incurred by an Agent, an Issuing Bank or a Swing Line Lender in connection with the preparation, execution, delivery, administration, modification, amendment, or enforcement (whether through negotiations, legal proceedings, or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement or any other Loan Document, to the extent that such Agent, Issuing Bank or Swing Line Lender is not reimbursed for such by the Loan Parties. The undertaking in this Section shall survive termination of the Commitments, the payment of all other Obligations and the resignation of such Agent, Issuing Bank or Swing Line Lender.

SECTION 8.09 ***Collateral and Guaranty Matters***.

(a) Each Lender (as a Lender and in its capacity as a potential provider of Banking Services or potential counterparty to a Hedging Agreement) and each other Secured Party (by their acceptance of the benefits of any Lien encumbering Collateral) acknowledges and agrees that the Collateral Agents have entered into the Security Documents on behalf of itself and the Secured Parties, and the Secured Parties hereby agree to be bound by the terms of such Security Documents, acknowledge receipt of copies of such Security Documents and consent to the rights, powers, remedies, indemnities and exculpations given to such Collateral Agent thereunder. All rights, powers and remedies available to the Collateral Agents and the Secured Parties with respect to the Collateral, or otherwise pursuant to the Security Documents, shall be subject to the provisions of such Security Documents.

(b) Each Lender (as a Lender and in its capacity as a potential provider of Banking Services or potential counterparty to a Hedging Agreement) and each other Secured Party (by their acceptance of the benefits of any Lien encumbering Collateral) hereby authorizes the Collateral Agents, at their option and in their discretion, without the necessity of any notice to or further consent from the Secured Parties:

(i) to release any Lien on any property granted to or held by the Collateral Agent under any Security Document (i) as provided in Section 6.03, Section 6.05, Section 9.20 or any Security Document or (ii) subject to Section 9.08, if approved, authorized or ratified in writing by the Required Lenders;

(ii) to take any actions with respect to any Collateral or Security Documents which may be necessary to perfect and maintain a first priority security interest in and Liens upon the Collateral granted pursuant to the Security Documents;

(iii) to take any action in exigent circumstances as may be reasonably necessary to preserve any rights or privileges of the Secured Parties under the Loan Documents or applicable law; and

(iv) to subordinate any Lien on any property granted to or held by the Collateral Agent under any Loan Document to the holder of any Lien on such property that is permitted by Section 6.01(d), 6.01(f) or 6.01(g).

(c) Upon the request of the Collateral Agent at any time, the Secured Parties will confirm in writing the Collateral Agent's authority to release particular types or items of Collateral pursuant to this Section 8.09.

(d) Each Loan Party hereby irrevocably appoints each Collateral Agent as such Loan Party's attorney-in-fact, with full authority to, after the occurrence and during the continuance of an Event of Default, act for such Loan Party and in the name of such Loan Party to, in such Collateral Agent's discretion upon the occurrence and during the continuance of an Event of Default, (i) file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral without the signature of such Loan Party where permitted by law, (ii) to receive, endorse, and collect any drafts or other instruments, documents, and chattel paper which are part of the Collateral, (iii) to ask, demand, collect, sue for, recover, compromise, receive, and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral, (iv) to file any claims or take any action or institute any proceedings which such Collateral Agent may reasonably deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of such Collateral Agent with respect to any of the Collateral and (v) if any Loan Party fails to perform any covenant contained in this Agreement or the other Security Documents relating to the Collateral after the expiration of any applicable grace periods, such Collateral Agent may itself perform, or cause performance of, such covenant, and such Loan Party shall pay for the expenses of the Collateral Agent incurred in connection therewith in accordance with Section 9.05. The power of attorney granted hereby is coupled with an interest and is irrevocable.

(e) The powers conferred on the Collateral Agents under this Agreement and the other Security Documents are solely to protect their respective interest in the Collateral and shall not impose any duty upon it to exercise any such powers. Beyond the safe custody thereof, each Collateral Agent and each Secured Party shall have no duty with respect to any Collateral in its possession or control (or in the possession or control of any agent or bailee) or with respect to any income thereon or the preservation of rights against prior parties or any other rights pertaining thereto. Each Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which such Collateral Agent accords its own property. None of the Agents, any Lender or any other Secured Party shall be liable or responsible for any loss or damage to any of the Collateral, or for any diminution in the value thereof, by reason of the act or omission of any warehouseman, carrier, forwarding agency, consignee, broker or other agent or bailee selected by the U.S. Borrower or selected by an Agent in good faith.

SECTION 8.10 ***No Other Duties, etc***. Anything herein to the contrary notwithstanding, the Lead Arranger and the Sole Bookrunner listed on the cover page hereof shall not have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as an Agent, a Lender or an Issuing Bank.

SECTION 8.11 ***Agents May File Proofs of Claim***. In case of the pendency of any proceeding under any Insolvency Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Disbursement shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether an Agent shall have made any demand on a Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Disbursements and all other Obligations (other than obligations of the U.S. Borrower or its Subsidiaries owing to any Lender or Affiliate thereof party to any Hedging Agreement or any Banking Services Obligations) that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Issuing Banks and the Agents (including any claim for the reasonable expenses, disbursements and advances of the Lenders, the Issuing Bank and the Agents and all other amounts due the Lenders, the Issuing Banks and the Agents under Sections 2.05 and 9.08) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same.

Any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and Issuing Bank to make such payments to such Agent and, if such Agent shall consent to the making of such payments directly to the Lenders and the Issuing Banks, to pay to such Agent any amount due for the reasonable expenses, disbursements and advances of such Agent, and any other amounts due such Agent under Sections 2.05 and 9.08.

Nothing contained herein shall be deemed to authorize any Agent to authorize or consent to or accept or adopt on behalf of any Lender or Issuing Bank any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or Issuing Bank to authorize Agent to vote in respect of the claim of any Lender or Issuing Bank or in any such proceeding.

ARTICLE IX

Miscellaneous

SECTION 9.01 ***Notices***.

(a) *Notices Generally.* Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in paragraph (b) below), notices and other communications provided for herein or (except as otherwise provided therein) any other Loan Document shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by fax, as follows:

(i) if to the U.S. Borrower, to it at Three Allen Center, 333 Clay Street, Suite 4980, Houston, Texas 77002, Attention of Chief Financial Officer (Fax No. (713) 651-0369);

(ii) if to either Canadian Borrower, to it at Civeo Canada Inc., at 3790 98th Street NW, Edmonton, Alberta T6E 6B4, Attention of Chief Financial Officer (Fax No. (780) 462-6784), with a copy to the U.S. Borrower at the address above;

(iii) if to the Australian Borrower, to it at Civeo Australia Pty Limited, c/o Civeo Corporation, Three Allen Center, 333 Clay Street, Suite 4980, Houston, Texas 77002, Attention of Chief Financial Officer (Fax No. (713) 462-6784);

(iv) if to the Administrative Agent or the U.S. Collateral Agent, to Royal Bank of Canada, at Three World Financial Center, 200 Vesey Street, New York, NY 10281-8098, with a copy to 3900 Williams Tower, 2800 Post Oak Blvd., Houston, Texas 77056, Attention: Jay Sartain;

(v) if to the Canadian Administrative Agent or the Canadian Collateral Agent, to Royal Bank of Canada, at Three World Financial Center, 200 Vesey Street, New York, NY 10281-8098, with a copy to 3900 Williams Tower, 2800 Post Oak Blvd., Houston, Texas 77056, Attention: Jay Sartain; and

(vi) if to the Australian Administrative Agent or the Australian Collateral Agent, to RBC Europe Limited, at RBC Europe Limited, Thames Court, One Queenhithe, London, EC4V 3DQ, United Kingdom, Attention: Manager Loans Agency, (Fax No. +44 20 7029 7914)

(vii) if to a Lender or an Issuing Bank, to it at its address (or fax number) set forth in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices delivered through electronic communications to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b). Any party may change its address for notices by giving notice of such change to each party in accordance with this Section 9.01; provided that, any Lender shall be required only to provide notice of such change to the Applicable Borrower and the Applicable Administrative Agent.

(b) *Electronic Communications*. Notices and other communications to the Lenders and the Issuing Banks hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Applicable Administrative Agent, *provided* that the foregoing shall not apply to notices to any Lender or Issuing Bank pursuant to Article II if such Lender or Issuing Bank, as applicable, has notified the Applicable Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. Each Administrative Agent or Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, *provided* that approval of such procedures may be limited to particular notices or communications.

Unless an Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), *provided* that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) *Effectiveness of Facsimile Documents and Signatures*. Loan Documents may be transmitted and/or signed by facsimile or in electronic (i.e., "pdf" or "tif") format. The effectiveness of any such documents and signatures shall, subject to applicable law, have the same force and effect as manually-signed originals and shall be binding on all Loan Parties, the Agents and the Lenders. The Agents may also require that any such documents and signatures be confirmed by a manually-signed original thereof; *provided, however,* that the failure to request or deliver the same shall not limit the effectiveness of any facsimile document or signature.

(d) *The Platform*. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall any Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to any Borrower, any Lender, any Issuing Bank or any other person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of any Borrower's or any Agent's transmission of Borrower Materials through the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; *provided*, *however*, that in no event shall any Agent Party have any liability to any Borrower, any Lender, any Issuing Bank or any other person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(e) *Reliance by Agents, Issuing Banks and Lenders*. Each of the Agents, Issuing Banks and the Lenders shall be entitled to rely and act upon any notices (including telephonic and electronically communicated (e-mailed) Borrowing Requests) purportedly given by or on behalf of a Loan Party even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrowers shall indemnify the Agents, the Issuing Banks, each Lender and their Related Parties from all losses, costs, expenses and liabilities resulting from the reliance by such person on each notice purportedly given by or on behalf of the Borrower. All telephonic notices to and other communications with any Agent, Issuing Bank or Lender may be recorded by such Agent, Issuing Bank or Lender, and each of the parties hereto hereby consents to such recording.

SECTION 9.02 ***Survival of Agreement***. All covenants, agreements, representations and warranties made by a Borrower herein and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Lenders and the Issuing Banks and shall survive the making by the Lenders of the Loans and the issuance of Letters of Credit by the Issuing Banks, regardless of any investigation made by the Lenders or the Issuing Banks or on their behalf, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any Fee or any other amount payable under this Agreement or any other Loan Document is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not been terminated. The provisions of Sections 2.13, 2.15, 2.19, 9.05 and 9.16 shall remain operative and in full force and effect regardless of the expiration of the term of this Agreement, the consummation of the transactions contemplated hereby, the repayment of any of the Loans, the expiration of the Commitments, the expiration of any Letter of Credit, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document, or any investigation made by or on behalf of the Administrative Agents, the Collateral Agents, any Lender or any Issuing Bank.

SECTION 9.03 ***Binding Effect***. This Agreement shall become effective when it shall have been executed by the Borrowers and the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto.

SECTION 9.04 ***Successors and Assigns***.

(a) *Generally*. The terms and provisions of this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Loan Party may assign or otherwise transfer any of its rights or obligations hereunder except as expressly permitted hereunder without the prior written consent of each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of paragraph (b) of this Section, (ii) by way of participation in accordance with the provisions of paragraph (d) of this Section, (iii) by way of pledge or assignment of a security interest subject to the restrictions of paragraph (f) or (h) of this Section or (iv) to an SPC in accordance with the provisions of paragraph (g) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in paragraph (d) of this Section and, to the extent expressly contemplated hereby, the Indemnitees) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) *Assignments by Lenders*. Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments (including, for purposes of this Section 9.04(b), participations in Letters of Credit and Swing Line Loans) and the Loans at the time owing to it); *provided* that any such assignment shall be subject to the following conditions:

(i) *Minimum Amounts*.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment under any Facility or the Loans at the time owing to it under such Facility or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in paragraph (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Acceptance, as of the Trade Date) shall not be less than U.S.$5,000,000, unless each of the Applicable Administrative Agent and, so long as no Event of Default has occurred and is continuing, the U.S. Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); *provided*, *however*, that concurrent assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single Eligible Assignee (or to an Eligible Assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met.

(ii) *Proportionate Amounts*. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loan or the Commitment assigned and shall be *pro rata* among the separate Facilities of such Lender, except that this clause (ii) shall not apply to the Applicable Swing Line Lender's rights and obligations in respect of Swing Line Loans.

(iii) *Required Consents*. No consent shall be required for any assignment except to the extent required by paragraph (b)(i)(B) of this Section and, in addition:

(ii) the consent of the U.S. Borrower (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of the U.S. Revolving Credit Facility, Canadian Revolving Credit Facility or Australian Revolving Credit Facility, if such assignment is to a person that is not a Lender under the U.S. Revolving Credit Facility, Canadian Revolving Credit Facility or Australian Revolving Credit Facility, an Affiliate of such Lender or any Approved Fund with respect to such Lender, *provided* that no such consent shall be required if an Event of Default shall have occurred and is continuing; *provided further* that if the U.S. Borrower shall fail to respond to a request for consent to an assignment within ten (10) Business Days following receipt of such request, the U.S. Borrower shall be deemed to have given such consent.

(iii) the consent of the Applicable Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required (1) for assignments in respect of the U.S. Revolving Credit Facility, Canadian Revolving Credit Facility or Australian Revolving Credit Facility if such assignment is to a person that is not a Lender under the U.S. Revolving Credit Facility, Canadian Revolving Credit Facility or Australian Revolving Credit Facility, an Affiliate of such Lender or an Approved Fund with respect to such Lender or (2) for assignments of U.S. Term Commitments to a person who is not a Lender, an Affiliate of a Lender or an Approved Fund;

(iv) the consent of each Issuing Bank (such consent not to be unreasonably withheld or delayed) shall be required for any assignment in respect of the U.S. Revolving Credit Facility, Canadian Revolving Credit Facility or Australian Revolving Credit Facility; and

(v) the consent of the Applicable Swing Line Lender (such consent not to be unreasonably withheld or delayed) shall be required for any assignment in respect of the U.S. Revolving Credit Facility or the Canadian Revolving Credit Facility, as applicable.

(iv) *Assignment and Acceptance*. The parties to each assignment shall execute and deliver to the Applicable Administrative Agent an Assignment and Acceptance, together with a processing and recordation fee of $3,500; *provided, however,* that the Applicable Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment; and *provided, further,* that only one such fee shall be payable in the event of contemporaneous assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single Eligible Assignee (or to an Eligible Assignee and members of its Assignee Group). The assignee, if it is not a Lender, shall deliver to the Applicable Administrative Agent an Administrative Questionnaire.

(v) *No Assignment to Borrower*. No such assignment shall be made to the U.S. Borrower or any of the U.S. Borrower's Affiliates or Subsidiaries.

(vi) *No Assignment to Natural Persons*. No such assignment shall be made to a natural person.

(vii) *Defaulting Lenders*. No assignment shall be made to any Defaulting Lender or any of its Subsidiaries, or any person who, upon becoming a Lender hereunder, would constitute any of the foregoing persons.

Upon such execution, delivery, acceptance and recording thereof by the Applicable Administrative Agent pursuant to paragraph (c) of this Section, from and after the effective date specified in each Assignment and Acceptance, (A) the Eligible Assignee thereunder shall be a party hereto for all purposes and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, have the rights and obligations of a Lender hereunder and (B) such assigning Lender thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all or the remaining portion of such Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 2.11, 2.13, and 9.05 with respect to facts and circumstances occurring prior to the effective date of such assignment). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Applicable Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or sub-participations, or other compensating actions, including funding, with the consent of the U.S. Borrower and the Applicable Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Applicable Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swing Line Loans in accordance with its Applicable Pro Rata Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

(c) *Register*. The Applicable Administrative Agent shall maintain at its Applicable Lending Office a copy of each Assignment and Acceptance delivered to and accepted by it and a register for the recordation of the names and addresses of the Lenders and the Commitments of, and principal amount of the Loans owing to, each Lender from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and each of the Loan Parties, the Agents, the Issuing Banks, and the Lenders may treat each person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. In addition, the Applicable Administrative Agent shall maintain on the Register information regarding the designation, and revocation of designation, of any Lender as a Defaulting Lender. The Register shall be available for inspection by the U.S. Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(d) *Participations*. Any Lender may at any time, without the consent of, or notice to, the U.S. Borrower or the Applicable Administrative Agent, sell participations to any person (other than a natural person, a Defaulting Lender or the U.S. Borrower or any of the U.S. Borrower's or a Defaulting Lender's Affiliates or subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender's participations in Letter of Credit Obligations and Swing Line Loans) owing to it); *provided* that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the U.S. Borrower, the Agents and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 9.08 that directly affects such Participant. Subject to subsection (e) of this Section, the U.S. Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.13, 2.14, 2.19 and 9.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.06 as though it were a Lender, *provided* that such Participant agrees to be subject to Section 2.17 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the applicable Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "*Participant Register*"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, no Administrative Agent (in its capacity as Administrative Agent) shall have any responsibility for maintaining a Participant Register

(e) A Participant shall not be entitled to receive any greater payment under Section 2.13 or 2.14 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the U.S. Borrower' prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 2.19 unless the U.S. Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the U.S. Borrower, to comply with Section 2.19(f) and Section 2.19(g) as though it were a Lender.

(f) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Lender") may grant to a special purpose funding vehicle identified as such in writing from time to time by the Granting Lender to the Applicable Administrative Agent and the U.S. Borrower (an "SPC") the option to provide all or any part of any Loan that such Granting Lender would otherwise be obligated to make pursuant to this Agreement; *provided* that (i) nothing herein shall constitute a commitment by any SPC to fund any Loan, and (ii) if a SPC elects not to exercise such option or otherwise fails to make all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof. Each party hereto hereby agrees that (i) neither the grant to any SPC nor the exercise by any SPC of such option shall increase the costs or expenses or otherwise increase or change the obligations of the Borrowers under this Agreement, (ii) no SPC shall be liable for any indemnity or similar payment obligation under this Agreement for which a Lender would be liable, and (iii) the Granting Lender shall for all purposes, including the approval of any amendment, waiver or other modification of any provision of any Loan Document, remain the lender of record hereunder. The making of a Loan by a SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior debt of any SPC, it will not institute against, or join any other person in instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency, or liquidation proceeding under the laws of the United States or any State thereof. Notwithstanding anything to the contrary contained herein, any SPC may (i) with notice to, but without prior consent of the U.S. Borrower and the Applicable Administrative Agent and without paying any processing fee therefor, assign all or any portion of its right to receive payment with respect to any Loan to the Granting Lender and (ii) disclose on a confidential basis any non-public information relating to its funding of Loans to any rating agency, commercial paper dealer or provider of any surety or Guarantee or credit or liquidity enhancement to such SPC.

(h) Notwithstanding anything to the contrary contained herein, any Lender that is a Fund may create a security interest in all or any portion of the Loans owing to it and the note, if any, held by it to the trustee for holders of obligations owed, or securities issued, by such Fund as security for such obligations or securities, *provided* that unless and until such trustee actually becomes a Lender in compliance with the other provisions of this Section 9.04, (i) no such pledge shall release the pledging Lender from any of its obligations under the Loan Documents and (ii) such trustee shall not be entitled to exercise any of the rights of a Lender under the Loan Documents even though such trustee may have acquired ownership rights with respect to the pledged interest through foreclosure or otherwise.

SECTION 9.05 ***Expenses; Indemnity***.

(a) *Costs and Expenses.* The Borrowers agree, jointly and severally, to pay or reimburse (i) all reasonable out-of-pocket expenses incurred by the Lead Arranger, the Administrative Agents, the Collateral Agents, the Issuing Banks and their Affiliates (including the reasonable fees, charges and disbursements of counsel for the Agents, but limited to, with respect to legal expenses, reasonable and documented fees and expenses of one primary counsel and, if reasonably necessary, one local counsel in each of Australia, Canada and any other relevant material jurisdiction and, solely in the case of an actual or potential conflict of interest, one additional counsel to the affected Person (taken as a whole)), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions hereby or thereby shall be consummated), and (ii) all reasonable out-of-pocket expenses incurred by any Agent, any Lender or Issuing Bank (including, the reasonable fees, charges and disbursements of any counsel for any Agent, any Lender or Issuing Bank), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made or Letters of Credit issued hereunder, including all such reasonable out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit. The foregoing costs and expenses under this Section 9.05 shall include all due diligence, search, filing, recording, title insurance, printing, reproduction, document delivery, travel, CUSIP, electronic platform, communication costs and appraisal charges and fees and Taxes related thereto, and other out-of-pocket expenses reasonably incurred by any Agent, Lender or Issuing Bank (including, in connection with any workout or restructuring, the cost of financial advisors and other outside experts retained by any Agent). All amounts due under this Section 9.05 shall be payable within 30 days after written demand therefore unless such amounts are being contested in good faith by the U.S. Borrower. The agreements in this Section shall survive the termination of the Commitments and repayment of all Obligations.

(b) *Indemnification by the Borrower.* The Borrowers agree, jointly and severally, to indemnify the Administrative Agents, the Collateral Agents, each Lender, each Issuing Bank and the Related Parties of any of the foregoing persons (each such person being called an "*Indemnitee*") against, and to hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including reasonable counsel fees (limited to reasonable and documented fees and expenses of one primary counsel and, if reasonably necessary, one local counsel in Australia, Canada and any other relevant material jurisdiction and, solely in the case of an actual or potential conflict of interest, one additional counsel to the affected Indemnitees (taken as a whole)), charges and disbursements but excluding any such loss, claim, damage, liability or expense resulting from a claim or proceeding brought by a Lender against any other Lender (other than any Agent in its capacity as such), incurred by or asserted against any Indemnitee arising out of, in any way connected with, or as a result of (i) the execution or delivery of this Agreement or any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties thereto of their respective obligations thereunder or the consummation of the transactions contemplated thereby, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds of the Loans or issuance of Letters of Credit (including any refusal by the Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by a Borrower or any other Loan Party, and regardless of whether or not any Indemnitee is a party thereto, or (iv) any actual or alleged presence or Release of Hazardous Materials on any property owned or operated by a Borrower or any of the Subsidiaries, or any Environmental Liability related in any way to a Borrower or the Subsidiaries; *provided* that **SUCH INDEMNITY SHALL EXPRESSLY INCLUDE ANY SUCH LOSSES, LIABILITIES, CLAIMS, DAMAGES OR EXPENSE INCURRED BY REASON OF THE PERSON BEING INDEMNIFIED'S OWN NEGLIGENCE;** provided that the foregoing indemnity will not, as to any Indemnitee, apply to losses, claims, damages, liabilities or related expenses to the extent they are found in a final, non appealable judgment of a court of competent jurisdiction to have resulted from the willful misconduct, bad faith or gross negligence of such Indemnitee or, with respect to any Environmental Liability, to the extent such Indemnitee, after foreclosure or other remedial action, has caused such Environmental Liability.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, NO LOAN PARTY SHALL ASSERT, AND HEREBY WAIVES, ANY CLAIM AGAINST ANY INDEMNITEE, ON ANY THEORY OF LIABILITY, FOR SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES (AS OPPOSED TO DIRECT OR ACTUAL DAMAGES) ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF, THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR ANY AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY, THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, ANY LOAN OR LETTER OF CREDIT OR THE USE OF THE PROCEEDS THEREOF.

No Borrower shall be liable for any settlement of any Proceedings effected without its consent (which consent shall not be unreasonably conditioned, withheld or delayed), but if settled with any Borrower's written consent or if there is a final judgment for the plaintiff in any such Proceedings, the Borrowers shall indemnify and hold harmless each Indemnitee from and against any and all losses, claims, damages, liabilities and expenses by reason of such settlement or judgment in accordance with the preceding paragraph. The Borrowers shall not, without the prior written consent of an Indemnitee (which consent shall not be unreasonably conditioned, withheld or delayed), effect any settlement or consent to the entry of any judgment of any pending or threatened Proceedings in respect of which indemnity could have been sought hereunder by such Indemnitee unless (i) such settlement includes an unconditional release of such Indemnitee in form and substance satisfactory to such Indemnitee from all liability on claims that are the subject matter of such Proceedings, (ii) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnitee and (iii) contains customary confidentiality and non-disparagement provisions.

(c) *Reimbursement by Lenders*. To the extent that a Borrower for any reason fails to indefeasibly pay any amount required under paragraph (a) or (b) of this Section to be paid by it to an Agent (or any sub-agent thereof), an Issuing Bank, a Swing Line Lender or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Applicable Agent (or any such sub-agent), the Applicable Issuing Bank, the Applicable Swing Line Lender or such Related Party, as the case may be, such Lender's Applicable Pro Rata Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Applicable Agent (or any such sub-agent), the Applicable Issuing Bank or the Applicable Swing Line Lender in its capacity as such, or against any Related Party of any of the foregoing acting for the Applicable Agent (or any such sub-agent), Applicable Issuing Bank or the Applicable Swing Line Lender in connection with such capacity.

(d) The provisions of this Section 9.05 shall remain operative and in full force and effect regardless of the expiration of the term of this Agreement, the consummation of the transactions contemplated hereby, the repayment of any of the Loans, the expiration of the Commitments, the expiration of any Letter of Credit, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document, or any investigation made by or on behalf of any Agent, Lender or Issuing Bank. All amounts due under this Section 9.05 shall be payable on written demand therefor.

SECTION 9.06 ***Right of Setoff***. If an Event of Default shall have occurred and be continuing, each Agent, Lender, Issuing Bank and each of their respective Affiliates is hereby authorized at any time and from time to time, except to the extent prohibited by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other Indebtedness (in whatever currency) at any time owing by such Agent, Lender, Issuing Bank to or for the credit or the account of any Borrower or any other Loan Party to whom it has made Loans against any of and all the obligations of such Borrower or Loan Party now or hereafter existing under this Agreement and other Loan Documents held by such Agent, Lender or Issuing Bank, irrespective of whether or not such Agent, Lender or Issuing Bank shall have made any demand under this Agreement or such other Loan Document and although such obligations may be contingent or unmatured or are owed to a branch or office of such Lender or Issuing Bank different from the branch or office holding such deposit or obligated on such Indebtedness. The rights of each Agent, Lender, Issuing Bank and their respective Affiliates under this Section 9.06 are in addition to other rights and remedies (including other rights of setoff) which such Agent, Lender, Issuing Bank or their respective Affiliates may have. Each Agent, Lender and Issuing Bank agrees to notify the U.S. Borrower and the Administrative Agent promptly after any such setoff and application, *provided* that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 9.07 ***Applicable Law***. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

SECTION 9.08 ***Waivers; Amendment***. (a) No failure or delay of any Agent, any Lender or any Issuing Bank in exercising any power or right hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Agents, the Issuing Banks and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or any other Loan Document or consent to any departure by the Borrowers or any other Loan Party therefrom shall in any event be effective unless the same shall be permitted by Section 9.08(b), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on a Borrower in any case shall entitle the Borrowers to any other or further notice or demand in similar or other circumstances. Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Agents in accordance with Sections 7.02 and 7.03 for the benefit of all the Secured Parties; provided, however, that the foregoing shall not prohibit (i) the Agent from exercising on their own behalf the rights and remedies that inure to its benefit (solely in its capacity as an Agent) hereunder and under the other Loan Documents, (ii) any Issuing Bank from exercising the rights and remedies that inure to its benefit (solely in its capacity as Issuing Bank) hereunder and under the other Loan Documents, (iii) any Swing Line Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as Swing Line Lender) hereunder and under the other Loan Documents, (iv) any Lender from exercising setoff rights in accordance with Section 9.06 (subject to the terms of Section 2.17), or (v) subject to Section 8.11, any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Insolvency Law.

(b) Any amendment or waiver of any provision of this Agreement or any other Loan Document (other than the Fee Letter or any Letter of Credit Document), and any consent to any departure by a Borrower or any other Loan Party therefrom, shall be effective if the same shall be in writing and signed by the Required Lenders and the Borrowers (or by the Administrative Agent (with the prior written consent of the Required Lenders) and the Borrowers), *provided* that such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; *provided further* that (x) any provision of this Agreement or any other Loan Document may be amended by an agreement in writing signed by the Administrative Agent and the U.S. Borrower to cure any ambiguity, omission, defect or inconsistency so long as, in each case, the Lenders shall have received at least five (5) Business Days' prior written notice thereof and the Administrative Agent shall not have received, within five (5) Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such amendment, and (y) no amendment, waiver or consent shall:

(i) extend the Maturity Date of or increase the stated amount of any Commitment of any Lender or reinstate any Commitment of any Lender terminated pursuant to the terms hereof without the written consent of such Lender;

(ii) postpone any date fixed by this Agreement for any scheduled payment (but not any prepayment) of principal, interest or fees due to any Lender hereunder without the written consent of such Lender;

(iii) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Disbursement or any interest or Fees payable hereunder without the prior written consent of each Lender directly affected thereby (it being understood and agreed that any change in the definition of "Leverage Ratio", or in the component definitions thereof, shall not constitute a reduction of rate of interest or any interest or Fees payable hereunder); *provided*, *however*, that (A) only the consent of the U.S. Required Revolving Lenders shall be required to waive any obligation of the U.S. Borrower to pay default interest pursuant to Section 2.07 with respect to the U.S. Revolving Credit Facility, including with respect to any amount payable thereunder or in connection therewith (B) only the consent of the Canadian Required Revolving Lenders shall be required to waive any obligation of either Canadian Borrower to pay default interest pursuant to Section 2.07 with respect to the Canadian Revolving Credit Facility, including with respect to any amount payable thereunder or in connection therewith, (C) only the consent of the Australian Required Revolving Lenders shall be required to waive any obligation of the Australian Borrower to pay default interest pursuant to Section 2.07 with respect to the Australian Revolving Credit Facility, including with respect to any amount payable thereunder or in connection therewith, and (D) only the consent of the Required U.S. Term Lenders shall be required to waive any obligation of the U.S. Borrower to pay default interest pursuant to Section 2.07 with respect to the U.S. Term Loan Facility, including with respect to any amount payable thereunder or in connection therewith;

(iv) change Section 2.16 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender adversely affected thereby or change the order of application, as among the Facilities, of any prepayment or other amount specified in Section 7.05 from the order set forth in such Section in a manner that materially and adversely affects the Lenders under any Facility without the prior written consent of (A) if such Facility is the U.S. Term Loan Facility, the Required U.S. Term Lenders, (B) if such Facility is the U.S. Revolving Credit Facility, the Required U.S. Revolving Lenders, (C) if such Facility is the Canadian Revolving Credit Facility, the Required Canadian Lenders and (D) if such Facility is the Australian Revolving Credit Facility, the Required Australian Lenders;

(v) change any provision of this Section, or the percentage specified in definition of "Required Lenders," "Required U.S. Revolving Lenders," "Required Canadian Lenders," "Required Australian Lenders," "Required Revolving Lenders," or "Required U.S. Term Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender directly affected thereby;

(vi) except as expressly permitted hereunder or under any Security Document, (A) release the guaranty provided by the U.S. Borrower hereunder without the written consent of each Canadian Lender, or (B) release all or substantially all of the value of the guaranties provided by the other Guarantors hereunder or all or substantially all of the Collateral without the written consent of each Lender;

(vii) change Section 9.04 in a manner that imposes additional restrictions on the ability of any Lender under any Facility to assign any of its rights or obligations hereunder without the prior written consent of (A) if such Facility is the U.S. Term Loan Facility, the Required U.S. Term Lenders, (B) if such Facility is the U.S. Revolving Credit Facility, the Required U.S. Revolving Lenders, (C) if such Facility is the Canadian Revolving Credit Facility, the Required Canadian Lenders and (D) if such Facility is the Australian Revolving Credit Facility, the Required Australian Lenders;

(viii) change the provisions of any Loan Document in a manner that by its terms adversely affects the rights in respect of payments due to Lenders holding one Class of Loans differently from the rights in respect of payments due to Lenders holding another Class of Loans without the prior written consent of the Required U.S. Revolving Lenders (if the U.S. Revolving Lenders are the adversely affected Class), Required U.S. Term Lenders (if the U.S. Term Lenders are the adversely affected Class), Required Canadian Lenders (if the Canadian Lenders are the adversely affected Class) or Required Australian Lenders (if the Australian Lenders are the adversely affected Class); or

(ix) amend or modify the protections afforded to an SPC pursuant to the provisions of Section 9.04(g) without the written consent of such SPC,

provided, *further*, that no such agreement shall amend, modify or otherwise affect the rights or duties of an Agent, an Issuing Bank or a Swing Line Lender hereunder or under any other Loan Document without the prior written consent of such Agent, Issuing Bank or Swing Line Lender, respectively.

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder or under any other Loan Document (and any amendment, waiver or consent which by its terms requires the consent of all Lenders, all Lenders or a majority in interest of Lenders under any Facility or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lender); *provided* that any such amendment, waiver or consent referred to in clause (b)(i), (ii) or (iii) above that, but for this sentence, would require the prior written consent of such Defaulting Lender, will continue to require the consent of such Defaulting Lender; and *provided further* that any such amendment, waiver or consent requiring the consent of all Lenders, such Lender or each affected Lender that by its terms affects any Defaulting Lender more adversely than any other Lender whose consent is so required shall require the consent of such Defaulting Lender.

No Lender or any Affiliate of a Lender shall have any voting rights under any Loan Document as a result of the existence of obligations owed to it under Hedging Agreements or Banking Services Obligations.

SECTION 9.09 ***Interest Rate Limitation***. Regardless of any provisions contained in this Agreement or in any other Loan Documents, the Lenders shall never be deemed to have contracted for or be entitled to receive, collect or apply as interest on any Loan or participation in any L/C Disbursement any amount in excess of the maximum lawful rate (the "*Maximum Rate*"), and in the event any Lender ever receives, collects or applies as interest (whether termed interest herein or deemed to be interest by operation of law or judicial determination) any such excess, or if an acceleration of the maturities of the Loans or if any prepayment by any Borrower results in such Borrower having paid any interest in excess of the Maximum Rate, such amount which would be excessive interest shall be deemed to be a partial prepayment of principal and applied to the reduction of the unpaid principal balance of the Loans for which such excess was received, collected or applied, and, if the principal amount of the Obligations is paid in full, any remaining excess shall forthwith be paid to the Applicable Borrower. All sums paid or agreed to be paid to the Lenders for the use, forbearance or detention of the Obligations evidenced by this Agreement shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread, in equal or unequal parts, throughout the full term of such Obligations until payment in full so that the rate or amount of interest on account of such indebtedness does not exceed the Maximum Rate. In determining whether or not the interest paid or payable under any specific contingency exceeds the Maximum Rate of interest permitted by law, the Borrowers and the Lenders shall, to the maximum extent permitted under applicable law, (i) characterize any non-principal payment as an expense, fee or premium, rather than as interest; and (ii) exclude voluntary prepayments and the effect thereof; and (iii) compare the total amount of interest contracted for, charged or received with the total amount of interest which could be contracted for, charged or received throughout the entire contemplated term of the Loans at the Maximum Rate.

SECTION 9.10 ***Entire Agreement***. This Agreement, the other Loan Documents and the Fee Letter constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

SECTION 9.11 ***WAIVER OF JURY TRIAL***. EACH PARTY HERETO HEREBY EXPRESSLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN ANY CONNECTION WITH THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS AND WHETHER FOUNDED IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE SIGNATORIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY. EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.11.

SECTION 9.12 ***Severability***. In the event any one or more of the provisions contained in this Agreement or in any other Loan Document should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 9.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Insolvency Laws, as determined in good faith by an Agent or Issuing Bank, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

SECTION 9.13 ***Counterparts***. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original but all of which when taken together shall constitute a single contract, and shall become effective as provided in Section 9.03. Delivery of an executed signature page to this Agreement by facsimile transmission or by electronic communication (e-mail) shall be as effective as delivery of a manually signed counterpart of this Agreement.

SECTION 9.14 ***Headings***. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

SECTION 9.15 ***Jurisdiction; Consent to Service of Process***. (a) Any legal action or proceeding with respect to this Agreement or any other Loan Document may be brought in the courts of the State of New York sitting in the Borough of Manhattan, New York City or of the United States for the Eastern District of such state, and by execution and delivery of this Agreement, each of the Borrowers hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of those courts. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that an Agent, an Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents against the Borrowers or their respective properties in the courts of any jurisdiction.

(b) Each of the Borrowers hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Loan Documents in any such New York state or Federal court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law. Each Borrower waives personal service of any summons, complaint or other process, which may be made by any other means permitted by the law of such state.

(d) Each Loan Party (other than the U.S. Borrower) hereby irrevocably appoints the U.S. Borrower as its agent to receive on its behalf and on behalf of its property service of copies of any summons or complaint or any other process which may be served in any action. Such service may be made by mailing or delivering a copy of such process to such Loan Party in care of the U.S. Borrower at the U.S. Borrower's address set forth in Section 9.01, and each such Loan Party hereby irrevocably authorizes and directs the U.S. Borrower to accept such service on its behalf.

SECTION 9.16 ***Confidentiality***. Each of the Agents, the Issuing Banks and the Lenders agrees to maintain, and cause their respective Affiliates to maintain, the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable law or by any subpoena or similar legal process, except that the parties hereto agree to the extent permitted they will not disclose information of the kind described by section 275(1) of the PPSA (Australia) except as permitted by any other provision of this clause or required by any other law or regulation, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of, pledgee under Section 9.04(f) or Participant in, or any prospective assignee of, pledgee under Section 9.04(f) or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Loan Parties and their obligations, (g) with the consent of the U.S. Borrower or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to any Agent, any Issuing Bank or any Lender on a non-confidential basis from a source other than the Borrower. For purposes of this Section, "Information" shall mean all information received from any Loan Party relating to any Loan Party or any of their respective businesses, other than any such information that is available to an Agent, an Issuing Bank or any Lender on a non-confidential basis prior to disclosure by any Loan Party, *provided* that, in the case of information received from a Loan Party after the date hereof, such information is clearly identified at the time of delivery as confidential. Any person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such person has exercised the same degree of care to maintain the confidentiality of such Information as such person would accord to its own confidential information.

SECTION 9.17 ***Judgment Currency***. (a) The obligations of the Borrowers and the other Loan Parties hereunder and under the other Loan Documents to make payments in U.S. dollars, Canadian dollars or Australian dollars (the "*Obligation Currency*") shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any currency other than the Obligation Currency, except to the extent that such tender or recovery results in the effective receipt by the Applicable Administrative Agent or a Lender or an Issuing Bank of the full amount of the Obligation Currency expressed to be payable to such Administrative Agent, Lender or Issuing Bank under this Agreement or the other Loan Documents. If, for the purpose of obtaining or enforcing judgment against a Borrower or any other Loan Party or in any court or in any jurisdiction, it becomes necessary to convert into or from any currency other than the Obligation Currency (such other currency being hereinafter referred to as the "*Judgment Currency*") an amount due in the Obligation Currency, the conversion shall be made at the Canadian Dollar Equivalent, U.S. Dollar Equivalent or Australian Dollar Equivalent, or, in the case of other currencies, the rate of exchange (as quoted by the Administrative Agent or if the Administrative Agent does not quote a rate of exchange on such currency, by a known dealer in such currency designated by the Administrative Agent) determined, in each case, as of the date immediately preceding the day on which the judgment is given (such Business Day being hereinafter referred to as the "*Judgment Currency Conversion Date*").

(b) If there is a change in the rate of exchange prevailing between the Judgment Currency Conversion Date and the date of actual payment of the amount due, each Borrower covenants and agrees to pay, or cause to be paid, as a separate obligation and notwithstanding any judgment, such additional amounts, if any (but in any event not a lesser amount), as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of the Obligation Currency which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial award at the rate of exchange prevailing on the Judgment Currency Conversion Date.

(c) For purposes of determining the Canadian Dollar Equivalent, U.S. Dollar Equivalent or Australian Dollar Equivalent or rate of exchange for this Section, such amounts shall include any premium and costs payable in connection with the purchase of the Obligation Currency.

SECTION 9.18 ***Exculpation Provisions***. EACH OF THE PARTIES HERETO SPECIFICALLY AGREES THAT IT HAS A DUTY TO READ THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND AGREES THAT IT IS CHARGED WITH NOTICE AND KNOWLEDGE OF THE TERMS OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS; THAT IT HAS IN FACT READ THIS AGREEMENT AND IS FULLY INFORMED AND HAS FULL NOTICE AND KNOWLEDGE OF THE TERMS, CONDITIONS AND EFFECTS OF THIS AGREEMENT; THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL OF ITS CHOICE THROUGHOUT THE NEGOTIATIONS PRECEDING ITS EXECUTION OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS; AND HAS RECEIVED THE ADVICE OF ITS ATTORNEY IN ENTERING INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS; AND THAT IT RECOGNIZES THAT CERTAIN OF THE TERMS OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS RESULT IN ONE PARTY ASSUMING THE LIABILITY INHERENT IN SOME ASPECTS OF THE TRANSACTION AND RELIEVING THE OTHER PARTY OF ITS RESPONSIBILITY FOR SUCH LIABILITY. EACH PARTY HERETO AGREES AND COVENANTS THAT IT WILL NOT CONTEST THE VALIDITY OR ENFORCEABILITY OF ANY EXCULPATORY PROVISION OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS ON THE BASIS THAT THE PARTY HAD NO NOTICE OR KNOWLEDGE OF SUCH PROVISION OR THAT THE PROVISION IS NOT "CONSPICUOUS."

SECTION 9.19 ***Payments Set Aside***. To the extent that any payment by or on behalf of any Loan Party is made to any Agent, Issuing Bank or Lender, or any Agent, Issuing Bank or Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by such Agent, Issuing Bank or Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Insolvency Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender and Issuing Bank severally agrees to pay to the Applicable Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Applicable Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable overnight rate from time to time in effect, in the applicable currency of such recovery or payment. The obligations of the Lenders and the Issuing Bank under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

SECTION 9.20 ***Termination***. This Agreement and each other Loan Document, and the covenants and agreements set forth herein and therein, and, in the case of any Security Document, all security interests and other Liens created thereunder, shall terminate upon the payment in full of all principal of and any accrued interest on any Loan and all Fees and other amounts payable under this Agreement, the termination or expiration of all Letters of Credit and the termination or expiration of the Commitments; *provided* that the provisions of Sections 2.13, 2.15, 2.19, and 9.05 and Article VIII, and any other provision set forth herein or therein that by its terms survives the termination of this Agreement or such other Loan Document, shall survive and remain in full force and effect.

SECTION 9.21 ***Patriot Act Notice***. Each Lender hereby notifies Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies such Borrower, which information includes the name and address of such Borrower and other information that will allow such Lender to identify such Borrower in accordance with the Patriot Act.

SECTION 9.22 ***Public Offer***.

(a) *Lead Arranger's representations, warranties and undertakings*. The Lead Arranger undertakes, represents and warrants to the Australian Loan Parties as follows:

(i) on behalf of the Australian Loan Parties, the Lead Arranger made invitations to become a Lender under this Agreement to at least 10 persons, each of whom, as at the date the relevant invitation is made, the relevant officers of the Lead Arranger involved in the transaction on a day to day basis believe carries on the business of providing finance or investing or dealing in securities in the course of operating in financial markets, for the purposes of section 128F(3A)(a)(i) of the Australian Tax Act, and each of whom has been disclosed to the Australian Loan Parties;

(ii) at least 10 of the persons to whom the Lead Arranger (on behalf of the Australian Loan Parties) has made invitations referred to in paragraph (i) above are not, as at the date the invitations are made, to the knowledge of the relevant officers of the Lead Arranger involved in the transaction, Associates of any of the others of those 10 invitees, the Lead Arranger or any Lender; and

(iii) the Lead Arranger has not made and will not make offers or invitations referred to in paragraph (i) above to persons whom the relevant officers of the Lead Arranger involved in the transaction know or suspect are Offshore Associates of the Australian Loan Parties.

(b) *Australian Loan Parties' representations and warranties*. The Australian Loan Parties represent and warrant that none of the potential offerees whose names were disclosed to it by the Lead Arranger before the date of this Agreement, were known or suspected by it to be an Offshore Associate of it or an Associate of any other such offeree. The Lead Arranger shall not, after the date of this Agreement, make an invitation to become a Lender under this Agreement to any potential offeree unless and until (i) the Lead Arranger has disclosed the name of such potential offeree to the Australian Loan Parties, and (ii) the Australian Loan Parties have confirmed to the Lead Arranger and the Administrative Agents that such potential offeree is not known or suspected by it to be an Offshore Associate of it. Each Australian Loan Party under this Agreement is a member of the same "wholly-owned group" (as defined in the Australian Tax Act) or an Associate of each other Australian Loan Party under this Agreement.

(c) *Lenders' representations and warranties*. Each Lender represents and warrants to the Australian Loan Parties that, if it received an invitation under paragraph (a)(i) above, at the time it received the invitation it was not an Offshore Associate of the Australian Loan Parties and it was carrying on the business of providing finance, or investing or dealing in securities, in the course of operating in financial markets.

(d) *Information*. The Lead Arranger and each Lender will provide to the Australian Loan Parties when reasonably requested any factual information in its possession or which it is reasonably able to provide to assist the Australian Loan Parties to demonstrate (based upon tax advice received by the Australian Loan Parties) that section 128F of the Australian Tax Act has been satisfied where to do so will not, in the reasonable opinion of the Lead Arranger or the Lenders, breach any law or regulation or any duty of confidence.

(e) *Cooperation if s128F requirement not satisfied*. If, for any reason, the requirements of section 128F of the Australian Tax Act have not been satisfied in relation to interest payable on Loans (except to an Offshore Associate of the Australian Loan Parties), then on request by the Administrative Agents, the Lead Arranger or the Australian Loan Parties, each party shall cooperate and take steps reasonably requested with a view to satisfying those requirements in paragraph (a), where a Lender breaches paragraph (c) above, at the cost of that Lender, or in all other cases, at the cost of the Australian Loan Parties.

(f) *Section 128F syndication statement*. The parties agree that this Agreement is a "syndicated facility agreement" for the purposes of section 128F(11)(a) of the Australian Tax Act.

[Remainder of this page intentionally left blank. Signature pages follow.]

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

CIVEO CORPORATION.

By: _____
Name:
Title:

CIVEO CANADA INC.
CIVEO PREMIUM CAMP SERVICES LTD.

By: _____
Name:
Title:

CIVEO AUSTRALIA PTY LIMITED

_____
Signature of Director

_____
Name of Director

_____
Signature of Director/Company Secretary

_____
Name of Director/Company Secretary

ROYAL BANK OF CANADA, as Administrative Agent, U.S. Collateral Agent, Canadian Administrative Agent and Canadian Collateral Agent

By: _____
Name: _____
Title: _____

ROYAL BANK OF CANADA, as a U.S. Lender, a Canadian Lender, the U.S. Swing Line Lender, the Canadian Swing Line Lender and an Issuing Bank

By: _____
Name: _____
Title: _____

RBC EUROPE LIMITED, as an Australian Lender, Australian Administrative Agent, Australian Collateral Agent and an Issuing Bank

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as a U.S. Lender, U.S. Swing Line Lender and an Issuing Bank

By: _____
Name: _____
Title: _____

THE TORONTO-DOMINION BANK, as a Canadian Lender, Canadian Swing Line Lender and an Issuing Bank

By: _____
Name: _____
Title: _____

THE BANK OF NOVA SCOTIA, as a Canadian Lender and an Issuing Bank

By: _____
Name: _____
Title: _____

NATIONAL AUSTRALIA BANK, as an Australian Lender and an Issuing Bank

By: _____
Name: _____
Title: _____

[_____], as a U.S. Lender

By: _____
Name: _____
Title: _____

[_____], as a Canadian Lender

By: _____
Name: _____
Title: _____

[_____], as an Australian Lender

By: _____
Name: _____
Title: _____

SCHEDULE 2.01

Lenders and Commitments

Commitments

Bank	U.S. Revolving Commitment	U.S. Term Commitment	Canadian Revolving Commitment	Australian Revolving Commitment	Total Commitment
Royal Bank of Canada					
TOTAL					

Exhibit 99.1

, 2014

Dear Oil States Stockholder:

I am pleased to inform you that on May 5, 2014, the board of directors of Oil States International, Inc. approved the spin-off of our Accommodations business as a separate, publicly traded company, which we have named Civeo Corporation ("Civeo"). Upon completion of the spin-off, Oil States stockholders will own 100% of the outstanding shares of common stock of Civeo. We believe that this separation of Civeo to form a new, independent, publicly traded company is in the best interests of Oil States, its stockholders and Civeo.

The spin-off will be completed by way of a pro rata distribution on May 30, 2014, of Civeo common stock to our stockholders of record as of the close of business on May 21, 2014, the spin-off record date. Each Oil States stockholder will receive two shares of Civeo common stock for each share of Oil States common stock held by such stockholder on the record date. The distribution of these shares will be made in book-entry form, which means that no physical share certificates will be issued. Following the spin-off, stockholders may request that their shares of Civeo common stock be transferred to a brokerage or other account at any time.

The spin-off is subject to certain customary conditions. Stockholder approval of the distribution is not required, nor are you required to take any action to receive your shares of Civeo common stock.

Immediately following the spin-off, you will own common stock in Oil States and Civeo. Oil States' common stock will continue to trade on the New York Stock Exchange under the symbol "OIS". Civeo's common stock has been approved to be listed on the New York Stock Exchange under the symbol "CVEO".

Oil States has received a private letter ruling from the Internal Revenue Service to the effect that, among other things, the distribution of Civeo's common stock to Oil States stockholders, together with certain related transactions, will qualify as a transaction that is tax-free for U.S. federal income tax purposes. You should consult your own tax advisor as to the particular tax consequences of the distribution to you, including potential tax consequences under state, local and non-U.S. tax laws. The separation is also subject to other conditions, including necessary regulatory approvals.

The enclosed information statement, which is being mailed to all Oil States stockholders, describes the spin-off in detail and contains important information about Civeo, including its consolidated financial statements. We urge you to read this information statement carefully.

I want to thank you for your continued support of Oil States. We look forward to your support of Civeo in the future.

Yours sincerely,

Cindy B. Taylor
President and Chief Executive Officer
Oil States International, Inc.

, 2014

Dear Civeo Stockholder:

It is our pleasure to welcome you as a stockholder of our company, Civeo Corporation We provide remote site accommodations, logistics and facility management services to the global natural resource industry, with operations primarily focused in Canada, Australia and the United States.

Civeo has a history of operational excellence spanning over twenty years in the Canadian oil sands region and over fifteen years in the Australian natural resources market. With our solid reputation for providing premium accommodations and services in our over 20,000 lodge and village rooms, we are well-positioned to continue to grow organically in our existing regions of operations as well as assess opportunities in additional locations and markets. As an independent, publicly traded company, we can more effectively focus on and enhance our strategic growth plans and deliver long-term stockholder returns.

We have been approved to list Civeo common stock on the New York Stock Exchange under the symbol “CVEO” in connection with the distribution of Civeo common stock by Oil States.

We invite you to learn more about Civeo by reviewing the enclosed information statement. We look forward to our future as an independent, public company and to your support as a holder of Civeo common stock.

Very truly yours,

Bradley J. Dodson
President and Chief Executive Officer
Civeo Corporation

Information contained herein is subject to completion or amendment. A Registration Statement on Form 10 relating to these securities has been filed with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

SUBJECT TO COMPLETION, DATED May 6, 2014

INFORMATION STATEMENT

Civeo Corporation

Common Stock

(par value $0.01 per share)

This information statement is being sent to you in connection with the separation of Civeo Corporation ("Civeo") from Oil States International, Inc. ("Oil States"), following which Civeo will be an independent, publicly traded company. As part of the separation, Oil States will distribute all of the shares of Civeo common stock on a pro rata basis to the holders of Oil States' common stock. We refer to this pro rata distribution as the "distribution" and we refer to the separation, including the restructuring transactions (which will precede the separation) and the distribution, as the "spin-off." We expect that the spin-off will be tax-free to Oil States stockholders for U.S. federal income tax purposes. Each Oil States stockholder will receive two shares of Civeo common stock for each share of Oil States common stock held by such stockholder as of the close of business on May 21, 2014, the record date for the distribution. The distribution of shares will be made in book-entry form. As discussed under "The Spin-Off—Trading Prior to the Distribution Date," if you sell your common shares of Oil States in the "regular-way" market after the record date and before the distribution date, you also will be selling your right to receive shares of our common stock in connection with the separation. The distribution will be effective as of 11:59 p.m., Eastern Time, on May 30, 2014. Immediately after the distribution becomes effective, Civeo will be an independent, publicly traded company.

No vote or further action of Oil States stockholders is required in connection with the spin-off. We are not asking you for a proxy. Oil States stockholders will not be required to pay any consideration for the shares of Civeo common stock they receive in the spin-off, and they will not be required to surrender or exchange shares of their Oil States common stock or take any other action in connection with the spin-off.

All of the outstanding shares of Civeo common stock are currently owned by Oil States. Accordingly, there is no current trading market for Civeo common stock. We expect, however, that a limited trading market for Civeo common stock, commonly known as a "when-issued" trading market, will develop on or shortly before the record date for the distribution, and we expect "regular-way" trading of Civeo common stock will begin the first trading day after the distribution date. We have been approved to list Civeo common stock on the New York Stock Exchange under the ticker symbol "CVEO".

In reviewing this information statement, you should carefully consider the matters described in "Risk Factors" beginning on page 19 of this information statement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this information statement is truthful or complete. Any representation to the contrary is a criminal offense.

This information statement is not an offer to sell, or a solicitation of an offer to buy, any securities.

The date of this information statement is May 6, 2014.

This information statement was first mailed to Oil States stockholders on or about , 2014.

TABLE OF CONTENTS

This information statement is being furnished solely to provide information to Oil States stockholders who will receive shares of Civeo common stock in connection with the spin-off. It is not provided as an inducement or encouragement to buy or sell any securities. You should not assume that the information contained in this information statement is accurate as of any date other than the date set forth on the cover. Changes to the information contained in this information statement may occur after that date, and we undertake no obligation to update the information contained in this information statement, unless we are required by applicable securities laws to do so.

SUMMARY

This summary highlights information contained in this information statement and provides an overview of our company, our separation from Oil States and the distribution of Civeo common stock by Oil States to its stockholders. You should read this entire information statement carefully, including the risks discussed under "Risk Factors," our audited and unaudited historical combined financial statements and the notes thereto and our unaudited pro forma combined financial statements included elsewhere in this information statement. Some of the statements in this summary constitute forward-looking statements. See "Forward-Looking Statements."

Except where the context otherwise requires or where otherwise indicated, (1) all references to "Oil States" refer to Oil States International, Inc., our parent company, and its subsidiaries, other than us, and (2) all references to "Civeo," the "Company," "we," "us" and "our" refer to Civeo Corporation and its subsidiaries. Except as otherwise indicated or unless the context otherwise requires, the information included in this information statement assumes the completion of the restructuring transactions. See "The Spin-Off—Restructuring Transactions."

Overview

We are currently a wholly owned subsidiary of Oil States. Following the spin-off, we will be one of the largest integrated providers of long-term and temporary remote site accommodations, logistics and facility management services to the natural resource industry. We operate in some of the world's most active oil, coal, natural gas and iron ore producing regions, including Canada, Australia and the United States. We have established a leadership position in providing a fully integrated service offering to our customers, which include major and independent oil and natural gas companies, mining companies and oilfield and mining service companies. Our Develop, Own and Operate model allows our customers to focus their efforts and resources on their core development and production businesses.

Our scalable modular facilities provide workforce accommodations where, in many cases, traditional infrastructure is not accessible, sufficient or cost effective. Our services allow for efficient development and production of resources found in locations far away from large communities. We believe that many of the more recently discovered mineral deposits and hydrocarbon reservoirs are in remote locations. We support these facilities by providing lodging, catering and food services, housekeeping, recreation facilities, laundry and facilities management, as well as water and wastewater treatment, power generation, communications and personnel logistics where required. Our premium accommodations services allow our customers to outsource their accommodations needs to a single supplier, maintaining employee welfare and satisfaction while focusing their investment on their core resource development efforts. Our primary focus is on providing premium accommodations to leading natural resource companies at our major properties, which we refer to as lodges in Canada and villages in Australia. We have seventeen lodges and villages in operation, with an aggregate of more than 20,000 rooms. Additionally, in the United States and Canada, we have eleven smaller open camp properties as well as a fleet of mobile accommodation assets. For the year ended December 31, 2013, we generated $1.0 billion in revenue and $259.5 million in operating income.

Demand for our accommodations services generally originates from our customers' projects which can be segmented into two phases, (1) the development or construction phase and (2) the operations and production phase. Initial demand for our services is primarily driven by our customers' capital spending programs related to the construction and development of oil sands projects, mines and other resource developments including associated resource delineation and infrastructure. Long term demand for our services is driven by the operations of the producing projects and mines including operating and production activities, sustaining and maintenance capital spending, the drilling and completion of steam-assisted gravity drainage (SAGD) wells and long-term development of related infrastructure. Industry capital spending programs are generally based on the long-term outlook for commodity prices, economic growth and estimates of resource production. We concentrate our efforts on serving customer operations with long-duration production horizons that we think will generate strong returns on our deployed capital.

Our Competitive Strengths

Develop, Own, Operate model with solutions that span the lifecycle of the customers' projects

We employ a Develop, Own, Operate business model, offering an integrated solution to our customers' workforce accommodations needs. We identify and acquire sites through purchase or long-term lease and then arrange for necessary permits for development. We also engineer, design, construct, install and operate full service, scalable facilities. This comprehensive service offering enables our customers to focus on their core competency – the exploration and development of natural resources – and consequently allocate their operational resources and financial capital more efficiently. In return for outsourcing their accommodations needs, our customers benefit from efficient operations and consistent service delivery with greater cost and quality control. Housing personnel and contractors is not a significant project or operating expense for our customers, nor is it their expertise. However, accommodations availability and quality are material factors impacting our customers' project timing and success. The quality of accommodations is critical to the attraction, retention and productivity of our customers' workforce because skilled employees are generally in relatively limited supply in the regions where we operate. Our Develop, Own, Operate model provides accountability and a single-source counterparty that we believe is valued by our customers.

Using our Develop, Own, Operate business model, we provide accommodations solutions which span the lifecycle of customer projects from the initial exploration and resource delineation to long term production. Initially, as customers assess the resource potential and determine how they will develop it, they typically need accommodations for a limited number of employees for an uncertain duration of time. Our fleet of mobile accommodation assets is well-suited to support this initial exploratory stage as customers evaluate their development and construction plans. As development of the resource begins, we are able to serve their needs through either our open camp model or through our scalable lodge or village model. As projects grow and headcount needs increase, we are able to scale our facility size to meet our customers' growing needs. By providing infrastructure early in the project lifecycle, we are well positioned to continue to service our customers throughout the production phase, which typically lasts decades.

Reputation and experience

Without a track-record of relevant operating success in a region, customers are reluctant to award accommodations contracts to unproven counterparties. We believe that our reputation and proven ability to build and operate premium accommodations offer a competitive advantage in securing new contracts. Through a predecessor we initially entered the large scale, premium workforce accommodation market through a 2,100 bed facility that we built and sold to Syncrude in 1990 and operated and managed for them for nearly twenty years. Our initial investment in large scale owned and operated accommodations in the oil sands in Canada came with the establishment of our PTI Lodge in 1998 and through our predecessor in Australia with our Moranbah Village in 1996. Since making those initial investments, our product and service offering has evolved as our customers' needs have changed. Accommodations are critical to our customers' projects; without timely availability and quality of accommodations, their projects may not start as expected or may not be able to attract and retain qualified and sufficient labor. We believe our track-record of meeting deadlines and delivering a high level of service aids in the establishment and operation of many projects and allow us to minimize risk for our customers. In Canada, we received Shell's Vendor of the Year award in 2010 as well as the Award of Distinction for Aboriginal Affairs from the Premier of Alberta in 2011. In 2013, our Australian operations received the prestigious Australian Business Award for Service Excellence.

High quality asset base in areas with long term visibility creates a more stable revenue base

We have built a network of high quality accommodations assets that are generally placed near long-lived resource assets – primarily metallurgical coal mines in the Bowen Basin of Australia, oil sands recovery projects in Alberta, Canada and oil and gas shale resources in the U.S. These reserves generally have long-term development horizons that we believe provide us with a long term opportunity for occupancy in our lodges and villages. Many of our guests are working on resource assets that have expected 30-40 year production lives, although production levels, and thus our occupancy, may fluctuate during these periods as commodity prices vary. Many of our accommodations are strategically located near concentrations of large resource projects, allowing multiple customers to access our sites and share accommodations costs that would otherwise be borne by each project individually.

We offer premium services with comfortable, high quality rooms complemented by comprehensive infrastructure and supporting services. Our services include laundry, power generation, water and wastewater treatment as well as a growing expertise in personnel logistics, allowing our customers to focus on resource development. These premium facilities and services are targeted towards the larger, more stable resource companies and their contractors. We are well positioned to serve multi-year resource developments, providing, for our industry, longer-term visibility and stability to our operations. We seek a customer base that typically contracts for accommodations services under two to five year, take-or-pay contracts, providing more stable revenues. In addition, the costs to many of our customers of switching providers are high due to the long lead times required to acquire land and subsequently develop supporting accommodations facilities. We believe this strategy helps reduce investment and customer concentration risks, enhancing revenue visibility and stability.

Land banking focus with a pipeline of approved developments

We believe that there are benefits created by investing early in land in order to gain the strategic, early mover advantage in an emerging region or resource play. The initial component of our Develop, Own, Operate business model is site selection and permitting. Our business development team actively assesses regions of potential future customer demand and pursues land acquisition and permitting, a process we describe as “land banking.” We believe that having the first available accommodations solution in a new market allows us to win contracts from customers and gives us an early mover advantage as competitors may be less willing to speculatively build large-scale accommodation facilities without firm customer commitments.

We currently operate in a total of twenty-eight locations, which includes seven lodges, ten villages and eleven open camps across Australia, Canada and the U.S., several of which have the capacity for further expansion if market and customer demands grow and if we obtain appropriate permitting and other regulatory approvals. In some of these locations, we have already secured additional land to expand our operational footprint if needed. Our financial strength allows us to make these investments which we believe is a competitive advantage. We have a pipeline of five undeveloped sites that have received the necessary permitting and regulatory approvals. We believe this will allow us to respond promptly to future room demand in emerging regions.

Significant operational and financial scale

Natural resources projects in the Canadian oil sands region and Australian mining regions are typically large in scope and scale; oftentimes costing several billion dollars, and have significant requirements for equipment and labor. Service providers, particularly outsourced accommodations providers, in this sector must have significant operational and financial scale and resources to adequately serve these sizable developments. With cash flow from existing facilities coupled with our solid financial structure, we are capable and willing to invest further to support customer growth plans. As a result of our significant investments made over the last four years, we have more than doubled our accommodations revenues to $1.0 billion in 2013. We are one of the largest global providers of accommodations services. We have spent $1.2 billion for capital expenditures in North America since Oil States' IPO in 2001 and $375.8 million in Australia since our acquisition of The MAC in 2010. Our largest lodge, Wapasu Creek Lodge, has over 5,100 rooms which we believe is the second largest lodging property in North America, in terms of rooms, second only to a hotel in Las Vegas. With our proven operational track record, substantial installed base and strong balance sheet, we are able to clearly demonstrate to customers that we have the willingness to invest and have the scale to deliver premium services on their most substantial projects, reducing their project timing and counterparty risks.

Our Business Strategy

Pursue growth in existing markets through existing and undeveloped locations

We believe that we have considerable growth opportunities in our existing markets through our portfolio of permitted, undeveloped locations. We also have permitted expansion capability in some of our current operating lodges and villages. The permits associated with land banked undeveloped locations and existing locations allow for the development of up to approximately16,000 additional lodge and village rooms over time, which represents a potential increase of more than 75% over the 20,857 rooms in operation as of December 31, 2013. For the three years ended December 31, 2013, we have invested $28.2 million on land banking. However, we are under no obligation to develop these sites and cannot provide any assurance that these locations will be developed. See "Risk Factors – Our land banking strategy may not be successful." With our integrated business model, this pipeline of permitted developments provides us with the ability to respond quickly to customer project approvals and be an early mover in regions with emerging accommodation demand.

We will continue to be proactive in securing land access and permits for future locations, so that we are prepared to be an early mover in identified growth regions. When a market opportunity is identified, we secure an appropriate block of land, either through acquisitions or leases, with appropriate zoning, near high quality reserves and/or near prospective customer locations. This strategy requires us to carefully evaluate potential future demand opportunities, oftentimes several years in advance of the specific market opportunity, due to the lead time required for development approvals and land development. We believe that our scale and financial position provides us with advantages in pursuing this strategy. Our existing land holdings comprise assets that expand our capacity in some of our base markets as well as properties that extend the reach of our offering.

Capital discipline based on returns focused investment and flexible financial structure

We take a thoughtful, measured, disciplined and patient approach to our investments. Our land banking strategy creates a relatively inexpensive option to develop a property in the future. Our scalable facility design then allows us to match the pace of our investments to demand growth. For example, our Wapasu Creek Lodge opened in 2007 with 589 rooms. As activity in the area expanded, we were able to build further stages such that Wapasu now comprises 5,174 rooms with three central core facilities. We believe that we have an incumbency advantage to extend our contracts after the initial term due to our premium services and long lead times for site development and permitting.

Our substantial base of operations and cash flow coupled with our strong balance sheet will allow us to pursue and execute our strategic growth plan while maintaining a suitable leverage profile given the contract profile of our existing operations. We believe that our financial strength makes us a more attractive counterparty for the largest natural resource companies. Our capital base allows us to undertake large projects, often involving long lead times, and commit capital throughout industry cycles.

Selectively pursue acquisition opportunities

We actively pursue accretive acquisitions in market sectors where we believe such acquisitions can enhance and expand our business. We believe that we can expand existing services and broaden our geographic footprint through strategic acquisitions. These acquisitions also allow us to generate incremental revenues from existing and new customers and obtain greater market share.

We employ a buy and build strategy for acquisitions. We purchase cash flow producing assets in complementary markets and grow those assets organically. The acquisition of The MAC in December 2010 is an example of our buy and build strategy. We viewed the Australia accommodations market as an attractive market with a similar economic and political profile to our Canadian business. At the date of acquisition, The MAC had 5,210 rooms. We have since grown the room count by 78% through the addition of 4,052 rooms while adding four villages to that portfolio.

Pursue growth into new segments and sectors

We believe that our knowledge of developing and operating premium, integrated accommodations services may translate to new sector opportunities, potentially including military and student housing, emergency lodging services and construction support, among others. We have historically focused on the natural resources end markets, but we believe that there continues to be strong, stable demand in certain non-energy markets, typically characterized by long-tenured projects, with some in remote locations.

Additionally, we have opportunities to provide additional personnel related services to our existing customer base. As a trusted partner on issues related to people and as an expert in remote workforce logistics, we are assessing the opportunity to manage or assist in the logistics of our guests' journey from home to our properties to work and back home including reservations management, flight centers and bus terminals. We believe that the spin-off will enhance our ability to enter new sectors and expand our logistical services to the customer.

Other Information

Civeo was incorporated under the laws of the State of Delaware in 2013. Our principal executive offices are located at Three Allen Center, 333 Clay Street, Suite 4980, Houston, Texas 77002. Our telephone number is (713) 652-0582. Our website address is *www.civeo.com*. Information contained on our website is not incorporated by reference into this information statement or the registration statement on Form 10 of which this information statement is a part, and you should not consider information on our website as part of this information statement or such registration statement on Form 10.

The Spin-Off

On July 30, 2013, Oil States announced that its board of directors had authorized management to pursue the spin-off of its accommodations business into a standalone, publicly traded company, following which we will be an independent, publicly owned company. As part of the spin-off, we will consummate certain restructuring transactions described under "The Spin-Off—Restructuring Transactions," including (i) the incurrence of additional debt, (ii) the payment of a special dividend to Oil States and (iii) the contribution and transfer to us of the assets and liabilities associated with our business. These transactions are collectively referred to as our "restructuring transactions" throughout this information statement.

We currently depend on Oil States for a number of administrative functions. Prior to the completion of the spin-off, we will enter into agreements with Oil States related to the separation of our business operations from Oil States. These agreements will be in effect as of the completion of the spin-off and will govern various ongoing relationships between Oil States and us, including the extent, manner and timing of our dependence on Oil States for certain administrative services, primarily related to information technology resources, following the completion of the spin-off. Under the terms of these agreements, we are entitled to the ongoing assistance of Oil States only for a limited period of time following the spin-off. For more information regarding these agreements, see "Arrangements Between Oil States and Our Company" and the historical combined and pro forma financial statements and the notes thereto included elsewhere in this information statement. All of the agreements relating to our separation from Oil States will be made in the context of a parent-subsidiary relationship and will be entered into in the overall context of our separation from Oil States. The terms of these agreements may be more or less favorable to us than if they had been negotiated with unaffiliated third parties. See "Risk Factors—Risks Related to the Spin-Off."

The distribution of Civeo common stock as described in this information statement is subject to the satisfaction or waiver of certain conditions. In addition, Oil States has the right not to complete the spin-off if, at any time prior to the distribution, the board of directors of Oil States determines, in its sole discretion, that the spin-off is not in the best interests of Oil States or its stockholders or that market conditions are such that it is not advisable to separate Civeo from Oil States. See "The Spin-Off—Conditions to the Spin-Off."

Questions and Answers about the Spin-off

The following provides only a summary of the terms of the spin-off. For a more detailed description of the matters described below, see "The Spin-Off."

Q: *What is the spin-off?*

A: The spin-off is the method by which Civeo will separate from Oil States. To complete the spin-off, Oil States will distribute to its stockholders all of the shares of Civeo common stock. Following the spin-off, Civeo will be a separate company from Oil States, and Oil States will not retain any ownership interest in Civeo. The number of shares of Oil States common stock you own will not change as a result of the spin-off.

Q: *What will I receive in the spin-off?*

A: As a holder of Oil States stock, you will retain your Oil States shares and will receive two shares of Civeo common stock for each share of Oil States common stock you hold as of the record date. Your proportionate interest in Oil States will not change as a result of the spin-off. For a more detailed description, see "The Spin-Off."

Q: *What is Civeo?*

A: Civeo is currently a wholly-owned subsidiary of Oil States whose shares will be distributed to Oil States stockholders if the spin-off is completed. After the spin-off is completed, Civeo will be a public company and will own and operate the accommodations business that was formerly a part of Oil States. That business is referred to as the "accommodations business" throughout this information statement.

Q: *When is the record date for the distribution, and when will the distribution occur?*

A: The record date will be the close of business of the New York Stock Exchange (the "NYSE") on May 21, 2014. The distribution date of the spin-off is May 30, 2014.

Q: *What are the reasons for and benefits of separating Civeo from Oil States?*

A: The separation of Civeo from Oil States and the distribution of Civeo common stock are intended to provide you with equity investments in two separate companies, each of which will be able to focus on their respective businesses. For a more detailed discussion of the reasons for and benefits of the spin-off, see "The Spin-Off—Reasons for the Spin-Off."

Q: *Why is the separation of Civeo structured as a spin-off as opposed to a sale?*

A: Oil States believes that a tax-free distribution of Civeo common stock is an efficient way to separate Civeo from Oil States in a manner that will improve flexibility, benefit both Oil States and the accommodations business and create long-term value for stockholders of both Oil States and Civeo.

Q: *What is being distributed in the spin-off?*

A: Approximately 106,112,722 shares of Civeo common stock will be distributed in the spin-off, based on the number of shares of Oil States common stock expected to be outstanding as of the record date. The actual number of shares of Civeo common stock to be distributed will be calculated on May 21, 2014, the record date. The shares of Civeo common stock to be distributed by Oil States will constitute all of the issued and outstanding shares of Civeo common stock immediately prior to the distribution. For more information on the shares being distributed in the spin-off, see "Description of Capital Stock—Common Stock."

Q: *How will options and other equity-based compensation awards held by Oil States employees be affected as a result of the spin-off?*

A: Restricted shares of Oil States common stock held by current employees of Civeo will be cancelled upon the spin-off, with the holder thereof entitled to receive a number of time-vested restricted shares of Civeo common stock determined in a manner to preserve the pre spin-off value of the prior award. Oil States options and other time-vested equity-based awards (other than restricted shares) held by current employees of Civeo will be converted upon the spin-off such that each equity award holder will hold the same type of award with respect to Civeo common stock, with the number of shares and exercise price of such award adjusted to preserve the value of the award prior to the spin-off. Oil States options and other time-vested equity-based awards held by current or former employees or directors of Oil States will remain outstanding following the spin-off, with the number of shares and exercise price of such award adjusted upon the spin-off to preserve the value of the award prior to the spin-off. Oil States performance-based deferred stock awards will be cancelled with the holder thereof entitled to receive a grant of time-vested restricted shares of Civeo common stock (in the case of Civeo employees) or Oil States common stock (in the case of current and former Oil States employees), with the resulting number of restricted shares determined based upon the number of Oil States shares issuable pursuant to such deferred stock award assuming settlement based upon the actual attainment of performance objectives to date as of Oil States' most recently-completed fiscal quarter. For more information regarding the treatment of equity-based compensation awards in the spin-off, see "The Spin-Off—Treatment of Stock-Based Plans for Current and Former Employees."

Q: *What do I have to do to participate in the spin-off?*

A: You are not required to take any action, although you are urged to read this entire document carefully. No stockholder approval of the distribution is required or sought. You are not being asked for a proxy. No action is required on your part to receive your shares of Civeo common stock. You will neither be required to pay anything for the new shares nor to surrender any shares of Oil States common stock to participate in the spin-off.

Q: *What are the U.S. federal income tax consequences of the spin-off?*

A: Oil States has received a private letter ruling from the Internal Revenue Service (the "IRS") substantially to the effect that, for U.S. federal income tax purposes, (i) certain transactions to be effected in connection with the separation qualify as transactions under Sections 355 and/or 368(a) of the Internal Revenue Code of 1986, as amended (the "Code") and (ii) the distribution qualifies as a tax-free transaction under Section 355 and Section 368(a)(1)(D) of the Code. In addition, Oil States will receive an opinion from its tax counsel, which will rely on the effectiveness of the private letter ruling, with respect to certain matters on which the IRS will not rule. See "The Spin-Off – Conditions to the Spin-Off." Accordingly, the contribution, distribution and related transactions will qualify as a tax-free transactions under Section 355 and/or Section 368(a)(1)(D) of the Code, for U.S. federal income tax purposes, no gain or loss will generally be recognized by an Oil States shareholder, and no amount will be included in such Oil States shareholder's taxable income, as a result of the spin-off. You should, however, consult your own tax advisor as to the particular consequences to you. The U.S. federal income tax consequences of the distribution are described in more detail under "The Spin-Off—U.S. Federal Income Tax Consequences of the Spin-Off."

Q: *Will the Civeo common stock be listed on a stock exchange?*

A: Yes. Although there is not currently a public market for Civeo common stock, Civeo has been approved to list its common stock on the NYSE under the symbol "CVEO". It is anticipated that trading of Civeo common stock will commence on a "when-issued" basis on or shortly before the record date. When-issued trading refers to a sale or purchase made conditionally because the security has been authorized but not yet issued. When-issued trades generally settle within four trading days after the distribution date. On the first trading day following the distribution date, any when-issued trading with respect to Civeo common stock will end and "regular-way" trading will begin. "Regular-way" trading refers to trading after a security has been issued and typically involves a transaction that settles on the third full trading day following the date of the transaction. See "Trading Market."

Q: *Will my shares of Oil States common stock continue to trade?*

A: Yes. Oil States common stock will continue to be listed and traded on the NYSE under the symbol "OIS".

Q: *If I sell, on or before the distribution date, shares of Oil States common stock that I held on the record date, am I still entitled to receive shares of Civeo common stock distributable with respect to the shares of Oil States common stock I sold?*

A: Beginning on or shortly before the record date and continuing through the distribution date for the spin-off, Oil States' common stock will begin to trade in two markets on the NYSE: a "regular-way" market and an "ex-distribution" market. If you are a holder of record of shares of Oil States common stock as of the record date for the distribution and choose to sell those shares in the regular-way market after the record date for the distribution and before the distribution date, you also will be selling the right to receive the shares of Civeo common stock in connection with the spin-off. However, if you are a holder of record of shares of Oil States common stock as of the record date for the distribution and choose to sell those shares in the ex-distribution market after the record date for the distribution and before the distribution date, you will still receive the shares of Civeo common stock in the spin-off.

Q: *Will the spin-off affect the trading price of my Oil States stock?*

A: Yes, the trading price of shares of Oil States common stock immediately following the distribution is expected to be lower than immediately prior to the distribution because of the shareholder dividend of Civeo stock and the fact that its trading price will no longer reflect the value of the accommodations business. However, we cannot provide you with any assurance as to the price at which the Oil States shares will trade following the spin-off.

Q: *What indebtedness will Civeo have following the spin-off?*

A: In connection with the spin-off, we expect to enter into (i) a $650.0 million, 5-year revolving credit facility which is currently expected to be allocated as follows: (A) a $450.0 million senior secured revolving credit facility in favor of Civeo, as borrower, (B) a $100.0 million senior secured revolving credit facility in favor of certain of our Canadian subsidiaries, as borrowers, and (C) a $100.0 million senior secured revolving credit facility in favor of one of our Australian subsidiaries, as borrower; and (ii) a 5-year U.S. term loan facility in an amount to be determined up to $775.0 million in favor of Civeo. Amounts outstanding under the credit facilities are expected to bear interest at LIBOR plus a margin of 1.75% to 2.75%, or at a base rate plus a margin of 0.75% to 1.75%, in each case based on a ratio of our total leverage to EBITDA (as defined in the credit facilities). We anticipate that, upon closing of the spin-off, our U.S. term loan facility will be fully drawn and that we will have no borrowings outstanding under our credit facilities. See "Description of Material Indebtedness" for a more detailed description of these transactions.

Q: *What will the relationship be between Oil States and Civeo after the spin-off?*

A: Following the spin-off, Civeo will be an independent, publicly traded company and Oil States will have no continuing stock ownership interest in Civeo. In connection with the spin-off, Civeo will have entered into a separation and distribution agreement and several other agreements with Oil States for the purpose of allocating between Civeo and Oil States various assets, liabilities and obligations. These agreements will also govern Civeo's relationship with Oil States following the spin-off and will provide arrangements for employee matters, tax matters and some other liabilities and obligations attributable to periods before and, in some cases, after the spin-off. These agreements will also include arrangements with respect to transition services.

Q: *What will Civeo's dividend policy be after the spin-off?*

A: Our board of directors has approved a dividend policy pursuant to which, following the spin-off, we intend to pay a quarterly dividend in the amount of $0.13 per share, which we intend to commence payment of in the third quarter. However, the amount per share of our dividend payments may be changed in the future without advance notice. In addition, our ability to pay dividends on our common stock is limited by covenants in our credit facilities. Future agreements may also limit our ability to pay dividends, and we may incur incremental taxes in the United States if we repatriate foreign earnings to pay such dividends. See "Dividend Policy," "Description of Material Indebtedness" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Tax Matters."

Q: *What are the anti-takeover effects of the spin-off?*

A: Some provisions of the amended and restated certificate of incorporation of Civeo, the amended and restated bylaws of Civeo and Delaware law may have the effect of making more difficult an acquisition of control of Civeo in a transaction not approved by Civeo's board of directors. For example, Civeo's amended and restated certificate of incorporation and amended and restated bylaws provide for a classified board, require advance notice for shareholder proposals and nominations, place limitations on convening shareholder meetings and authorize Civeo's board of directors to issue one or more series of preferred stock. In addition, certain provisions of the transaction agreements may limit our ability to enter into strategic transactions. See "Description of Capital Stock—Anti-Takeover Effects of Provisions of our Amended and Restated Certificate of Incorporation, our Amended and Restated Bylaws and Delaware Law" and "Risk Factors—Risks Related to the Spin-Off" for more information.

Q: *What are the risks associated with the spin-off?*

A: There are a number of risks associated with the spin-off and resultant ownership of Civeo common stock. These risks are discussed under "Risk Factors" beginning on page 19.

Q: *Where can I get more information?*

A: If you have any questions relating to the mechanics of the distribution, you should contact the distribution agent at:

Computershare Trust Company, N.A.
100 Crescent Court, Suite 700
Dallas, Texas 75201
Phone: (214) 808-3264

Before the spin-off, if you have any questions relating to the spin-off, you should contact Oil States at:

Oil States International, Inc.
Attn: Investor Relations
Three Allen Center
333 Clay Street, Suite 4620
Houston, Texas 77002
Phone: (713) 652-0582
www.oilstatesintl.com

After the spin-off, if you have any questions relating to Civeo, you should contact Civeo at:

Civeo Corporation
Attn: Investor Relations
Three Allen Center
333 Clay Street, Suite 4980
Houston, Texas 77002
Phone: (713) 652-0582
www.civeo.com

Summary of the Spin-Off

Distributing Company	Oil States International, Inc., a Delaware corporation. After the distribution, Oil States will not own any shares of Civeo common stock.
Distributed Company	Civeo Corporation, a Delaware corporation and a wholly-owned subsidiary of Oil States. After the spin-off, Civeo will be an independent, publicly owned company.
Distributed Securities	All of the shares of Civeo common stock owned by Oil States, which will be 100% of Civeo common stock issued and outstanding immediately prior to the distribution.
Record Date	The record date for the distribution is the close of business on May 21, 2014.
Distribution Date	The distribution date is May 30, 2014.
Restructuring Transactions	As part of the spin-off, we will consummate certain restructuring transactions described under "The Spin-Off—Restructuring Transactions," including (i) the incurrence of additional debt, (ii) the payment of a special dividend to Oil States and (iii) the contribution and transfer to us of the assets and liabilities associated with our business.
Indebtedness	In connection with the spin-off, we expect to enter into (i) a $650.0 million, 5-year revolving credit facility which is currently expected to be allocated as follows: (A) a $450.0 million senior secured revolving credit facility in favor of Civeo, as borrower, (B) a $100.0 million senior secured revolving credit facility in favor of certain of our Canadian subsidiaries, as borrowers, and (C) a $100.0 million senior secured revolving credit facility in favor of one of our Australian subsidiaries, as borrower; and (ii) a 5-year U.S. term loan facility in an amount to be determined up to $775.0 million in favor of Civeo. Amounts outstanding under the credit facilities are expected to bear interest at LIBOR plus a margin of 1.75% to 2.75%, or at a base rate plus a margin of 0.75% to 1.75%, in each case based on a ratio of our total leverage to EBITDA (as defined in the credit facilities). We anticipate that, upon closing of the spin-off, our U.S. term loan facility will be fully drawn and that we will have no borrowings outstanding under our credit facilities. See "Description of Material Indebtedness" for a more detailed description of these transactions.
Distribution Ratio	Each Oil States stockholder will receive two shares of Civeo common stock for each share of Oil States common stock held by such stockholder on May 21, 2014.
Distribution Method	Civeo common stock will be issued only by direct registration in book-entry form. Registration in book entry form is a method of recording stock ownership when no physical paper certificates are issued to stockholders, as is the case in this distribution.
Conditions to the Spin-Off	The spin-off is subject to the satisfaction or waiver by Oil States of the following conditions, as well as other conditions described in this information statement in "The Spin-Off—Conditions to the Spin-Off":

- the Securities and Exchange Commission (the "SEC") will have declared effective our registration statement on Form 10, of which this information statement is a part, under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), no stop order suspending the effectiveness of the registration statement shall be in effect, and no proceedings for such purpose shall be pending before or threatened by the SEC;

- any required actions and filings with regard to state securities and blue sky laws of the United States (and any comparable laws under any foreign jurisdiction) will have been taken and, where applicable, have become effective or been accepted;

- the Civeo common stock will have been authorized for listing on the NYSE or another national securities exchange approved by Oil States, subject to official notice of issuance;

- prior to the spin-off, this information statement will have been mailed to the holders of Oil States common stock as of the record date;

- Oil States shall have received a private letter ruling to the effect that, among other things, the spin-off will qualify as a transaction that is tax-free for U.S. federal income tax purposes under Sections 355 and 368(a)(1)(D) of the Code, and such private letter ruling shall not have been revoked or modified in any material respect;

- Oil States shall have received an opinion from tax counsel, in form and substance acceptable to Oil States and which shall remain in full force and effect, as to certain matters affecting the tax treatment of the spin-off on which the IRS will not rule;

- no order, injunction, decree or regulation issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the spin-off will be in effect;

- any government approvals and other material consents necessary to consummate the spin-off will have been obtained and be in full force and effect;

- Oil States shall have received the special dividend from Civeo; and

- A majority of the aggregate outstanding principal amount of each series of Oil States 5 1/8% Senior Notes due 2023 and 6 1/2% Senior Notes due 2019 shall have been accepted for payment pursuant to the Oil States tender offers.

The fulfillment of the foregoing conditions does not create any obligations on Oil States' part to effect the spin-off, and the Oil States board of directors has reserved the right, in its sole discretion, to abandon, modify or change the terms of the spin-off, including by accelerating or delaying the timing of the consummation of all or part of the spin-off, at any time prior to the distribution date.

Trading Market and Symbol	We have been approved to list Civeo common stock on the NYSE under the ticker symbol "CVEO". We anticipate that, on or shortly before the record date, trading of shares of Civeo common stock will begin on a "when-issued" basis and will continue up to and including the distribution date, and we expect "regular-way" trading of Civeo common stock will begin the first trading day after the distribution date. We also anticipate that, on or shortly before the record date, there will be two markets in Oil States common stock: a regular-way market on which shares of Oil States common stock will trade with an entitlement to shares of Civeo common stock to be distributed pursuant to the distribution, and an "ex-distribution" market on which shares of Oil States common stock will trade without an entitlement to shares of Civeo common stock. For more information, see "Trading Market."
Tax Consequences	Oil States has received a private letter ruling from the IRS substantially to the effect that, for U.S. federal income tax purposes, (i) certain transactions to be effected in connection with the separation qualify as transactions under Sections 355 and/or 368(a) of the Code and (ii) the distribution qualifies as a tax-free transaction under Section 355 and Section 368(a)(1)(D) of the Code. Further, Oil States will receive an opinion from its tax counsel in form and substance acceptable to Oil States, which will rely on the effectiveness of the private letter ruling, with respect to certain matters on which the IRS will not rule. Accordingly, the contribution, distribution and related transactions will qualify as a tax-free transactions under Section 355 and/or Section 368(a)(1)(D) of the Code, for U.S. federal income tax purposes, no gain or loss will generally be recognized by an Oil States shareholder, and no amount will be included in such Oil States shareholder's taxable income, as a result of the spin-off. For a more detailed description of the U.S. federal income tax consequences of the spin-off, see "The Spin-Off—U.S. Federal Income Tax Consequences of the Spin-Off." **Each stockholder is urged to consult his, her or its tax advisor as to the specific tax consequences of the spin-off to such stockholder, including the effect of any state, local or non-U.S. tax laws and of changes in applicable tax laws.**
Relationship with Oil States after the Spin-Off	We will enter into a separation and distribution agreement and other ancillary agreements with Oil States related to the spin-off. These agreements will govern the relationship between us and Oil States after completion of the spin-off and provide for the allocation between us and Oil States of various assets, liabilities and obligations. We intend to enter into a transition services agreement with Oil States pursuant to which certain services will be provided on an interim basis following the distribution. We also intend to enter into an employee matters agreement that will set forth the agreements between Oil States and us concerning certain employee compensation and benefit matters. Further, we intend to enter into a tax sharing agreement with Oil States regarding the respective rights, responsibilities, and obligations of Oil States and us with respect to the payment of taxes, filing of tax returns, reimbursements of taxes, control of audits and other tax proceedings, liability for taxes that may be triggered as a result of the spin-off and other matters regarding taxes. We describe these arrangements in greater detail under "Arrangements Between Oil States and Our Company," and describe some of the risks of these arrangements under "Risk Factors—Risks Related to the Spin-Off."

Indemnities	We will indemnify Oil States under the tax sharing agreement for taxes incurred as a result of the failure of the spin-off to qualify as tax-free under Section 355 and Section 368(a)(1)(D) of the Code, to the extent caused by our breach of any representations or covenants made in the tax sharing agreement, the separation and distribution agreement, or made in connection with the private letter ruling and the tax opinion or by any other action taken by us. See "Arrangements Between Oil States and Our Company—Tax Sharing Agreement." In addition, under the separation and distribution agreement and indemnification and release agreement, we will also indemnify Oil States and its remaining subsidiaries against various claims and liabilities relating to the past operation of our business. In addition, we have agreed to pay 50% of any taxes arising from the spin-off to the extent that the tax is not attributable to the fault of either party. See "Arrangements Between Oil States and Our Company."
Dividend Policy	Our board of directors has approved a dividend policy pursuant to which, following the spin-off, we intend to pay a quarterly dividend in the amount of $0.13 per share, which we intend to commence payment of in the third quarter. However, the amount per share of our dividend payments may be changed in the future without advance notice. In addition, our ability to pay dividends on our common stock is limited by covenants in our credit facilities. Future agreements may also limit our ability to pay dividends, and we may incur incremental taxes in the United States if we repatriate foreign earnings to pay such dividends. See "Dividend Policy," "Description of Material Indebtedness" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Tax Matters."
Transfer Agent	Computershare Trust Company, N.A.
Risk Factors	We face both general and specific risks and uncertainties relating to our business and our being an independent, publicly owned company. We also are subject to risks related to the spin-off. You should carefully read "Risk Factors" beginning on page 19 of this information statement.

Summary Risk Factors

We face both general and specific risks and uncertainties relating to our business and our being an independent, publicly owned company. We also are subject to risks related to the spin-off. You should carefully read "Risk Factors" beginning on page 19 of this information statement. In particular:

Risks Related to our Business

- Decreased customer expenditure levels will adversely affect our results of operations.
- Due to the cyclical nature of the natural resources industry, our business may be adversely affected by extended periods of low oil, coal or natural gas prices or unsuccessful exploration results may decrease our customers' spending and therefore our results.
- Exchange rate fluctuations could adversely affect our U.S. reported results of operations and financial position and could impact our ability to pay dividends.
- Our failure to retain our current customers, renew our existing customer contracts and obtain new customer contracts could adversely affect our business.
- We do business in Canada and Australia, whose political and regulatory environments and compliance regimes differ from those in the United States.
- All of our major Canadian lodges are located on land subject to leases; if we are unable to renew a lease, we could be materially and adversely affected.
- Due to the significant concentration of our business in the oil sands region of Alberta, Canada and in the Bowen Basin coal region of Queensland, Australia, adverse events in these areas could negatively impact our business.
- We will incur incremental U.S. income taxes if we elect to repatriate our foreign earnings.
- Development of permanent infrastructure in the Canadian oil sands region, regions of Australia or various U.S. locations where we locate our assets could negatively impact our business.

Risks Related to the Spin-Off

- We may not realize the potential benefits from our separation from Oil States.
- The combined value of Oil States and Civeo shares after the spin-off may not equal or exceed the value of Oil States shares prior to the spin-off.
- A large number of our shares are or will be eligible for future sale, which may cause the market price for our common stock to decline.
- Because significant amounts of our common stock are held by oilfield services and other stock indices there is the possibility that our shareholder base will change following the spin-off. If significant amounts of our common stock are sold in the open market, any such shares sold may not meet with offsetting new demand.
- Our historical combined and pro forma financial information may not be representative of the results we would have achieved as a stand-alone public company and may not be a reliable indicator of our future results.
- Our costs will increase as a result of operating as a public company, and our management will be required to devote substantial time to complying with public company regulations.
- Following the spin-off, we will continue to depend on Oil States to provide us with certain services for our business; the services that Oil States will provide to us following the separation may not be sufficient to meet our needs, and we may have difficulty finding replacement services or be required to pay increased costs to replace these services after our agreements with Oil States expire.
- We potentially could have received better terms from unaffiliated third parties than the terms we receive in our agreements with Oil States.

- We may increase our debt or raise additional capital in the future, which could affect our financial condition, may decrease our profitability or could dilute our shareholders.
- Our tax sharing agreement with Oil States may limit our ability to take certain actions, including strategic transactions, and may require us to indemnify Oil States for significant tax liabilities.
- The transaction agreements limit our ability to take certain actions, including certain strategic transactions, if we do not remove Oil States as a party under certain of our contracts.

Risks Related to our Common Stock

- No market currently exists for our common stock. We cannot assure you that an active trading market will develop for our common stock.
- The market price and trading volume of our common stock may be volatile and you may not be able to resell your shares at or above the initial market price of our common stock following the spin-off.
- Future sales, or the perception of future sales, of our common stock may depress the price of our common stock.
- If securities or industry analysts do not publish research or reports about our business, if they adversely change their recommendations regarding our stock or if our operating results do not meet their expectations, our stock price could decline.
- We cannot assure you that we will pay dividends on our common stock, and our indebtedness could limit our ability to pay dividends on our common stock.
- Provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws and Delaware law could discourage a takeover attempt, which may reduce or eliminate the likelihood of a change of control transaction and, therefore, the ability of our stockholders to sell their shares for a premium.

SUMMARY COMBINED HISTORICAL FINANCIAL DATA

The following tables present the summary combined financial information of the accommodations business. The term "accommodations business" refers to Oil States' historical accommodations segment reflected in its historical combined financial statements discussed herein and included elsewhere in this information statement. The balance sheet data as of December 31, 2013 and 2012 and the statements of income and cash flows for each of the years ended December 31, 2013, 2012 and 2011 are derived from our audited combined financial statements included elsewhere in this information statement. The balance sheet data as of December 31, 2011 is derived from our audited combined financial statements not included in this information statement.

The summary combined historical financial information presented below should be read in conjunction with our combined financial statements and accompanying notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this information statement. The financial information may not be indicative of our future performance and does not necessarily reflect that the financial position and results of operations would have been had we operated as a separate, stand-alone entity during the periods presented, including changes that will occur in our operations as a result of our spin-off from Oil States.

	For the year ended December 31,		
	2013	2012	2011
	(In thousands, except for average available lodges/villages rooms and RevPAR)		
Statement of Income Data:			
Revenues	$ 1,041,104	$ 1,108,875	$ 864,701
Operating income	259,456	352,929	242,159
Net income attributable to Accommodations Business of Oil States International, Inc.	181,876	244,721	168,505
Other Financial Data:			
EBITDA [(1)]	$ 428,982	$ 494,193	$ 354,341
Capital expenditures	291,694	314,047	348,504
Lodge/village revenue	804,201	823,893	609,729
Average available lodge/villages rooms	20,466	18,421	14,997
RevPAR [(2)]	$ 108	$ 123	$ 111

	As of December 31,		
	2013	2012	2011
		(In thousands)	
Balance Sheet Data:			
Total assets	$ 2,127,050	$ 2,132,925	$ 1,799,894
Long-term debt to affiliates	335,171	358,316	350,530
Long-term debt to third-parties	—	123,497	126,972

(1) The term EBITDA as defined consists of net income plus net interest expense, income taxes, depreciation and amortization. EBITDA as defined is not a measure of financial performance under generally accepted accounting principles. You should not consider it in isolation from or as a substitute for net income or cash flow measures prepared in accordance with generally accepted accounting principles or as a measure of profitability or liquidity. Additionally, EBITDA as defined may not be comparable to other similarly titled measures of other companies. We have included EBITDA as defined as a supplemental disclosure because we believe that EBITDA as defined provides useful information regarding our ability to service debt and to fund capital expenditures and provides investors a helpful measure for comparing our operating performance with the performance of other companies that have different financing and capital structures or tax rates. We use EBITDA as defined to compare and to monitor the performance of our business segments to other comparable public companies and as one of the primary measures to benchmark for the award of incentive compensation under our annual incentive compensation plan.

The following table reconciles EBITDA as defined with our net income, as derived from our financial information (in thousands):

	For the year ended December 31,		
	2013	2012	2011
Net income attributable to Accommodations Business of Oil States International, Inc.	$ 181,876	$ 244,721	$ 168,505
Depreciation and amortization expense	167,213	139,047	110,708
Interest expense, net	23,837	26,159	20,018
Income tax provision	56,056	84,266	55,110
EBITDA, as defined	$ 428,982	$ 494,193	$ 354,341

(2) RevPAR is defined as lodge/village revenue divided by the product of (a) average available rooms and (b) days in the period. An available room is defined as a calendar day during which the room is available for occupancy.

RISK FACTORS

You should carefully consider the information included in this information statement, including the matters addressed under "Forward-Looking Statements," and the following risks.

We are subject to certain risks and hazards due to the nature of the business activities we conduct. The risks discussed below, any of which could materially and adversely affect our business, financial condition, cash flows, and results of operations, are not the only risks we face. We may experience additional risks and uncertainties not currently known to us or, as a result of developments occurring in the future, conditions that we currently deem to be immaterial may also materially and adversely affect our business, financial condition, cash flows, and results of operations.

Risks Related to Our Business

Decreased customer expenditure levels will adversely affect our results of operations.

Demand for our services is sensitive to the level of exploration, development and production activity of, and the corresponding capital spending by, oil and gas and mining companies. If our customers' expenditures decline, our business will suffer. The oil and gas and mining industries' willingness to explore, develop and produce depends largely upon the availability of attractive resource prospects and the prevailing view of future commodity prices. Prices for oil, coal, natural gas, and other minerals are subject to large fluctuations in response to changes in the supply of and demand for these commodities, market uncertainty, and a variety of other factors that are beyond our control. Accordingly, a sudden or long-term decline in commodity pricing would have material adverse effects on our results of operations. Any prolonged reduction in commodity prices will depress levels of exploration, development, and production activity, often reflected as reductions in employees or coal production. Additionally, significant new regulatory requirements, including climate change legislation, could have an impact on the demand for and the cost of producing oil, coal and natural gas. Many factors affect the supply of and demand for oil, coal, natural gas and other minerals and, therefore, influence product prices, including:

- the level of activity and developments in the Canadian oil sands;
- the level of demand, particularly from China, for coal and other natural resources produced in Australia;
- the availability of attractive oil and natural gas field prospects, which may be affected by governmental actions or environmental activists which may restrict development;
- the availability of transportation infrastructure for oil, natural gas and coal, refining capacity and shifts in end-customer preferences toward fuel efficiency and the use of natural gas;
- global weather conditions and natural disasters;
- worldwide economic activity including growth in developing countries, such as China and India;
- national government political requirements, including the ability of the Organization of Petroleum Exporting Companies (OPEC) to set and maintain production levels and prices for oil and government policies which could nationalize or expropriate oil and natural gas exploration, production, refining or transportation assets;
- the level of oil and gas production by non-OPEC countries;
- rapid technological change and the timing and extent of energy resource development, including LNG or other alternative fuels;
- environmental regulation; and
- domestic and foreign tax policies.

Due to the cyclical nature of the natural resources industry, our business may be adversely affected by extended periods of low oil, coal or natural gas prices or unsuccessful exploration results may decrease our customers' spending and therefore our results.

Commodity prices have been and are expected to remain volatile. This volatility causes oil and gas and mining companies to change their strategies and expenditure levels. Prices of oil, coal and natural gas can be influenced by many factors, including reduced demand due to lower global economic growth, surplus inventory, improved technology such as the hydraulic fracturing of horizontally drilled wells in shale discoveries, access to potential productive regions and availability of required infrastructure to deliver production to the marketplace. In particular, global demand for both oil and metallurgical coal is, at least partially, dependent on the growth of the Chinese economy. With growth in the Chinese economy, its demand for oil and steel increases driving demand for oil and metallurgical coal. Should GDP growth in China slow further or contract, demand for these commodities and, correspondingly, our accommodations would fall which would negatively impact our financial results.

Our business typically supports projects that are capital intensive and require several years to generate first production. The economic analyses conducted by our customers in oil sands, Australian mining and LNG investment areas have historically assumed a relatively conservative longer-term price outlook for production from such projects to determine economic viability. Perceptions of lower longer-term commodity prices can cause our customers to reduce or defer major expenditures given the long-term nature of many large scale development projects, adversely affecting our revenues and profitability. In Canada, Western Canadian Select (WCS) crude is the benchmark price for our oil sands accommodations' customers. Historically, WCS has traded at a discount to WTI. Should the price of WTI decline or the WCS discount to WTI widen further, our oil sands customers may delay additional investments or reduce their spending in the oil sands region. Similarly, the volumes and prices of the mineral products of our customers, including coal and gold, have historically varied significantly and are difficult to predict. The demand for, and price of, these minerals and commodities is highly dependent on a variety of factors, including international supply and demand, the price and availability of alternative fuels, actions taken by governments and global economic and political developments. Mineral and commodity prices have fluctuated in recent years and may continue to fluctuate significantly in the future. We expect that a material decline in mineral and commodity prices could result in a decrease in the activity of our customers with the possibility that this would materially adversely affect us. No assurance can be given regarding future volumes and/or prices relating to the activities of our customers. We have experienced in the past, and expect to experience in the future, significant fluctuations in operating results based on these changes.

Exchange rate fluctuations could adversely affect our U.S. reported results of operations and financial position and could impact our ability to pay dividends.

Currency exchange rate fluctuations can create volatility in our consolidated financial position, results of operations and/or cash flows. Because our consolidated financial results are reported in U.S. dollars, if we generate net revenues or earnings in countries whose currency is not the U.S. dollar, the translation of such amounts into U.S. dollars can result in an increase or decrease in the amount of our net revenues and earnings depending upon exchange rate movements. For the year ended December 31, 2013, 93% of our revenues originated from subsidiaries outside of the U.S. and were denominated in the Canadian dollar and the Australian dollar. As a result, a material decrease in the value of these currencies relative to the U.S. dollar has had, and may have in the future, a negative impact on our reported revenues, net income and cash flows. Any currency controls implemented by local monetary authorities in countries where we currently operate could also adversely affect our business, financial condition and results of operations. In addition, we intend to pay our dividends in U.S. dollars. Weakness in the Canadian and Australian dollars could negatively impact our willingness to repatriate and exchange those foreign earnings and cash flows into U.S. dollars in order to pay our dividends.

Our failure to retain our current customers, renew our existing customer contracts and obtain new customer contracts could adversely affect our business.

Our success depends on our ability to retain our current customers, renew or replace our existing customer contracts and obtain new business. Our ability to do so generally depends on a variety of factors, including the quality, price and responsiveness of our services, as well as our ability to market these services effectively and differentiate ourselves from our competitors. We cannot assure you that we will be able to obtain new business, renew existing customer contracts at the same or higher levels of pricing or that our current customers will not turn to competitors, cease operations, elect to self-operate or terminate contracts with us. Additionally, several contracts have clauses that allow termination upon the payment of a termination fee. As a result, our customers may choose to terminate their contracts. Customer contract cancellations or the failure to renew a significant number of our existing contracts would have a material adverse effect on our business and results of operations and the failure to obtain new business could have an adverse impact on our growth.

We do business in Canada and Australia, whose political and regulatory environments and compliance regimes differ from those in the United States.

A significant portion of our revenue is attributable to operations in Canada and Australia. These activities accounted for over 90% of our consolidated revenue in the year ended December 31, 2013. Risks associated with our operations in Canada and Australia include, but are not limited to:

- foreign currency fluctuations;
- foreign taxation;
- the inability to repatriate earnings or capital in a tax efficient manner;
- changing political conditions;
- changing foreign and domestic monetary policies;
- regional economic downturns;
- expropriation, confiscation or nationalization of assets; and
- foreign exchange limitations.

The regulatory regimes in these countries are substantially different than those in the United States, and are unfamiliar to U.S. investors. Violations of foreign laws could result in monetary and criminal penalties against us or our subsidiaries and could damage our reputation and, therefore, our ability to do business.

All of our major Canadian lodges are located on land subject to leases; if we are unable to renew a lease, we could be materially and adversely affected.

All of our major Canadian lodges are located on land subject to leases. Accordingly, while we own the accommodations assets, we only own a leasehold in those properties. If we are found to be in breach of a lease, we could lose the right to use the property. In addition, unless we can extend the terms of these leases before their expiration, as to which no assurance can be given, we will lose our right to operate our facilities located on these properties upon expiration of the leases. In that event, we would be required to remove our accommodations assets and remediate the site. Generally, our leases have an initial term of ten years and will expire between 2015 and 2026 unless extended. We can provide no assurances that we will be able to renew our leases upon expiration on similar terms, or at all. If we are unable to renew leases on similar terms, it may have an adverse effect on our business. In addition, if we were to lose the right to use a property due to non-renewal of the lease, we would be unable to derive income from such property, which could materially and adversely affect us.

Due to the significant concentration of our business in the oil sands region of Alberta, Canada and in the Bowen Basin coal region of Queensland, Australia, adverse events in these areas could negatively impact our business.

Because of the concentration of our accommodations business in the oil sands region of Alberta, Canada and in the coal producing region of Queensland, Australia, two relatively small geographic areas, we have increased exposure to political, regulatory, environmental, labor, climate or natural disaster events or developments that could disproportionately impact our operations and financial results. For example, in 2011 major flooding caused by seasonal rain and a cyclone impacted areas near our villages in Australia. Also in 2011, forest fires in northern Alberta impacted areas near our Canadian lodges. Due to our geographic concentration, any adverse events or developments in our operating areas may disproportionately affect our financial results.

We will incur incremental U.S. income taxes if we elect to repatriate our foreign earnings.

We currently assume for U.S. tax purposes that the earnings of our foreign subsidiaries are permanently reinvested abroad in the countries where such earnings are derived. However, if we were to determine in the future that repatriation of our foreign earnings is advisable, we would incur incremental U.S. federal and state income taxes based on the difference between U.S. federal and foreign statutory tax rates on such foreign earnings. Repatriation may be necessary in the future in order to fund dividends, allow for U.S. expansion or to repay debt.

Development of permanent infrastructure in the Canadian oil sands region, regions of Australia or various U.S. locations where we locate our assets could negatively impact our business.

We specialize in providing housing and personnel logistics for work forces in remote areas which often lack the infrastructure typically available in nearby towns and cities. If permanent towns, cities and municipal infrastructure develop or grow in the oil sands region of northern Alberta, Canada, or regions of Australia where we locate villages, then demand for our accommodations could decrease as customer employees move to the region and choose to utilize permanent housing and food services.

We depend on several significant customers, and the loss of one or more such customers or the inability of one or more such customers to meet their obligations to us could adversely affect our results of operations.

We depend on several significant customers. The majority of our customers operate in the energy or mining industry. For a more detailed explanation of our customers, see “Business.” The loss of any one of our largest customers in any of our business segments or a sustained decrease in demand by any of such customers could result in a substantial loss of revenues and could have a material adverse effect on our results of operations. In addition, the concentration of customers in two industries may impact our overall exposure to credit risk, either positively or negatively, in that customers may be similarly affected by changes in economic and industry conditions. While we perform ongoing credit evaluations of our customers, we do not generally require collateral in support of our trade receivables.

As a result of our customer concentration, risks of nonpayment and nonperformance by our counterparties are a concern in our business. We are subject to risks of loss resulting from nonpayment or nonperformance by our customers. Many of our customers finance their activities through cash flow from operations, the incurrence of debt or the issuance of equity. In an economic downturn, commodity prices typically decline, and the credit markets and availability of credit could be constrained. Additionally, many of our customers’ equity values could decline. The combination of lower cash flow due to commodity prices, a reduction in borrowing bases under reserve-based credit facilities and the lack of available debt or equity financing may result in a significant reduction in our customers’ liquidity and ability to pay or otherwise perform on their obligations to us. Furthermore, some of our customers may be highly leveraged and subject to their own operating and regulatory risks, which increases the risk that they may default on their obligations to us. The inability or failure of our significant customers to meet their obligations to us or their insolvency or liquidation may adversely affect our financial results.

We are susceptible to seasonal earnings volatility due to adverse weather conditions in our regions of operations.

Our operations are directly affected by seasonal differences in weather in the areas in which we operate, most notably in Canada and Australia, and, to a lesser extent, the Rocky Mountain region and the Gulf of Mexico. A portion of our Canadian operations is conducted during the winter months when the winter freeze in remote regions is required for exploration and production activity to occur. The spring thaw in these frontier regions restricts operations in the spring months and, as a result, adversely affects our operations and our ability to provide services in the second and, to a lesser extent, third quarters. During the Australian rainy season, generally between the months of November and April, our operations in Queensland and the northern parts of Western Australia can be affected by cyclones, monsoons and resultant flooding. Severe winter weather conditions in the Rocky Mountain region of the United States can restrict access to work areas for our customers. Our operations in the Gulf of Mexico are also affected by weather patterns. Furthermore, the areas in which we operate are susceptible to forest fires, which could interrupt our operations and adversely impact our earnings.

Our customers are exposed to a number of unique operating risks and challenges which could also adversely affect us.

We could be materially adversely affected by disruptions to our clients' operations caused by any one of or all of the following singularly or in combination:

- domestic and international pricing and demand for the natural resource being produced at a given project (or proposed project);
- unexpected problems, higher costs and delays during the development, construction and project start-up which may delay the commencement of production;
- unforeseen and adverse geological, geotechnical, seismic and mining conditions;
- lack of availability of sufficient water or power to maintain their operations;
- water or food quality or safety issues;
- lack of availability or failure of the required infrastructure necessary to maintain or to expand their operations;
- the breakdown or shortage of equipment and labor necessary to maintain their operations;
- risks associated with the natural resources industry being subject to various regulatory approvals. Such risks may include a Government Agency failing to grant an approval or failing to renew an existing approval, or the approval or renewal not being provided by the Government Agency in a timely manner or the Government Agency granting or renewing an approval subject to materially onerous conditions;
- risks to land titles, mining titles and use thereof as a result of native title claims;
- claims by persons living in close proximity to mining projects, which may have an impact on the consents granted;
- interruptions to the operations of our customers caused by industrial accidents or disputes; and
- delays in or failure to commission new infrastructure in timeframes so as not to disrupt customer operations.

We may be adversely affected if customers reduce their accommodations outsourcing.

Our business and growth strategies depend in large part on the continuation of a current trend toward outsourcing services. Many oil and gas and mining companies in our core markets own their own accommodations facilities, while others outsource all or part of their accommodations requirements. Customers have largely built their accommodations in the past but will outsource if they perceive that outsourcing may provide quality services at a lower overall cost or allow them to accelerate the timing of their projects. We cannot be certain that this trend will continue or not be reversed or that customers that have outsourced accommodations will not decide to perform these functions themselves or only outsource accommodations during the development or construction phases of their projects. In addition, labor unions representing customer employees and contractors have, in the past, opposed outsourcing accommodations to the extent that the unions believe that third-party accommodations negatively impact union membership and recruiting. The reversal or reduction in customer outsourcing of accommodations could negatively impact our financial results and growth prospects.

Increased operating costs and obstacles to cost recovery due to the pricing and cancellation terms of our accommodation services contracts may constrain our ability to make a profit.

Our profitability can be adversely affected to the extent we are faced with cost increases for food, wages and other labor related expenses, insurance, fuel and utilities, especially to the extent we are unable to recover such increased costs through increases in the prices for our services, due to one or more of general economic conditions, competitive conditions or contractual provisions in our customer contracts. Oil and natural gas prices have fluctuated significantly in the last several years. Substantial increases in the cost of fuel and utilities have historically resulted in cost increases in our lodges and villages. From time to time we have experienced increases in our food costs. While we believe a portion of these increases were attributable to fuel prices, we believe the increases also resulted from rising global food demand. In addition, food prices can fluctuate as a result of temporary changes in supply, including as a result of incidences of severe weather such as droughts, heavy rains and late freezes. While our long term contracts often provide for annual escalation in our room rates for food, labor and utility inflation, we may be unable to fully recover costs and such increases would negatively impact our profitability on contracts that do not contain such inflation protections.

A failure to maintain food safety or comply with government regulations related to food and beverages or serving alcoholic beverages may subject us to liability.

Claims of illness or injury relating to food quality or food handling are common in the food service industry, and a number of these claims may exist at any given time. Because food safety issues could be experienced at the source or by food suppliers or distributors, food safety could, in part, be out of our control. Regardless of the source or cause, any report of food-borne illness or other food safety issues such as food tampering or contamination at one of our locations could adversely impact our reputation, hindering our ability to renew contracts on favorable terms or to obtain new business, and have a negative impact on our sales. Future food product recalls and health concerns associated with food contamination may also increase our raw materials costs and, from time to time, disrupt our business.

A variety of regulations at various governmental levels relating to the handling, preparation and serving of food (including, in some cases, requirements relating to the temperature of food), and the cleanliness of food production facilities and the hygiene of food-handling personnel are enforced primarily at the local public health department level. We cannot assure you that we are in full compliance with all applicable laws and regulations at all times or that we will be able to comply with any future laws and regulations. Furthermore, legislation and regulatory attention to food safety is very high. Additional or amended regulations in this area may significantly increase the cost of compliance or expose us to liabilities.

We serve alcoholic beverages at some of our facilities, and must comply with applicable licensing laws, as well as local service laws. These laws generally prohibit serving alcoholic beverages to certain persons such as an individual who is intoxicated or a minor. If we violate these laws, we may be liable to the patron and/or third parties for the acts of the patron. We cannot guarantee that intoxicated or minor patrons will not be served or that liability for their acts will not be imposed on us. There can be no assurance that additional regulation in this area would not limit our activities in the future or significantly increase the cost of regulatory compliance. We must also obtain and comply with the terms of licenses in order to sell alcoholic beverages in the jurisdictions in which we serve alcoholic beverages. If we are unable to maintain food safety or comply with government regulations related to food, beverages or alcoholic beverages, the effect could be materially adverse to our business or results of operations.

Our land banking strategy may not be successful.

Our land banking strategy is focused on investing early in land in order to gain a strategic, early mover advantage in an emerging region or resource play. However, we cannot assure you that all land that we purchase or lease will be in a region in which our customers require our services in the future. We also cannot assure you that the property acquired by us will be profitably developed. Our land banking strategy involves significant risks that could adversely affect our financial condition, results of operations, cash flow and ability to make distributions and payments to our security holders and the market price of our securities, which include the following risks:

- the regions in which we invest may not develop adequate customer demand;
- we may not be able to obtain financing for development projects on favorable terms or at all;
- we may not be able to obtain, or may experience delays in obtaining, all necessary zoning, land-use, building, occupancy and other governmental permits and authorizations;
- development opportunities that we explore may be abandoned and the related investment impaired;

- the properties may perform below anticipated levels, producing cash flow below budgeted amounts;
- construction costs, total investment amounts and our share of remaining funding may exceed our estimates and projects may not be completed, delivered or stabilized as planned;
- we may experience delays (temporary or permanent) if there is public, government or aboriginal opposition to our activities; and
- substantial renovation, new development and redevelopment activities, regardless of their ultimate success, typically require a significant amount of management's time and attention, diverting their attention from our day-to-day operations.

Our business is contract intensive and may lead to customer disputes or delays in receipt of payments.

Our business is contract intensive and we are party to many contracts with customers. We periodically review our compliance with contract terms and provisions. If customers were to dispute our contract determinations, the resolution of such disputes in a manner adverse to our interests could negatively affect sales and operating results. In the past, our customers have withheld payment due to contract or other disputes, which has delayed our receipt of payments. While we do not believe any reviews, audits, delayed payments or other such matters should result in material adjustments, if a large number of our customer arrangements were modified or payments withheld in response to any such matter, the effect could be materially adverse to our business or results of operations.

We are subject to extensive and costly environmental laws and regulations that may require us to take actions that will adversely affect our results of operations.

All of our operations are significantly affected by stringent and complex foreign, federal, provincial, state and local laws and regulations governing the discharge of substances into the environment or otherwise relating to environmental protection. We could be exposed to liabilities for cleanup costs, natural resource damages and other damages as a result of our conduct that was lawful at the time it occurred or the conduct of, or conditions caused by, prior operators or other third-parties. Environmental laws and regulations are subject to change in the future, possibly resulting in more stringent requirements. If existing regulatory requirements or enforcement policies change, we may be required to make significant unanticipated capital and operating expenditures.

Any failure by us to comply with applicable environmental laws and regulations may result in governmental authorities taking actions against our business that could adversely impact our operations and financial condition, including the:

- issuance of administrative, civil and criminal penalties;
- denial or revocation of permits or other authorizations;
- reduction or cessation of operations; and
- performance of site investigatory, remedial or other corrective actions.

Construction risks exist which may adversely affect our results of operations.

There are a number of general risks that might impinge on companies involved in the development, construction, manufacture and installation of facilities as a prerequisite to the management of those assets in an operational sense. We might be exposed to these risks from time to time by relying on these corporations and/or other third parties which could include any and/or all of the following:

- the construction activities of our accommodations are partially dependent on the supply of appropriate construction and development opportunities;
- development approvals, slow decision making by counterparties, complex construction specifications, changes to design briefs, legal issues and other documentation changes may give rise to delays in completion, loss of revenue and cost over-runs which may, in turn, result in termination of accommodation supply contracts;

- other time delays that may arise in relation to construction and development include supply of labor, scarcity of construction materials, lower than expected productivity levels, inclement weather conditions, land contamination, cultural heritage claims, difficult site access or industrial relations issues;

- objections to our activities or those of our customers aired by aboriginal or community interest, environment and/or neighborhood groups which may cause delays in the granting or approvals and/or the overall progress of a project;

- where we assume design responsibility, there is a risk that design problems or defects may result in rectification and/or costs or liabilities which we cannot readily recover; and

- there is a risk that we may fail to fulfill our statutory and contractual obligations in relation to the quality of our materials and workmanship, including warranties and defect liability obligations.

The cyclical nature of our business and a severe prolonged downturn could negatively affect the value of our goodwill.

As of December 31, 2013, goodwill represented approximately 12% of our total assets. We have recorded goodwill because we paid more for some of our businesses that we acquired than the fair market value of the tangible and separately measurable intangible net assets of those businesses. Current accounting standards require a periodic review of goodwill for each of our reporting units (Canada, Australia, and U.S.) for impairment in value and a non-cash charge against earnings with a corresponding decrease in stockholders' equity if circumstances, some of which are beyond our control, indicate that the carrying amount will not be recoverable. It is possible that we could recognize goodwill impairment losses in the future if, among other factors:

- global economic conditions deteriorate;

- the outlook for future profits and cash flow for any of our reporting units deteriorate as the result of many possible factors, including, but not limited to, increased or unanticipated competition, technology becoming obsolete, further reductions in customer capital spending plans, loss of key personnel, adverse legal or regulatory judgment(s), future operating losses at a reporting unit, downward forecast revisions, or restructuring plans;

- costs of equity or debt capital increase; or

- valuations for comparable public companies or comparable acquisition valuations deteriorate.

An accidental release of pollutants into the environment may cause us to incur significant costs and liabilities.

There is inherent risk of environmental costs and liabilities in our business as a result of our handling of petroleum hydrocarbons, because of air emissions and waste water discharges related to our operations, and due to historical industry operations and waste disposal practices. Certain environmental statutes impose joint and several, strict liability for these costs. For example, an accidental release by us in the performance of services at one of our or our customers' sites could subject us to substantial liabilities arising from environmental cleanup, restoration costs and natural resource damages, claims made by neighboring landowners and other third parties for personal injury and property damage and fines or penalties for related violations of environmental laws or regulations. We may not be able to recover some or any of these costs from insurance.

We may be exposed to certain regulatory and financial risks related to climate change.

Climate change is receiving increasing attention from scientists and legislators alike. The debate is ongoing as to the extent to which our climate is changing, the potential causes of any change and its potential impacts. Some attribute global warming to increased levels of greenhouse gases, including carbon dioxide, which has led to significant legislative and regulatory efforts to limit greenhouse gas emissions. Significant focus is being made on companies that are active producers of depleting natural resources.

There are a number of legislative and regulatory proposals to address greenhouse gas emissions, which are in various phases of discussion or implementation. The outcome of Canadian, Australian, U.S. federal, regional, provincial and state actions to address global climate change could result in a variety of regulatory programs including potential new regulations, additional charges to fund energy efficiency activities, or other regulatory actions. These actions could:

- result in increased costs associated with our operations and our customers' operations;
- increase other costs to our business;
- reduce the demand for carbon-based fuels; and
- reduce the demand for our services.

Any adoption of these or similar proposals by Canadian, Australian, U.S. federal, regional or state governments mandating a substantial reduction in greenhouse gas emissions could have far-reaching and significant impacts on the energy industry. Although it is not possible at this time to predict how legislation or new regulations that may be adopted to address greenhouse gas emissions would impact our business, any such future laws and regulations could result in increased compliance costs or additional operating restrictions, and could have a material adverse effect on our business or demand for our services. See "Business—Government Regulation" for a more detailed description of our climate-change related risks.

Our inability to control the inherent risks of identifying, acquiring and integrating businesses that we may acquire, including any related increases in debt or issuances of equity securities, could adversely affect our operations.

Acquisitions have been, and our management believes acquisitions will continue to be, a key element of our growth strategy. We may not be able to identify and acquire acceptable acquisition candidates on favorable terms in the future. We may be required to incur substantial indebtedness to finance future acquisitions and also may issue equity securities in connection with such acquisitions. Such additional debt service requirements could impose a significant burden on our results of operations and financial condition. The issuance of additional equity securities could result in significant dilution to stockholders.

We expect to gain certain business, financial and strategic advantages as a result of business combinations we undertake, including synergies and operating efficiencies. Our forward-looking statements assume that we will successfully integrate our business acquisitions and realize these intended benefits. An inability to realize expected strategic advantages as a result of the acquisition would negatively affect the anticipated benefits of the acquisition. Additional risks we could face in connection with acquisitions include:

- retaining key employees of acquired businesses;
- retaining and attracting new customers of acquired businesses;
- retaining supply and distribution relationships key to the supply chain;
- increased administrative burden;
- developing our sales and marketing capabilities;
- managing our growth effectively;
- potential impairment resulting from the overpayment for an acquisition;
- integrating operations;
- managing tax and foreign exchange exposure;

- potentially operating a new line of business;
- increased logistical problems common to large, expansive operations; and
- inability to pursue and protect patents covering acquired technology.

Additionally, an acquisition may bring us into businesses we have not previously conducted and expose us to additional business risks that are different from those we have previously experienced. If we fail to manage any of these risks successfully, our business could be harmed. Our capitalization and results of operations may change significantly following an acquisition, and shareholders of the Company may not have the opportunity to evaluate the economic, financial and other relevant information that we will consider in evaluating future acquisitions.

We may not have adequate insurance for potential liabilities and insurance may not cover certain liabilities, including litigation.

Our operations are subject to many hazards. In the ordinary course of business, we become the subject of various claims, lawsuits and administrative proceedings seeking damages or other remedies concerning our commercial operations, products, employees and other matters, including occasional claims by individuals alleging exposure to hazardous materials as a result of our products or operations. Some of these claims relate to the activities of businesses that we have acquired, even though these activities may have occurred prior to our acquisition of such businesses. We maintain insurance to cover many of our potential losses, and we are subject to various self-retentions and deductibles under our insurance policies. It is possible, however, that a judgment could be rendered against us in cases in which we could be uninsured and beyond the amounts that we currently have reserved or anticipate incurring for such matters. Even a partially uninsured or underinsured claim, if successful and of significant size, could have a material adverse effect on our results of operations or consolidated financial position. In addition, we are insured under Oil States' insurance policies for occurrences prior to the completion of the distribution. The specifications and insured limits under those policies, however, may be insufficient for such claims. We also face the following other risks related to our insurance coverage:

- we may not be able to continue to obtain insurance on commercially reasonable terms;
- the counterparties to our insurance contracts may pose credit risks; and
- we may incur losses from interruption of our business that exceed our insurance coverage.

Our operations may suffer due to increased industry-wide capacity of certain types of assets.

The demand for and pricing of rooms and accommodation service is subject to the overall availability of rooms in the marketplace. If demand for our assets were to decrease, or to the extent that we and our competitors increase our capacity in excess of current demand, we may encounter decreased pricing for or utilization of our assets and services, which could adversely impact our operations and profits.

In addition, we have significantly increased our capacity in the oil sands region over the past seven years and in Australia over the past three years based on our expectation for current and future customer demand for accommodations in these areas. Should our customers build their own facilities to meet their accommodations needs or our competitors likewise increase their available accommodations, or activity in the oil sands or natural resources regions declines significantly, demand and/or pricing for our accommodations could decrease, negatively impacting our profitability.

Loss of key members of our management could adversely affect our business.

We depend on the continued employment and performance of key members of our management. If any of our key managers resign or become unable to continue in their present roles and are not adequately replaced, our business operations could be materially adversely affected. We do not maintain "key man" life insurance for any of our officers.

Employee and customer labor problems could adversely affect us.

As of December 31, 2013, we were party to collective bargaining agreements covering 1,823 employees in Canada and 543 employees in Australia. In addition, our facilities serving oil sands development work in Northern Alberta, Canada and mining operations in Australia house both union and non-union customer employees. We have not experienced strikes, work stoppages or other slowdowns in the past, but we cannot guarantee that we will not experience such events in the future. A prolonged strike, work stoppage or other slowdown by our employees or by the employees of our customers could cause us to experience a disruption of our operations, which could adversely affect our business, financial condition and results of operations.

Risks Related to the Spin-Off

We may not realize the potential benefits from our separation from Oil States.

We may not realize the benefits that we anticipate from our separation from Oil States. These benefits include the following:

- enhancing corporate growth and efficiency by enabling each management team to focus its attention on the development and execution of its respective business;
- improving access to capital to fund internal and external expansion;
- enhancing Civeo's market recognition with investors because of more focused operations;
- establishing an acquisition currency for Civeo; and
- enhancing our ability to attract and retain key employees.

We may not achieve the anticipated benefits from our separation for a variety of reasons. For example, the process of separating our business from Oil States and operating as an independent public company may distract our management from focusing on our business and strategic priorities. In addition, although we expect improved access to the debt and equity capital markets following the separation, we may not be able to issue debt or equity on terms acceptable to us or at all. The availability of shares of our common stock for use as consideration for acquisitions also will not ensure that we will be able to successfully pursue acquisitions or that the acquisitions will be successful. Moreover, even with equity compensation tied to our business we may not be able to attract and retain employees as desired. We also may not fully realize the anticipated benefits from our separation if any of the matters identified as risks in this "Risk Factors" section were to occur. If we do not realize the anticipated benefits from our separation for any reason, our business may be materially adversely affected.

The combined value of Oil States and Civeo shares after the spin-off may not equal or exceed the value of Oil States shares prior to the spin-off.

After the spin-off, Oil States' common stock will continue to be listed and traded on the NYSE under the symbol "OIS". We have been approved to list our common stock authorized on the NYSE under the symbol "CVEO". We cannot assure you that the combined trading prices of Oil States common stock and Civeo common stock after the spin-off, as adjusted for any changes in the combined capitalization of these companies, will be equal to or greater than the trading price of Oil States common stock prior to the spin-off. Until the market has fully evaluated the business of Oil States without the accommodations business, the price at which Oil States common stock trades may fluctuate significantly. Similarly, until the market has fully evaluated our company, the price at which Civeo common stock trades may fluctuate significantly.

A large number of our shares are or will be eligible for future sale, which may cause the market price for our common stock to decline.

Upon completion of the spin-off, we expect that we will have an aggregate of approximately 106,112,722 shares of our common stock outstanding, based on the number of shares of Oil States common stock expected to be outstanding as of the record date. All of those shares (other than those held by our "affiliates") will be freely tradable without restriction or registration under the Securities Act of 1933, as amended. Shares held by our affiliates, which include our directors and executive officers, can be sold subject to volume, manner of sale and notice provisions under Rule 144. We estimate that our directors and executive officers, who may be considered "affiliates" for purposes of Rule 144, will beneficially own approximately 756,731 shares of our common stock immediately following the distribution. We are unable to predict whether large amounts of our common stock will be sold in the open market following the spin-off. We are also unable to predict whether a sufficient number of buyers will be in the market at that time. As discussed in the immediately following risk factor, certain index funds will likely be required to sell shares of our common stock that they receive in the distribution. In addition, other Oil States stockholders may sell the shares of our common stock they receive in the distribution for various reasons. For example, such stockholders may not believe our business profile or level of market capitalization as an independent company fits their investment objectives. A change in the level of analyst coverage following the spin-off could also negatively impact demand for our shares. The sale of significant amounts of our common stock or the perception in the market that this will occur may lower the market price of our common stock.

Because significant amounts of our common stock are currently held by oilfield services and other stock indices there is the possibility that our shareholder base will change following the spin-off. If significant amounts of our common stock are sold in the open market, any such shares sold may not be met with offsetting new demand.

A portion of Oil States' outstanding common stock is held by index funds tied to oilfield services companies or other stock indices. Because we do not expect our common stock to be included in such indices, index funds currently holding shares of Oil States common stock will likely be required to sell the shares of our common stock they receive in the distribution. There may not be sufficient new buying interest to offset sales by those index funds. Accordingly, our common stock could experience a high level of volatility immediately following the spin-off and, as a result, the price of our common stock could be adversely affected.

Our historical combined and pro forma financial information may not be representative of the results we would have achieved as a stand-alone public company and may not be a reliable indicator of our future results.

The historical combined and pro forma financial information that we have included in this information statement has been derived from Oil States' accounting records and may not necessarily reflect what our financial position, results of operations or cash flows would have been had we been an independent, stand-alone entity during the periods presented or those that we will achieve in the future. Oil States did not account for us, and we were not operated, as a separate, stand-alone company for the historical periods presented. The costs and expenses reflected in our historical financial information include an allocation for certain corporate functions historically provided by Oil States, including expense allocations for: (1) certain corporate functions historically provided by Oil States, including, but not limited to finance, legal, risk management, tax, treasury, information technology, human resources, and certain other shared services; (2) certain employee benefits and incentives; and (3) share-based compensation, that may be different from the comparable expenses that we would have incurred had we operated as a stand-alone company. These expenses have been allocated to us on the basis of direct usage when identifiable, with the remainder allocated based on estimated time spent by Oil States personnel, a pro-rata basis of revenues, headcount or other relevant measures of our business and Oil States and its subsidiaries. We have not adjusted our historical combined financial information to reflect changes that will occur in our cost structure and operations as a result of our transition to becoming a stand-alone public company, including increased costs associated with an independent board of directors, SEC reporting and the NYSE requirements. Therefore, our historical financial information may not necessarily be indicative of what our financial position, results of operations or cash flows will be in the future. We based the pro forma adjustments on available information and assumptions we believe are reasonable; however, our assumptions may prove not to be accurate. In addition, our unaudited pro forma combined financial statements may not give effect to various ongoing additional costs we may incur in connection with being an independent public company. Accordingly, our unaudited pro forma combined financial information does not reflect what our financial condition, results of operations or cash flows would have been as an independent public company and is not necessarily indicative of our future financial condition or future results of operations. For additional information, see "Selected Historical Combined Financial Data," "Unaudited Pro Forma Combined Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our financial statements and related notes included elsewhere in this information statement.

Our costs will increase as a result of operating as a public company, and our management will be required to devote substantial time to complying with public company regulations.

We have historically operated our business as a segment of a public company. As a stand-alone public company, we may incur additional legal, accounting, compliance and other expenses that we have not incurred historically. After the spin-off, we will become obligated to file with the SEC annual and quarterly information and other reports that are specified in Section 13 and other sections of the Exchange Act. We will also be required to ensure that we have the ability to prepare financial statements that are fully compliant with all SEC reporting requirements on a timely basis. In addition, we will also become subject to other reporting and corporate governance requirements, including certain requirements of the NYSE, and certain provisions of Sarbanes-Oxley and the regulations promulgated thereunder, which will impose significant compliance obligations upon us.

Sarbanes-Oxley, as well as new rules subsequently implemented by the SEC and the NYSE, have imposed increased regulation and disclosure and required enhanced corporate governance practices of public companies. We are committed to maintaining high standards of corporate governance and public disclosure, and our efforts to comply with evolving laws, regulations and standards in this regard are likely to result in increased administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities. These changes will require a significant commitment of additional resources. We may not be successful in implementing these requirements and implementing them could materially adversely affect our business, results of operations and financial condition. In addition, if we fail to implement the requirements with respect to our internal accounting and audit functions, our ability to report our operating results on a timely and accurate basis could be impaired. If we do not implement such requirements in a timely manner or with adequate compliance, we might be subject to sanctions or investigation by regulatory authorities, such as the SEC or the NYSE. Any such action could harm our reputation and the confidence of investors and customers in our company and could materially adversely affect our business and cause our share price to fall.

Following the spin-off, we will continue to depend on Oil States to provide us with certain services for our business; the services that Oil States will provide to us following the separation may not be sufficient to meet our needs, and we may have difficulty finding replacement services or be required to pay increased costs to replace these services after our agreements with Oil States expire.

Certain administrative services required by us for the operation of our business are currently provided by Oil States and its subsidiaries, including, but not limited to finance, legal, risk management, tax, treasury, information technology, human resources, and certain other shared services. Prior to the completion of the spin-off, we will enter into agreements with Oil States related to the separation of our business operations from Oil States, including a transition services agreement. We believe it is necessary for Oil States to provide services for us under the transition services agreement to facilitate the efficient operation of our business as we transition to becoming a stand-alone public company. We will, as a result, initially depend on Oil States for services following the completion of the spin-off. While these services are being provided to us by Oil States, our operational flexibility to modify or implement changes with respect to such services or the amounts we pay for them will be limited. After the expiration or termination of the transition services agreement, we may not be able to replace these services or enter into appropriate third-party agreements on terms and conditions, including cost, comparable to those that we will receive from Oil States under the transition services agreement. Although we intend to replace portions of the services currently provided by Oil States, we may encounter difficulties replacing certain services or be unable to negotiate pricing or other terms as favorable as those we currently have in effect. See "Arrangements Between Oil States and Our Company—Transition Services Agreement."

We potentially could have received better terms from unaffiliated third parties than the terms we receive in our agreements with Oil States.

The agreements we will enter into with Oil States in connection with the separation, including the Separation and Distribution Agreement, Tax Sharing Agreement, Employee Matters Agreement, Indemnification and Release Agreement and Transition Services Agreement, will have been negotiated in the context of the separation while we were still a wholly owned subsidiary of Oil States. Accordingly, during the period in which the terms of those agreements will have been negotiated, we will not have had an independent board of directors or a management team independent of Oil States. As a result, the terms of those agreements may not reflect terms that would have resulted from arm's-length negotiations between unaffiliated third parties. The terms of the agreements to be negotiated in the context of the separation relate to, among other things, the allocation of assets, liabilities, rights and other obligations between Oil States and us. Arm's-length negotiations between Oil States and an unaffiliated third party in another form of transaction, such as a buyer in a sale of a business transaction, may have resulted in more favorable terms to the unaffiliated third party. See "Arrangements Between Oil States and Our Company" for a description of these obligations and the allocation of liabilities between Oil States and us.

We may increase our debt or raise additional capital in the future, which could affect our financial condition, may decrease our profitability or could dilute our shareholders.

We may increase our debt or raise additional capital in the future, subject to restrictions in our debt agreements. If our cash flow from operations is less than we anticipate, or if our cash requirements are more than we expect, we may require more financing. However, debt or equity financing may not be available to us on terms acceptable to us, if at all. If we incur additional debt or raise equity through the issuance of our preferred stock, the terms of the debt or our preferred stock issued may give the holders rights, preferences and privileges senior to those of holders of our common stock, particularly in the event of liquidation. The terms of the debt may also impose additional and more stringent restrictions on our operations than we currently have. If we raise funds through the issuance of additional equity, your ownership in us would be diluted. If we are unable to raise additional capital when needed, it could affect our financial health, which could negatively affect your investment in us.

Our tax sharing agreement with Oil States may limit our ability to take certain actions, including strategic transactions, and may require us to indemnify Oil States for significant tax liabilities.

Under the tax sharing agreement, we will agree to take certain actions or refrain from taking certain actions to ensure that the spin-off qualifies for tax-free status under section 355 and section 368(a)(1)(D) of the Code. We will also make various other covenants in the tax sharing agreement intended to ensure the tax-free status of the spin-off. These covenants restrict our ability to sell assets outside the ordinary course of business, to issue or sell additional common stock or other securities (including securities convertible into our common stock), or to enter into certain other corporate transactions for a period of two years after the spin-off. For example, after the spin-off, we may not enter into any transaction that would cause us to undergo either a 50% or greater change in the ownership of our voting stock or a 50% or greater change in the ownership (measured by value) of all classes of our stock in transactions considered related to the spin-off. See "Arrangements Between Oil States and Our Company—Tax Sharing Agreement."

Further, under the tax sharing agreement, we are required to indemnify Oil States against certain tax-related liabilities incurred by Oil States (including any of its subsidiaries) relating to the spin-off, to the extent caused by our breach of any representations or covenants made in the tax sharing agreement or the separation and distribution agreement, or made in connection with the private letter ruling or the tax opinion. These liabilities include the substantial tax-related liability (calculated without regard to any net operating loss or other tax attribute of Oil States) that would result if the spin-off of our stock to Oil States stockholders failed to qualify as a tax-free transaction. In addition, we have agreed to pay 50% of any taxes arising from the spin-off to the extent that the tax is not attributable to the fault of either party.

The transaction agreements limit our ability to take certain actions, including certain strategic transactions, if we do not remove Oil States as a party under certain of our contracts.

Oil States is a party to certain of our contracts. Pursuant to the separation and distribution agreement, we have agreed to use our commercially reasonable efforts to remove Oil States as party to these contracts. In the event that we are unable to remove Oil States as a party, pursuant to the indemnification and release agreement, we have agreed to indemnify Oil States for any liabilities relating to such contracts. Furthermore, until we remove Oil States as a party, we have agreed that, without the prior written consent of Oil States, we will not enter into any transaction that is reasonably likely to result in a violation of the financial covenants in our new revolving credit facility as in effect on the date of the spin-off without regard to any waivers or modifications. In addition, we have agreed not to enter into any transaction that results in any person or entity owning more than 50% of our outstanding economic or voting equity unless such person or entity has agreed to indemnify Oil States for any liability under such contracts.

We could have significant tax liabilities for periods during which our subsidiaries and operations were those of Oil States.

For any tax periods (or portion thereof) in which Oil States owns at least 80% of the total voting power and value of our common stock, we and our U.S. subsidiaries will be included in Oil States' consolidated group for U.S. federal income tax purposes. In addition, we or one or more of our U.S. subsidiaries may be included in the combined, consolidated or unitary tax returns of Oil States or one or more of its subsidiaries for U.S. state or local income tax purposes. Under the tax sharing agreement, for each period in which we or any of our subsidiaries are consolidated or combined with Oil States for purposes of any tax return, and with respect to which such tax return has not yet been filed, Oil States will prepare a pro forma tax return for us as if we filed our own consolidated, combined or unitary return, except that such pro forma tax return will generally include current income, deductions, credits and losses from us (with certain exceptions), will not include any carryovers or carrybacks of losses or credits and will be calculated without regard to the federal Alternative Minimum Tax. We will reimburse Oil States for any taxes shown on the pro forma tax returns, and Oil States will reimburse us for any current losses or credits we recognize based on the pro forma tax returns. In addition, by virtue of Oil States' controlling ownership and the tax sharing agreement, Oil States will effectively control all of our U.S. tax decisions in connection with any consolidated, combined or unitary income tax returns in which we (or any of our subsidiaries) are included. The tax sharing agreement provides that Oil States will have sole authority to respond to and conduct all tax proceedings (including tax audits) relating to us, to prepare and file all consolidated, combined or unitary income tax returns in which we are included on our behalf (including the making of any tax elections), and to determine the reimbursement amounts in connection with any pro forma tax returns. This arrangement may result in conflicts of interest between Oil States and us. For example, under the tax sharing agreement, Oil States will be able to choose to contest, compromise or settle any adjustment or deficiency proposed by the relevant taxing authority in a manner that may be beneficial to Oil States and detrimental to us; provided, however, that Oil States may not make any settlement that would materially increase our tax liability without our consent. See "Arrangements Between Oil States and Our Company—Tax Sharing Agreement."

Moreover, notwithstanding the tax sharing agreement, U.S. federal law provides that each member of a consolidated group is liable for the group's entire tax obligation. Thus, to the extent Oil States or other members of Oil States' consolidated group fail to make any U.S. federal income tax payments required by law, we could be liable for the shortfall with respect to periods in which we were a member of Oil States' consolidated group. Similar principles may apply for foreign, state or local income tax purposes where we file combined, consolidated or unitary returns with Oil States or its subsidiaries for federal, foreign, state or local income tax purposes.

If, following the completion of the spin-off, there is a determination that the spin-off is taxable for U.S. federal income tax purposes because the facts, assumptions, representations, or undertakings underlying the tax opinion are incorrect or for any other reason, then Oil States and its stockholders could incur significant income tax liabilities, and we could incur significant liabilities.

The spin-off is conditioned on Oil States' receipt of an opinion of its outside tax advisor reasonably acceptable to the Oil States board of directors regarding certain aspects of the spin-off transaction on which the IRS will not rule. Oil States will receive an opinion from its outside tax advisor to such effect.

In addition, Oil States has received a private letter ruling from the IRS regarding certain aspects of the spin-off transaction. The private letter ruling relies, and the opinion will rely on certain facts, assumptions, representations and undertakings from Oil States and us regarding the past and future conduct of the companies' respective businesses and other matters. If any of these facts, assumptions, representations, or undertakings are, or become, incorrect or not otherwise satisfied, Oil States and its stockholders may not be able to rely on the private letter ruling or the opinion of its tax advisor and could be subject to significant tax liabilities. In addition, an opinion of counsel is not binding upon the IRS, so, notwithstanding the opinion of Oil States' tax advisor, the IRS could conclude upon audit that the spin-off is taxable in full or in part if it disagrees with the conclusions in the opinion, or for other reasons, including as a result of certain significant changes in the stock ownership of Oil States or us after the spin-off. If the spin-off is determined to be taxable for U.S. federal income tax purposes for any reason, Oil States and/or its stockholders could incur significant income tax liabilities, and we could incur significant liabilities. For a discussion of the potential tax consequences to Oil States stockholders if the spin-off is determined to be taxable, see "The Spin-Off—U.S. Federal Income Tax Consequences of the Spin-Off." For a description of the sharing of such liabilities between Oil States and us, see "Arrangements Between Oil States and Our Company—Tax Sharing Agreement."

Third parties may seek to hold us responsible for liabilities of Oil States that we did not assume in our agreements.

Third parties may seek to hold us responsible for retained liabilities of Oil States. Under our agreements with Oil States, Oil States will agree to indemnify us for claims and losses relating to these retained liabilities. However, if those liabilities are significant and we are ultimately held liable for them, we cannot assure you that we will be able to recover the full amount of our losses from Oil States.

Our prior and continuing relationship with Oil States exposes us to risks attributable to businesses of Oil States.

Oil States is obligated to indemnify us for losses that a party may seek to impose upon us or our affiliates for liabilities relating to the business of Oil States that are incurred through a breach of the separation and distribution agreement or any ancillary agreement by Oil States or its affiliates other than us, or losses that are attributable to Oil States in connection with the spin-off or are not expressly assumed by us under our agreements with Oil States. Immediately following the spin-off, any claims made against us that are properly attributable to Oil States in accordance with these arrangements would require us to exercise our rights under our agreements with Oil States to obtain payment from Oil States. We are exposed to the risk that, in these circumstances, Oil States cannot, or will not, make the required payment.

Following the spin-off, we expect our board of directors to consider converting us to a REIT. If our board of directors approves our conversion to a REIT and if we qualify as a REIT, compliance with REIT requirements could have adverse consequences to us.

Following the spin-off, we expect our board of directors to consider converting us to a real estate investment trust ("REIT"). Our board of directors may not approve our conversion to a REIT. If the board of directors does approve our conversion to a REIT, compliance with REIT requirements may cause us to forego otherwise attractive opportunities which may hinder or delay our ability to meet our investment objectives and reduce your overall return. To qualify as a REIT, we are required at all times to satisfy certain tests relating to, among other things, the sources of our income, the nature and diversification of our assets, the ownership of our stock and amounts we distribute to our shareholders. Compliance with the REIT requirements may impair our ability to maximize profits. For example, we may be required to pay distributions to shareholders at disadvantageous times or when we do not have funds readily available for distribution.

A REIT is required to distribute 90% of its U.S. taxable income to its shareholders in the form of dividends. In addition, to qualify as a REIT, at the end of each calendar quarter, at least 75% of our assets must consist of cash, cash items, government securities and qualified real estate assets. The remainder of our investments in securities other than qualified real estate assets and government securities generally cannot include more than 10% of the voting securities of any one issuer or more than 10% of the value of the outstanding securities of any one issuer. Additionally, no more than 5% of the value of our assets other than government securities and qualified real estate assets can consist of the securities of any one issuer, and no more than 25% of the value of our assets may be represented by securities of one or more taxable REIT subsidiaries. In order to satisfy these requirements, we may be forced to liquidate otherwise attractive investments.

Our board may not pursue a REIT election or we may not be able to qualify as a REIT.

Following the spin-off, we expect our board of directors to consider the viability and advisability of an election by Civeo to qualify and be taxed as a REIT for U.S. federal income tax purposes. In evaluating the REIT election, our board of directors will consider many factors, including, but not limited to, the impact on our ability to provide ancillary services, our ability to retain capital to organically grow our business or service our debt, the impact of a REIT election on the amount of our income taxes, as well as the impact on our cost and availability of capital and the valuation of our common stock. Following the evaluation of these factors by our board of directors, they may not pursue a REIT election. Further, our qualification as a REIT will depend upon our ability to meet, on an ongoing basis, requirements regarding our organization and ownership, distributions of our income, the nature and diversification of our income and assets and other tests imposed by the Code. We may fail to satisfy the REIT requirements in the future. If the IRS determines that we do not qualify as a REIT or if we qualify as a REIT and subsequently lose our REIT status, we will not receive the tax and other benefits associated with qualifying as a REIT.

The spin-off may expose us to potential liabilities arising out of state and federal fraudulent conveyance laws and legal dividend requirements.

The spin-off is subject to review under various state and federal fraudulent conveyance laws. Under these laws, if a court in a lawsuit by an unpaid creditor or an entity vested with the power of such creditor (including without limitation a trustee or debtor-in-possession in a bankruptcy by us or Oil States or any of our respective subsidiaries) were to determine that Oil States or any of its subsidiaries did not receive fair consideration or reasonably equivalent value for distributing our common stock or taking other action as part of the spin-off, or that we or any of our subsidiaries did not receive fair consideration or reasonably equivalent value for incurring indebtedness, including the new debt incurred by us in connection with the spin-off, transferring assets or taking other action as part of the spin-off and, at the time of such action, we, Oil States or any of our respective subsidiaries (i) was insolvent or would be rendered insolvent, (ii) had reasonably small capital with which to carry on its business and all business in which it intended to engage or (iii) intended to incur, or believed it would incur, debts beyond its ability to repay such debts as they would mature, then such court could void the spin-off as a constructive fraudulent transfer. If such court made this determination, the court could impose a number of different remedies, including without limitation, voiding our liens and claims against Oil States, or providing Oil States with a claim for money damages against us in an amount equal to the difference between the consideration received by Oil States and the fair market value of our company at the time of the spin-off.

The measure of insolvency for purposes of the fraudulent conveyance laws will vary depending on which jurisdiction's law is applied. Generally, however, an entity would be considered insolvent if the present fair saleable value of its assets is less than (i) the amount of its liabilities (including contingent liabilities) or (ii) the amount that will be required to pay its probable liabilities on its existing debts as they become absolute and mature. No assurance can be given as to what standard a court would apply to determine insolvency or that a court would determine that we, Oil States or any of our respective subsidiaries were solvent at the time of or after giving effect to the spin-off, including the distribution of our common stock.

Under the separation and distribution agreement, from and after the spin-off, each of Oil States and we will be responsible for the debts, liabilities and other obligations related to the business or businesses which it owns and operates following the consummation of the spin-off. Although we do not expect to be liable for any such obligations not expressly assumed by us pursuant to the separation and distribution agreement, it is possible that a court would disregard the allocation agreed to between the parties, and require that we assume responsibility for obligations allocated to Oil States, particularly if Oil States were to refuse or were unable to pay or perform the subject allocated obligations. See "Arrangements Between Oil States and Our Company—Separation and Distribution Agreement."

Risks Related to Our Common Stock

No market currently exists for our common stock. We cannot assure you that an active trading market will develop for our common stock.

Prior to the completion of the spin-off, there has been no public market for shares of our common stock. We cannot predict the extent to which investor interest in our company will lead to the development of a trading market on the NYSE or otherwise, or how liquid that market might become. If an active market does not develop, you may have difficulty selling any shares of our common stock that you receive in the spin-off.

The market price and trading volume of our common stock may be volatile and you may not be able to resell your shares at or above the initial market price of our common stock following the spin-off.

The market price of our stock may be influenced by many factors, some of which are beyond our control, including those described above in "—Risks Related to Our Business" and the following:

- the failure of securities analysts to cover our common stock after the spin-off or changes in financial estimates by analysts;
- the inability to meet the financial estimates of analysts who follow our common stock;
- strategic actions by us or our competitors;
- announcements by us or our competitors of significant contracts, acquisitions, joint marketing relationships, joint ventures or capital commitments;
- variations in our quarterly operating results and those of our competitors;
- general economic and stock market conditions;
- risks related to our business and our industry, including those discussed above;
- changes in conditions or trends in our industry, markets or customers;
- terrorist acts;

- future sales of our common stock or other securities; and

- investor perceptions of the investment opportunity associated with our common stock relative to other investment alternatives.

As a result of these factors, holders of our common stock may not be able to resell their shares at or above the initial market price following the spin-off or may not be able to resell them at all. These broad market and industry factors may materially reduce the market price of our common stock, regardless of our operating performance. In addition, price volatility may be greater if the public float and trading volume of our common stock is low.

Future sales, or the perception of future sales, of our common stock may depress the price of our common stock.

Upon completion of the spin-off, we expect that we will have approximately 106,112,722 million shares of common stock outstanding, based on the number of shares of Oil States common stock expected to be outstanding as of the record date. The market price of our common stock could decline significantly as a result of sales of a large number of shares of our common stock in the market after the completion of the spin-off. The shares of our common stock that Oil States distributes to its stockholders generally may be sold immediately in the public market. Oil States stockholders could sell our common stock received in the distribution if we do not fit their investment objectives or, in the case of index funds, if we are not part of the index in which they invest. Sales of significant amounts of our common stock or a perception in the market that such sales will occur may reduce the market price of our common stock. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

Also, in the future, we may issue our securities in connection with investments or acquisitions. The amount of shares of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then outstanding shares of our common stock. Issuing additional stock could adversely dilute our shareholders.

If securities or industry analysts do not publish research or reports about our business, if they adversely change their recommendations regarding our stock or if our operating results do not meet their expectations, our stock price could decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

We cannot assure you that we will pay dividends on our common stock, and our indebtedness could limit our ability to pay dividends on our common stock.

Our board of directors has approved a dividend policy pursuant to which, following the spin-off, we intend to pay a quarterly dividend in the amount of $0.13 per share, which we intend to commence payment of in the third quarter. However, the amount per share of our dividend payments may be changed in the future without advance notice. In addition, our ability to pay dividends on our common stock is limited by covenants in our credit facilities. Future agreements may also limit our ability to pay dividends, and we may incur incremental taxes in the United States if we repatriate foreign earnings to pay such dividends. See “Dividend Policy,” “Description of Material Indebtedness” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Tax Matters.” There can be no assurance that we will pay a dividend in the future or continue to pay any dividend if we do commence paying dividends.

Provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws and Delaware law could discourage a takeover attempt, which may reduce or eliminate the likelihood of a change of control transaction and, therefore, the ability of our stockholders to sell their shares for a premium.

Provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws provide for a classified board of directors, limitations on the removal of directors, limitations on stockholder proposals at meetings of stockholders and limitations on stockholder action by written consent and the inability of stockholders to call special meetings, could make it more difficult for a third-party to acquire control of our company. Our certificate of incorporation also authorizes our board of directors to issue preferred stock without stockholder approval. If our board of directors elects to issue preferred stock, it could increase the difficulty for a third-party to acquire us, which may reduce or eliminate our stockholders’ ability to sell their shares of our common stock at a premium. In addition, we are subject to Section 203 of the Delaware General Corporation Law (the “DGCL”), which may have an anti-takeover effect with respect to transactions not approved in advance by our board of directors, including discouraging takeover attempts that could have resulted in a premium over the market price for our shares of common stock. See “Description of Capital Stock—Anti-Takeover Effects of Provisions of our Amended and Restated Certificate of Incorporation, our Amended and Restated Bylaws and Delaware Law.”

Our amended and restated certificate of incorporation designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or agents.

Our amended and restated certificate of incorporation provides that unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for:

- any derivative action or proceeding brought on our behalf,
- any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees or agents to us or our stockholders,
- any action asserting a claim arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws, or
- any action asserting a claim against us that is governed by the internal affairs doctrine, in each such case subject to such Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein.

Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of, and consented to, the provisions of our amended and restated certificate of incorporation described in the preceding sentence. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, employees or agents, which may discourage such lawsuits against us and such persons. Alternatively, if a court were to find these provisions of our amended and restated certificate of incorporation inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business, financial condition or results of operations.

Our business could be negatively affected as a result of the actions of activist shareholders.

Publicly traded companies have increasingly become subject to campaigns by investors seeking to increase shareholder value by advocating corporate actions such as financial restructuring, increased borrowing, special dividends, stock repurchases or even sales of assets or the entire company. Upon completion of the spin-off, at least two of our shareholders, who, in the past, have been known for their shareholder activism, may own a material portion of our outstanding shares of common stock. Given our shareholder composition and other factors, it is possible such shareholders or future activist shareholders may attempt to effect such changes or acquire control over us. Responding to proxy contests and other actions by such activist shareholders or others in the future would be costly and time-consuming, disrupt our operations and divert the attention of our board of directors and senior management from the pursuit of business strategies, which could adversely affect our results of operations and financial condition. Additionally, perceived uncertainties as to our future direction as a result of shareholder activism or changes to the composition of the board of directors may lead to the perception of a change in the direction of the business, instability or lack of continuity which may be exploited by our competitors, cause concern to our current or potential customers, and make it more difficult to attract and retain qualified personnel. If customers choose to delay, defer or reduce transactions with us or transact with our competitors instead of us because of any such issues, then our, revenue, earnings and operating cash flows could be adversely affected.

FORWARD-LOOKING STATEMENTS

The information in this information statement includes “forward-looking statements.” The factors identified in this cautionary statement are important factors (but not necessarily all of the important factors) that could cause actual results to differ materially from those expressed in any forward-looking statement made by us, or on our behalf. You can typically identify “forward-looking statements” by the use of forward-looking words such as “may,” “will,” “could,” “project,” “believe,” “anticipate,” “expect,” “estimate,” “potential,” “plan,” “forecast,” “proposed,” “should,” “seek,” and other similar words. Such statements may include statements regarding our future financial position, budgets, capital expenditures, projected costs, plans and objectives of management for future operations and possible future strategic transactions. Where any such forward-looking statement includes a statement of the assumptions or bases underlying such forward-looking statement, we caution that, while we believe such assumptions or bases to be reasonable and make them in good faith, assumed facts or bases almost always vary from actual results. The differences between assumed facts or bases and actual results can be material, depending upon the circumstances. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements described under the heading “Risk Factors” included in this information statement.

In any forward-looking statement where we, or our management, express an expectation or belief as to future results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, there can be no assurance that the statement of expectation or belief will result or be achieved or accomplished. Taking this into account, the following are identified as important factors that could cause actual results to differ materially from those expressed in any forward-looking statement made by, or on behalf of, our company:

- the level of supply and demand for oil, coal, natural gas and other minerals
- the level of activity and developments in the Canadian oil sands;
- the level of demand for coal and other natural resources from Australia;
- the availability of attractive oil and natural gas field prospects, which may be affected by governmental actions or environmental activists which may restrict drilling
- fluctuations in the current and future prices of oil, coal and natural gas;
- general global economic conditions and the pace of recovery from the recent recession;
- global weather conditions and natural disasters;
- the other factors identified under the caption “Risk Factors” beginning on page 19 of this information statement.

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. We undertake no responsibility to publicly release the result of any revision of our forward-looking statements after the date they are made.

Should one or more of the risks or uncertainties described in this prospectus occur, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in any forward-looking statements.

All forward-looking statements, expressed or implied, included in this prospectus are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue.

THE SPIN-OFF

Background

Oil States' board of directors regularly reviewed the possibility and advisability of separating its oilfield services and accommodations businesses. On July 30, 2013, Oil States announced that its board of directors had authorized management to pursue the spin-off of its accommodations business into a standalone, publicly traded company. On May 5, 2014, Oil States announced that its board of directors had unanimously approved the spin-off and the distribution of all of the stock of the new company to Oil States' shareholders as of the record date of May 21, 2014. This authorization is subject to final approval by the Oil States board of directors, which approval is subject to, among other things, the conditions described below under "—Conditions to the Spin-Off."

To complete the spin-off, Oil States will, following the restructuring transactions described below, distribute to its stockholders all of the shares of our common stock. The distribution will occur on the distribution date, which is May 30, 2014. Each holder of Oil States common stock will receive two shares of our common stock for each share of Oil States common stock held by such stockholder at the close of business on May 21, 2014, the record date. After completion of the spin-off, the accommodations business will be an independent publicly traded company.

Each holder of Oil States common stock will continue to hold his, her or its shares in Oil States. No vote of Oil States stockholders is required or is being sought in connection with the spin-off, and Oil States stockholders will not have any appraisal rights in connection with the spin-off.

The distribution of our common stock as described in this information statement is subject to the satisfaction or waiver of certain conditions. In addition, Oil States has the right not to complete the spin-off if, at any time prior to the distribution, the board of directors of Oil States determines, in its sole discretion, that the spin-off is not in the best interests of Oil States or its stockholders or that market conditions are such that it is not advisable to separate us from Oil States. For a more detailed description, see "—Conditions to the Spin-Off."

Reasons for the Spin-Off

Oil States' board of directors has determined that the spin-off is in the best interests of Oil States and its stockholders because the spin-off will provide various benefits including: (1) enhancing corporate growth and efficiency by enabling each management team to focus its attention on the development and execution of its respective business; (2) improving access to capital to fund internal and external expansion; (3) enhancing Civeo's market recognition with investors because of more focused operations; (4) establishing an acquisition currency for Civeo and (5) enhancing our ability to attract and retain key employees.

Enhancing corporate growth and efficiency by enabling each management team to focus its attention on the development and execution of its respective business. Our accommodations business and the oilfield services business of Oil States have different financial and operating characteristics and as a result different operating strategies in order to maximize their long-term value. Our separation from Oil States will allow Oil States and us to enhance corporate growth and efficiency by providing management the ability to focus solely on our respective businesses and strategies and to better align management resources with the needs of our individual businesses. The dilution of attention involved in managing a combination of businesses with differing operating models and competing goals will thus be eliminated. Our separate management teams will also be able to better prioritize allocation of resources in support of differing priorities such as our desire to pursue our growth strategy through entry into other end markets that could benefit from the services provided by our business, including the military and student housing markets.

As separate public companies, Oil States and we will be able to provide incentive compensation including stock related compensation, to key management and employees that is more directly linked to the specific performance of their respective company and the market performance of their stock. This should improve both our business and the Oil States' oilfield services business' ability to attract and retain the requisite talent to compete effectively. We also may be better able to attract management from the hospitality, real estate and business services sectors as a separate company. Furthermore, with critical bases of activities located in Canada and Australia, attracting key talent from these countries is important to our business, and we may be better able to accomplish this objective after the spin-off.

Improving access to capital to fund internal and external expansion. As a separate public company, we will no longer need to compete with Oil States' other businesses for capital resources. Both Oil States and we believe that direct and differentiated access to the capital markets will allow each of us to better optimize our capital structures to meet the specific needs of each of the respective businesses, aligning financial and operational characteristics with investor and market expectations. Specifically, the capitalization policies and ratings guidelines for accommodations companies differ significantly from those in the oilfield services industry. As a result, we expect, as a stand-alone business, to be able to lower our overall cost of capital by increasing our leverage levels over time in a manner that is consistent with industry norms. Many companies in the real estate space are able to support greater leverage while maintaining an investment grade rating; for example, lodging companies and multi-family housing companies routinely employ leverage of 4-6x Debt/EBITDA (earnings before interest, taxes, depreciation, and amortization). In contrast, few oilfield services companies have investment grade ratings and those that do generally are amongst the largest in the industry (much larger in size than Oil States) and typically carry leverage of less than 2x Debt/EBITDA.

Enhancing our market recognition with investors because of more focused operations. Oil States' management and financial advisors believe that the investment characteristics of the accommodations business and Oil States' other businesses may appeal to different types of investors. We believe our simpler corporate structure with a single business segment will allow us to attract investors interested in focusing on the market dynamics, returns and informational inputs associated with an accommodations company. The spin-off will improve the investment community's visibility into and understanding of Oil States' and Civeo's operations, particularly as each company is able to develop its own separate identity by providing more focused and targeted communication to the market regarding its own business strategies, assets, operational performance, financial achievements and management teams. After the spin-off, investors should be better able to evaluate the financial performance of Oil States and us, as well as our respective strategies within the context of our respective market expectations and returns, thereby enhancing the likelihood that both entities will achieve appropriate market valuations.

Establishing an acquisition currency for Civeo. As a standalone accommodations company, we will be better positioned to use our equity securities as capital in pursuing merger and acquisition activities as the owners of the businesses we could seek to acquire will generally have greater interest in receiving securities of a company in the same line of business they were in rather than receiving the securities of a diversified operator of multiple businesses. However, we will be subject to certain requirements. For example, after the spin-off, we must avoid a 50% or greater change in our ownership in transactions related to the spin-off for a period of two years. This limitation is necessary in order to maintain the tax-free treatment of our separation from Oil States.

Enhancing our ability to attract and retain key employees. We believe that separating the oilfield services business from the accommodations business should improve both businesses ability to attract key employees with specialized skill sets. As a result of the spin-off, Oil States and Civeo will provide incentive compensation, including stock related compensation, to key management and employees that is directly linked to the specific performance of their company and the market performance of their stock. This should improve both businesses ability to attract and retain the requisite talent to compete effectively. In addition, we expect that Civeo will be better able to attract management from the hospitality, real estate and business services sectors as a separate company.

Restructuring Transactions

As part of the spin-off, we will consummate certain restructuring transactions as follows:

- We expect to enter into (i) a $650.0 million, 5-year revolving credit facility which is currently expected to be allocated as follows: (A) a $450.0 million senior secured revolving credit facility in favor of Civeo, as borrower, (B) a $100.0 million senior secured revolving credit facility in favor of certain of our Canadian subsidiaries, as borrowers, and (C) a $100.0 million senior secured revolving credit facility in favor of one of our Australian subsidiaries, as borrower; and (ii) a 5-year U.S. term loan facility in an amount to be determined up to $775.0 million in favor of Civeo. Amounts outstanding under the credit facilities are expected to bear interest at LIBOR plus a margin of 1.75% to 2.75%, or at a base rate plus a margin of 0.75% to 1.75%, in each case based on a ratio of our total leverage to EBITDA (as defined in the credit facilities). See "Description of Material Indebtedness";

- Oil States will contribute and transfer to us the assets and liabilities associated with our business in exchange for approximately 106,112,722 shares of our common stock, based on the number of shares of Oil States common stock expected to be outstanding as of the record date;

- We will pay a special dividend of $750.0 million to Oil States; and

- Our special dividend will generally settle the intercompany account balances and debt between us and Oil States.

Manner of Effecting the Spin-Off

The general terms and conditions relating to the spin-off will be set forth in a separation and distribution agreement between us and Oil States. Under the separation and distribution agreement, the distribution will be effective as of 11:59 p.m., Eastern Time, on May 30, 2014, the distribution date. As a result of the spin-off, on the distribution date, each holder of Oil States common stock will receive two shares of our common stock for each share of Oil States common stock owned. In order to receive shares of our common stock in the spin-off, an Oil States stockholder must be stockholder at the close of business of the NYSE on May 21, 2014, the record date.

On the distribution date, Oil States will release the shares of our common stock to our distribution agent to distribute to Oil States stockholders. For most of these Oil States stockholders, our distribution agent will credit their shares of our common stock to book-entry accounts established to hold their shares of our common stock. Our distribution agent will send these stockholders, including any Oil States stockholder that holds physical share certificates of Oil States common stock and is the registered holder of such shares of Oil States common stock represented by those certificates on the record date, a statement reflecting their ownership of our common stock. Book-entry refers to a method of recording stock ownership in records in which no physical certificates are used. For stockholders who own Oil States common stock through a broker or other nominee, their shares of our common stock will be credited to these stockholders' accounts by the broker or other nominee. It is expected that it will take the distribution agent one to two weeks to electronically issue shares of our common stock to Oil States stockholders or their bank or brokerage firm by way of direct registration in book-entry form. Trading of our stock will not be affected by this delay in issuance by the distribution agent. Following the spin-off, stockholders whose shares are held in book-entry form may request that their shares of our common stock be transferred to a brokerage or other account at any time.

Oil States stockholders will not be required to make any payment or surrender or exchange their shares of Oil States common stock or take any other action to receive their shares of our common stock. No vote of Oil States stockholders is required or sought in connection with the spin-off, including the restructuring transactions, and Oil States stockholders have no appraisal rights in connection with the spin-off.

U.S. Federal Income Tax Consequences of the Spin-Off

The following is a summary of the material U.S. federal income tax considerations relating to holders of Oil States common stock as a result of the distribution. This summary is based on the Code, the Treasury Regulations promulgated thereunder and judicial and administrative interpretations thereof, in each case as in effect and available as of the date of this information statement and all of which are subject to differing interpretations that may change at any time, possibly with retroactive effect. Any such change could affect the tax consequences described below.

Except as specifically described below, this summary is limited to holders of Oil States common stock that are U.S. holders (as described below). For purposes of this summary, a U.S. holder is a beneficial owner of Oil States common stock that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;

- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;

- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or

- a trust, if (1) a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all of the substantial decisions of such trust or (2) it has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person for U.S. federal income tax purposes.

A non-U.S. holder is a beneficial owner (other than an entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes) of shares of Oil States common stock who is not a U.S. holder.

This summary does not discuss all tax considerations that may be relevant to Oil States shareholders in light of their particular circumstances, nor does it address the consequences to Oil States shareholders subject to special treatment under the U.S. federal income tax laws, such as:

- dealers or traders in securities or currencies;
- banks, financial institutions, or insurance companies;
- regulated investment companies, real estate investment trusts, or grantor trusts;
- certain former citizens or long-term residents of the United States;
- tax-exempt entities;
- traders in securities that elect to use a mark-to-market method of accounting for their securities;
- holders who own shares of our common stock as part of a hedging, integrated, or conversion transaction or a straddle or holders deemed to sell shares of our common stock under the constructive sale provisions of the Code;
- holders who acquired our common stock pursuant to the exercise of employee stock options or otherwise as compensation;
- U.S. holders whose “functional currency” is not the U.S. dollar;
- holders who are subject to alternative minimum tax consequences; or
- partnerships or other pass-through entities and investors in such entities.

This summary does not address the U.S. federal income tax consequences to Oil States shareholders who do not hold Oil States common stock as capital assets. Moreover, this summary does not address any state, local or non-U.S. tax consequences or any estate, gift or other non-income tax consequences.

If a partnership (including an entity treated as a partnership for U.S. federal income tax purposes) holds shares of Oil States common stock, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding shares of Oil States common stock, you should consult your tax advisor.

HOLDERS OF OIL STATES COMMON STOCK SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE SPECIFIC U.S. FEDERAL, STATE AND LOCAL AND NON-U.S. TAX CONSEQUENCES OF THE DISTRIBUTION IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES AND THE EFFECT OF POSSIBLE CHANGES IN LAW THAT MIGHT AFFECT THE TAX CONSEQUENCES DESCRIBED HEREIN.

Tax-free Status of the Distribution

Oil States (i) has received a private letter ruling substantially to the effect that, among other things, the distribution will qualify under Section 355 of the Code as a tax-free distribution and (ii) will receive an opinion from its tax counsel regarding certain aspects of the spin-off transaction on which the IRS will not rule. Because the distribution will qualify as a tax-free distribution,

- no gain or loss will be recognized by, and no amount will be included in the income of, Oil States stockholders upon their receipt of shares of our common stock in the distribution;
- the basis of an Oil States stockholder in Oil States common stock immediately before the distribution will be allocated between the Oil States common stock held by such holder and our common stock received by such holder in the distribution, in proportion to their relative fair market values at the time of the distribution;
- the holding period of our common stock received by each Oil States stockholder will include the period during which the stockholder held the Oil States common stock on which the distribution is made, provided that the Oil States common stock is held as a capital asset on the distribution date; and
- no gain or loss will be recognized by Oil States upon the distribution of our common stock.

The private letter ruling relies, and the tax opinion of counsel will rely, on certain facts, assumptions, representations and undertakings from Oil States and us regarding the past and future conduct of the companies' respective businesses and other matters. If any of these facts, assumptions, representations, or undertakings are, or become, incorrect or not otherwise satisfied, Oil States and its stockholders may not be able to rely on the private letter ruling or the opinion of its tax advisor. In addition, an opinion of counsel is not binding on the IRS, so, notwithstanding the opinion of Oil States' tax advisor, the IRS could conclude upon audit that the distribution is taxable if it disagrees with the conclusions in the opinion or for other reasons. There can be no assurance that the IRS or the courts will not challenge the qualification of the distribution as a tax-free transaction under Section 355 of the Code or that such challenge would not prevail.

Even though the distribution will otherwise qualify as tax-free, Oil States or its affiliates may recognize taxable gain under Section 355(e) of the Code if there are one or more acquisitions (including issuances) of either our stock or the stock of Oil States, representing 50% or more, measured by vote or value, of the then-outstanding stock of either corporation, and the acquisition or acquisitions are deemed to be part of a plan or series of related transactions that include the distribution. Any such acquisition of our stock within two years before or after the distribution (with exceptions, including public trading by less-than-five percent stockholders and certain compensatory stock issuances) generally will be presumed to be part of such a plan unless Oil States can rebut that presumption. If Oil States recognizes gain under Section 355(e), it would result in a significant U.S. federal income tax liability to Oil States (although the distribution would generally be tax-free to Oil States stockholders), and, under some circumstances, the tax sharing agreement would require us to indemnify Oil States for such tax liability. See "—Indemnification" and "Arrangements Between Oil States and Our Company—Tax Sharing Agreement."

Material U.S. Federal Income Tax Consequences of the Distribution to U.S. Holders

Distribution of Civeo Stock

The discussion above under "—Tax-Free Status of the Distribution" applies to U.S. holders if the distribution qualifies as tax-free under Section 355 of the Code.

If the distribution of shares of our common stock were determined not to qualify under Section 355, then each U.S. holder of Oil States receiving shares of our common stock in the distribution generally would be treated as receiving a distribution in an amount equal to the fair market value of such shares of our common stock. This generally would result in the following consequences to the U.S. holder:

- first, a taxable dividend to the extent of such U.S. holder's pro rata share of Oil States' current and accumulated earnings and profits;
- second, any amount that exceeds Oil States' earnings and profits would be treated as a nontaxable return of capital to the extent of such U.S. holder's tax basis in its shares of Oil States' common stock; and
- third, any remaining amount would be taxed as capital gain.

In addition, Oil States would recognize a taxable gain equal to the excess of the fair market value of our common stock distributed over Oil States' adjusted tax basis in such stock, and, under certain circumstances, the tax sharing agreement would require us to indemnify Oil States for such tax liability. See "—Indemnification" and "Arrangements Between Oil States and Our Company —Tax Sharing Agreement."

Information Reporting and Backup Withholding

A U.S. holder that receives a taxable distribution of our common stock made in connection with the distribution may be subject to information reporting and backup withholding. A U.S. holder may avoid backup withholding if such holder provides proof of an applicable exemption or a correct taxpayer identification number, and otherwise complies with the requirements of the backup withholding rules. Backup withholding does not constitute an additional tax, but is merely an advance payment that may be refunded or credited against a holder's U.S. federal income tax liability, provided the required information is timely supplied to the IRS.

Material U.S. Federal Income Tax Consequences of the Distribution to Non-U.S. Holders

Distribution of Civeo Stock

The distribution will qualify as a tax-free distribution for U.S. federal income tax purposes. Non-U.S. holders receiving stock in the distribution will not be subject to U.S. federal income tax on any gain realized on the receipt of our common stock so long as (1) Oil States' common stock is considered regularly traded on an established securities market and (2) such non-U.S. holder beneficially owns five percent or less of Oil States' common stock at all times during the shorter of the five-year period ending on the distribution date or the non-U.S. holder's holding period, taking into account both actual and constructive ownership under the applicable ownership attribution rules of the Code. Oil States believes that its common stock has been and is regularly traded on an established securities market for U.S. federal income tax purposes.

Any non-U.S. holder that beneficially owns more than five percent of Oil States common stock under the rules described above and receives our common stock will be subject to U.S. federal income tax on any gain realized with respect to its existing Oil States common stock as a result of the distribution if (1) Oil States is treated as a "United States real property holding corporation" ("USRPHC") for U.S. federal income tax purposes at any time during the shorter of the five year period ending on the distribution date or the period during which the non-U.S. holder held such Oil States common stock and (2) we are not a USRPHC immediately following the distribution. In general, either Oil States or we will be a USRPHC at any relevant time described above if 50 percent or more of the fair market value of the respective company's assets constitute "United States real property interests" within the meaning of the Code. We do not believe that Oil States is or has been a USRPHC at any time during the five year period ending on the distribution date. Further, we do not expect to be a USRPHC immediately after the distribution. However, because the determination of whether we or Oil States are a USRPHC turns on the relative fair market value of Oil States and our United States real property interests and other assets, and because the USRPHC rules are complex, we can give no assurance that Oil States was not a USRPHC prior to the distribution date or that we will not be a USRPHC after the distribution. Any non-U.S. holder that beneficially owns more than five percent of Oil States common stock under the rules described above and receives our common stock will not be subject to U.S. federal income tax on any gain realized with respect to its existing Oil States common stock as a result of the distribution if (a) both we and Oil States are USRPHCs and (b) such non-U.S. holders meet certain procedural and substantive requirements described in such Treasury regulations. Non-U.S. holders should consult their tax advisors to determine if they are more than five percent beneficial owners of Oil States' common stock, or may be more than five percent owners of our common stock under the applicable rules.

If the distribution was determined not to qualify as a tax-free distribution for U.S. federal income tax purposes, then each non-U.S. holder receiving shares of our common stock in the distribution would be subject to U.S. federal income tax at a rate of 30 percent of the gross amount of any such distribution that is treated as a dividend, unless:

(1) such dividend was effectively connected with the conduct of a trade or business, or, if an income tax treaty applies, is attributable to a permanent establishment or fixed base maintained by the non-U.S. holder within the United States; or

(2) the non-U.S. holder is entitled to a reduced tax rate with respect to dividends pursuant to an applicable income tax treaty.

Under the first exception, regular graduated federal income tax rates applicable to U.S. persons would apply to the dividend, and, in the case of a corporate non-U.S. holder, a branch profits tax may also apply, as described below. Unless one of these exceptions applies and the non-U.S. holder provides Oil States with an appropriate IRS Form (or Forms) W-8 to claim an exemption from or reduction in the rate of withholding under such exception, Oil States may be required to withhold 30 percent of any distribution of our common stock treated as a dividend to satisfy the non-U.S. holder's U.S. federal income tax liability.

A distribution of our common stock that is not tax-free for U.S. federal income tax purposes could also be treated as a nontaxable return of capital or could trigger capital gain for U.S. federal income tax purposes. A distribution of our common stock that is treated as a nontaxable return of capital is generally not subject to U.S. income tax. Furthermore, such distribution generally is not subject to U.S. withholding tax so long as the common stock of Oil States is regularly traded on an established securities market, which Oil States believes to be the case, and the non-U.S. holder does not beneficially own more than five percent of Oil States' common stock at any time during the shorter of the five year period ending on the distribution date or the period during which the non-U.S. Holder held such Oil States common stock, taking into account the attribution rules described above. A distribution of our common stock triggering capital gain is generally not subject to U.S. federal income taxation and generally is not subject to U.S. withholding tax subject to the same exception described above for a nontaxable return of capital.

Information Reporting and Backup Withholding

Payments made to non-U.S. holders in the distribution may be subject to information reporting and backup withholding. Non-U.S. holders generally may avoid backup withholding by furnishing a properly executed IRS Form W-8BEN (or other applicable IRS Form W-8) certifying the non-U.S. holder's non-U.S. status or by otherwise establishing an exemption. Backup withholding is not an additional tax. Rather, non-U.S. holders may use amounts withheld as a credit against their U.S. federal income tax liability or may claim a refund of any excess amounts withheld by timely and duly filing a claim for refund with the IRS.

Information Reporting for Significant Stockholders

Current Treasury regulations require a "significant" stockholder (one who immediately before the distribution owns 5% or more (by vote or value) of the total outstanding Oil States common stock) who receives our common stock pursuant to the distribution to attach to such stockholder's U.S. federal income tax return for the year in which the distribution occurs a detailed statement setting forth such data as may be appropriate in order to show the applicability to the distribution of Section 355 of the Code.

Indemnification

Under the tax sharing agreement, we have agreed to indemnify Oil States from liability for any taxes arising from the spin-off to the extent attributable to a breach by us (or any of our subsidiaries) of any of our representations or covenants in the tax sharing agreement, the separation and distribution agreement, or made in connection with the private letter ruling or opinion of counsel. In addition, we have agreed to pay 50% of any taxes arising from the spin-off to the extent that the tax is not attributable to the fault of either party. See "Arrangements Between Oil States and Our Company—Tax Sharing Agreement."

Results of the Spin-Off

After the spin-off, we will be an independent, publicly owned company. Immediately following the spin-off, we expect to have approximately 23 holders of shares of our common stock and approximately 106,112,722 million shares of our common stock outstanding, based on the number of stockholders and outstanding shares of Oil States common stock expected as of the record date. The figures assume no exercise of outstanding options and exclude shares of Oil States common stock held directly or indirectly by Oil States, if any. The actual number of shares to be distributed will be determined on the record date and will reflect any exercise of Oil States options between the date the Oil States board of directors declares the dividend for the distribution and the record date for the distribution.

For information regarding options to purchase shares of our common stock that will be outstanding after the distribution, see “Capitalization,” “Management” and “Arrangements Between Oil States and Our Company—Employee Matters Agreement.”

Before the spin-off, we will enter into several agreements with Oil States to effect the spin-off and provide a framework for our relationship with Oil States after the spin-off. These agreements will govern the relationship between us and Oil States after completion of the spin-off and provide for the allocation between us and Oil States of Oil States’ assets, liabilities and obligations. For a more detailed description of these agreements, see “Arrangements Between Oil States and Our Company.”

Trading Prior to the Distribution Date

It is anticipated that, on or shortly before the record date and continuing up to and including the distribution date, there will be a “when-issued” market in our common stock. When-issued trading refers to a sale or purchase made conditionally because the security has been authorized but not yet issued. The when-issued trading market will be a market for shares of our common stock that will be distributed to Oil States stockholders on the distribution date. Any Oil States stockholder that owns shares of Oil States common stock at the close of business on the record date will be entitled to shares of our common stock distributed in the spin-off. Oil States stockholders may trade this entitlement to shares of our common stock, without the shares of Oil States common stock they own, on the when-issued market. On the first trading day following the distribution date, we expect when-issued trading with respect to our common stock will end and “regular-way” trading will begin. See “Trading Market.”

Following the distribution date, shares of our common stock will be listed on the NYSE under the ticker symbol “CVEO”. We will announce the when-issued ticker symbol when and if it becomes available.

It is also anticipated that, on or shortly before the record date and continuing up to and including the distribution date, there will be two markets in Oil States common stock: a “regular-way” market and an “ex-distribution” market. Shares of Oil States common stock that trade on the regular-way market will trade with an entitlement to shares of our common stock distributed pursuant to the distribution. Shares that trade on the ex-distribution market will trade without an entitlement to shares of our common stock distributed pursuant to the distribution. Therefore, if shares of Oil States common stock are sold in the regular-way market up to and including the distribution date, the selling stockholder’s right to receive shares of our common stock in the distribution will be sold as well. However, if Oil States stockholders own shares of Oil States common stock at the close of business on the record date and sell those shares on the ex-distribution market up to and including the distribution date, the selling stockholders will still receive the shares of our common stock that they would otherwise receive pursuant to the distribution. See “Trading Market.”

Treatment of Stock-Based Plans for Current and Former Employees

In connection with the spin-off, Oil States equity and equity-based awards held by current and former Oil States employees and directors will generally remain outstanding with respect to Oil States common stock, and Oil States equity and equity-based awards held by Civeo employees will cease to remain outstanding with respect to Oil States common stock and will be converted into awards with respect to Civeo common stock. Specifically, Oil States and Civeo expect to provide for the following to occur with respect to outstanding Oil States equity and equity-based awards:

- Restricted shares of Oil States common stock held by current employees of Civeo will be cancelled upon the spin-off, with the holder thereof entitled to receive a number of time-vested restricted shares of Civeo common stock determined in a manner to preserve the pre spin-off value of the prior Oil States restricted shares based upon the relative stock prices of Civeo and Oil States.

- All outstanding Oil States options and other time-vested equity and equity-based awards (other than restricted shares) held by Civeo employees will be converted upon the completion of the spin-off into the same type of award with respect to Civeo common stock, with the number of shares and exercise price of such award, as applicable, adjusted based upon the relative stock prices of Civeo and Oil States to preserve the value of the award prior to the spin-off. Following the spin-off, such awards will be subject to the same terms and conditions as prior to the spin-off, except that they will vest based upon continued service or a change of control of Civeo rather than Oil States.

- All outstanding Oil States options, restricted shares and other time-vested equity and equity-based awards held by current or former Oil States employees will be modified upon the completion of the spin-off based upon relative pre- and post-spin-off stock prices of Oil States such that the number of shares and exercise price of such award, as applicable, are adjusted based upon the relative stock prices of Civeo and Oil States to preserve the value of the award prior to the spin-off. Following the spin-off, such awards will remain subject to the same terms and conditions as prior to the spin-off.

- Performance-based deferred stock awards held by Civeo employees will be cancelled with the holder thereof entitled to receive an award of time-vested restricted shares of Civeo common stock, with the number of such time-vested restricted shares determined based upon the number of Oil States shares issuable upon settlement based upon the actual attainment of performance objectives to date as of Oil States' most recently-completed fiscal quarter, adjusted based upon the relative stock prices of Civeo and Oil States to preserve the value of the award prior to the spin-off. Following the spin-off, such awards will vest based upon continued service or a change of control of Civeo and will not be subject to performance vesting conditions.

- Performance-based deferred stock awards held by Oil States employees will be cancelled with the holder thereof entitled to receive an award of time-vested restricted shares of Oil States common stock, with the number of such time-vested restricted shares determined based upon the number of Oil States shares issuable upon settlement based upon the actual attainment of performance objectives to date as of Oil States' most recently-completed fiscal quarter, adjusted based upon the relative stock prices of Civeo and Oil States to preserve the value of the award prior to the spin-off. Following the spin-off, such awards will vest based upon continued service or a change of control of Oil States and will not be subject to performance vesting conditions.

Incurrence of Debt

In connection with the spin-off, we expect to enter into (i) a $650.0 million, 5-year revolving credit facility which is currently expected to be allocated as follows: (A) a $450.0 million senior secured revolving credit facility in favor of Civeo, as borrower, (B) a $100.0 million senior secured revolving credit facility in favor of certain of our Canadian subsidiaries, as borrowers, and (C) a $100.0 million senior secured revolving credit facility in favor of one of our Australian subsidiaries, as borrower; and (ii) a 5-year U.S. term loan facility in an amount to be determined up to $775.0 million in favor of Civeo. Amounts outstanding under the credit facilities are expected to bear interest at LIBOR plus a margin of 1.75% to 2.75%, or at a base rate plus a margin of 0.75% to 1.75%, in each case based on a ratio of our total leverage to EBITDA (as defined in the credit facilities). We anticipate that, upon closing of the spin-off, our U.S. term loan facility will be fully drawn and that we will have no borrowings outstanding under our credit facilities. See "Description of Material Indebtedness" for a more detailed description of these transactions.

Conditions to the Spin-Off

We expect that the spin-off will be effective as of 11:59 p.m., Eastern Time, on May 30, 2014, the distribution date, provided that the following conditions shall have been satisfied or waived by Oil States:

- SEC will have declared effective our registration statement on Form 10, of which this information statement is a part, under the Exchange Act; no stop order suspending the effectiveness of the registration statement shall be in effect; and no proceedings for such purpose shall be pending before or threatened by the SEC;

- any required actions and filings with regard to state securities and blue sky laws of the U.S. (and any comparable laws under any foreign jurisdictions) will have been taken and, where applicable, have become effective or been accepted;

- the Civeo common stock will have been authorized for listing on the NYSE, or another national securities exchange approved by Civeo, subject to official notice of issuance;

- Oil States shall have received a private letter ruling to the effect that, among other things, the spin-off will qualify as a transaction that is tax-free for U.S. federal income tax purposes under Sections 355 and 368(a)(1)(D) of the Code, and such private letter ruling shall not have been revoked or modified in any material respect;

- Oil States shall have received an opinion of its tax counsel, in form and substance acceptable to Oil States and which shall remain in full force and effect, as to certain matters affecting the tax treatment of the Spin-off on which the IRS will not rule;

- no order, injunction, decree or regulation issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing consummation of the distribution will be in effect;
- any government approvals and other material consents necessary to consummate the distribution will have been obtained and be in full force and effect;
- Oil States shall have received the special dividend from Civeo; and
- A majority of the aggregate outstanding principal amount of each series of Oil States 5 1/8% Senior Notes due 2023 and 6 1/2% Senior Notes due 2019 shall have been accepted for payment pursuant to the Oil States tender offers.

The fulfillment of the foregoing conditions will not create any obligations on Oil States' part to effect the distribution, and the Oil States board of directors has reserved the right, in its sole discretion, to abandon, modify or change the terms of the distribution, including by accelerating or delaying the timing of the consummation of all or part of the distribution, at any time prior to the distribution date.

TRADING MARKET

Market for Our Common Stock

There has been no public market for our common stock. An active trading market may not develop or may not be sustained. We anticipate that trading of our common stock will commence on a "when-issued" basis on or shortly before the record date and continue through the distribution date. When-issued trading refers to a sale or purchase made conditionally because the security has been authorized but not yet issued. When-issued trades generally settle within four trading days after the distribution date. If you own shares of Oil States common stock at the close of business on the record date, you will be entitled to shares of our common stock distributed pursuant to the spin-off. You may trade this entitlement to shares of our common stock, without the shares of Oil States common stock you own, on the when-issued market. On the first trading day following the distribution date, any when-issued trading with respect to our common stock will end and "regular-way" trading will begin. We have been approved to list our common stock on the NYSE under the ticker symbol "CVEO". We will announce our when-issued trading symbol when and if it becomes available.

It is also anticipated that, on or shortly before the record date and continuing up to and including the distribution date, there will be two markets in Oil States common stock: a "regular-way" market and an "ex-distribution" market. Shares of Oil States common stock that trade on the regular-way market will trade with an entitlement to shares of our common stock distributed pursuant to the distribution. Shares that trade on the ex-distribution market will trade without an entitlement to shares of our common stock distributed pursuant to the distribution. Therefore, if you sell shares of Oil States common stock in the regular-way market up to and including the distribution date, you will be selling your right to receive shares of our common stock in the distribution. However, if you own shares of Oil States common stock at the close of business on the record date and sell those shares on the ex-distribution market up to and including the distribution date, you will still receive the shares of our common stock that you would otherwise receive pursuant to the distribution.

We cannot predict the prices at which our common stock may trade before the spin-off on a "when-issued" basis or after the spin-off. Those prices will be determined by the marketplace. Prices at which trading in our common stock occurs may fluctuate significantly. Those prices may be influenced by many factors, including anticipated or actual fluctuations in our operating results or those of other companies in our industry, investor perception of our company and the accommodations industry, market fluctuations and general economic conditions. In addition, the stock market in general has experienced extreme price and volume fluctuations that have affected the performance of many stocks and that have often been unrelated or disproportionate to the operating performance of these companies. These are just some factors that may adversely affect the market price of our common stock. See "Risk Factors—Risks Related to Our Common Stock."

Transferability of Shares of Our Common Stock

The shares of our common stock that you will receive in the distribution will be freely transferable, unless you are considered an "affiliate" of ours under Rule 144 under the Securities Act of 1933, as amended (the "Securities Act"). Persons who can be considered our affiliates after the spin-off generally include individuals or entities that directly, or indirectly through one or more intermediaries, control, are controlled by, or are under common control with, us, and may include certain of our officers and directors. In addition, individuals who are affiliates of Oil States on the distribution date may be deemed to be affiliates of ours. We estimate that our directors and executive officers, who may be considered "affiliates" for purposes of Rule 144, will beneficially own approximately 756,731 shares of our common stock immediately following the distribution. See "Security Ownership of Certain Beneficial Owners and Management" included elsewhere in this information statement for more information. Our affiliates may sell shares of our common stock received in the distribution only:

- under a registration statement that the SEC has declared effective under the Securities Act; or
- under an exemption from registration under the Securities Act, such as the exemption afforded by Rule 144.

In general, under Rule 144 as currently in effect, an affiliate will be entitled to sell, within any three-month period commencing 90 days after the date the registration statement, of which this information statement is a part, is declared effective, a number of shares of our common stock that does not exceed the greater of:

- 1.0% of our common stock then outstanding; or
- the average weekly trading volume of our common stock on the NYSE during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Rule 144 also includes notice requirements and restrictions governing the manner of sale. Sales may not be made under Rule 144 unless certain information about us is publicly available.

In the future, we may adopt new stock option and other equity-based award plans and issue options to purchase shares of our common stock and other stock-based awards. We currently expect to file a registration statement under the Securities Act to register shares to be issued under these stock plans. Shares issued pursuant to awards after the effective date of the registration statement, other than shares issued to affiliates, generally will be freely tradable without further registration under the Securities Act.

Except for our common stock distributed in the distribution, none of our equity securities will be outstanding on or immediately after the spin-off and there are no registration rights agreements existing with respect to our common stock.

DIVIDEND POLICY

Our board of directors has approved a dividend policy pursuant to which, following the spin-off, we intend to pay a quarterly dividend in the amount of $0.13 per share, which we intend to commence payment of in the third quarter. However, the amount per share of our dividend payments may be changed in the future without advance notice. In addition, our ability to pay dividends on our common stock is limited by covenants in our credit facilities. Future agreements may also limit our ability to pay dividends, and we may incur incremental taxes in the United States if we repatriate foreign earnings to pay such dividends. See “Description of Material Indebtedness” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Tax Matters.”

CAPITALIZATION

The following table sets forth (i) our historical capitalization as of December 31, 2013, and (ii) our adjusted capitalization assuming the distribution, the incurrence of debt and other matters (as discussed in "The Spin-Off") were effective as of December 31, 2013. The table should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical combined and pro forma combined financial statements and accompanying notes included elsewhere in this Information Statement.

	As of December 31,	
	2013 Actual	2013 As Adjusted
	(dollars in millions)	
Debt Outstanding		
Short-term debt	$ —	$ —
Long-term debt to affiliates	335.2	—
Long-term debt to third-parties	—	775.0
Total debt	335.2	775.0
Stockholders' Equity		
Common stock		
Par value	—	1.1
Additional paid-in capital	—	1,230.9
Oil States International, Inc. net investment	1,651.0	—
Accumulated other comprehensive loss	(60.0)	(60.0)
Noncontrolling interest	1.7	1.7
Total Net Investment/Stockholders' Equity	1,592.7	1,173.7
Total Capitalization	$ 1,927.9	$ 1,948.7

UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS

The unaudited pro forma combined financial statements of the Accommodations Business of Oil States consist of the unaudited pro forma combined statement of income for the year ended December 31, 2013 and an unaudited pro forma combined balance sheet as of December 31, 2013. The unaudited pro forma combined financial statements should be read in conjunction with "Capitalization," "Selected Historical Combined Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Other Related Party Transactions" and our historical combined financial statements included elsewhere in this Information Statement.

The unaudited pro forma combined financial statements have been derived from our historical combined financial statements included in this Information Statement and are not intended to be a complete presentation of our financial position or results of operations had the transactions contemplated by the spin-off and related agreements occurred as of and for the periods indicated. In addition, they are provided for illustrative and informational purposes only and are not necessarily indicative of our future results of operations or financial condition as an independent, publicly traded company. The pro forma adjustments are based upon available information and assumptions that management believes are reasonable, that reflect the expected impacts of events directly attributable to the spin-off and related transaction agreements, and that are factually supportable, and for purposes of the statement of income, are expected to have a continuing impact on us. However, such adjustments are subject to change based on the finalization of the terms of the spin-off and related agreements.

The unaudited pro forma combined statement of income for the year ended December 31, 2013 reflects our results as if the spin-off and related transactions described below had occurred on January 1, 2013. The unaudited pro forma combined balance sheet as of December 31, 2013 reflects our results as if the spin-off and related transactions described below had occurred as of such date.

The unaudited pro forma combined financial statements give effect to the following:

- the contribution by Oil States to us, pursuant to the spin-off, of all the assets and liabilities that comprise our business;
- our anticipated post-spin-off capital structure, including (i) the issuance of up to approximately 108.4 million shares of our common stock to holders of Oil States common shares (this number of shares is based upon the number of Oil States common shares outstanding on December 31, 2013 and the distribution ratio of two shares of Civeo common stock for every one share of Oil States common stock held on the record date) and (ii) the incurrence of $775.0 million of indebtedness to fund (1) the transfer to Oil States of $750.0 million through a dividend and (2) general corporate purposes, including transaction related expenses; and
- the settlement of intercompany account balances between us and Oil States including the contribution to us of our existing long term debt to affiliates, which is currently held by Oil States.

The operating expenses reported in our historical combined statements of income include allocations of certain Oil States costs. These costs include allocation of Oil States corporate costs, shared services, and other operating and administration costs that benefit us. In connection with the spin-off, we expect to enter into a transition services agreement, tax sharing agreement and employee matters agreement with Oil States. See "Arrangements Between Oil States and Our Company." We do not expect that the incremental costs associated with the agreements will be materially higher than the allocations described above, as such, no further pro forma adjustment have been made. However, the unaudited pro forma condensed combined financial statements do not reflect all of the costs of operating as a stand-alone public company which are estimated to be in the range of $17.0 million to $20.0 million, before-tax, annually.

We currently estimate that Oil States will incur $15.0 million to $20.0 million of transaction costs related to the spin-off, excluding refinancing costs. As of December 31, 2013, Oil States had already incurred approximately $5.2 million of these transaction costs. We have not adjusted the accompanying unaudited pro forma combined statement of income for these estimated costs as the costs are not expected to be allocated to us or to have an ongoing impact on our operating results. We expect all of these costs to be paid for and expensed by Oil States.

We anticipate that Civeo will also incur transition costs related to becoming a separate, public company within 18 months of the spin-off. These costs primarily relate to the following:

- accounting, tax, legal and other professional costs pertaining to the spin-off and establishing us as a stand-alone public company;
- compensation, such as modifications to certain bonus and equity awards, upon completion of the spin-off;
- recruiting and relocation costs associated with hiring key senior management personnel new to our company;
- costs related to establishing our new brand in the marketplace; and
- costs to separate information systems.

Due to the scope and complexity of these activities, the amount of these costs could increase or decrease materially and the timing of incurrence could change.

UNAUDITED PRO FORMA COMBINED BALANCE SHEET
AS OF DECEMBER 31, 2013
(in millions)

	Historical(a)	Financing Adjustments for Distribution		Distribution and Other Adjustments		Pro Forma for the Financing and Distribution
ASSETS						
Current assets:						
Cash	$ 224.1	$ 765.0	(b)	$ (750.0)	(e)	$ 239.1
Accounts receivable, net	177.8					177.8
Inventories	29.8					29.8
Prepaid expenses and other current assets	11.9					11.9
Total current assets	443.6					458.6
Property, plant and equipment, net	1,325.9					1,325.9
Goodwill, net	261.1					261.1
Other intangible assets, net	75.7					75.7
Other noncurrent assets	20.7	5.8	(c)			26.5
Total assets	$ 2,127.0					$ 2,147.8
LIABILITIES AND STOCKHOLDERS' EQUITY						
Current liabilities:						
Accounts payable	$ 45.4					$ 45.4
Accrued liabilities	26.9					26.9
Income taxes	6.6					6.6
Deferred revenue	19.6					19.6
Other current liabilities	2.4					2.4
Total current liabilities	100.9					100.9
Long-term debt to affiliates	335.2			(335.2)	(f)	—
Long-term debt to third-parties	—	775.0	(b)			775.0
Deferred income taxes	79.7					79.7
Other noncurrent liabilities	18.5					18.5
Total liabilities	534.3					974.1
Equity:						
Common stock	—			1.1	(g)	1.1
Additional paid-in capital	—			1,230.9	(g)	1,230.9
Parent company investment	1,651.0	(4.2)	(c)	(1,646.8)	(g)	—
Accumulated other comprehensive loss	(60.0)					(60.0)
Total	1,591.0					1,172.0
Noncontrolling interests	1.7					1.7
Total equity	1,592.7					1,173.7
Total liabilities and stockholders' equity	$ 2,127.0					$ 2,147.8

See accompanying Notes to the Unaudited Pro Forma Combined Financial Statements

UNAUDITED PRO FORMA COMBINED STATEMENT OF INCOME
YEAR ENDED DECEMBER 31, 2013
(in millions, except per share data)

	Historical(a)	Financing Adjustments for Distribution	Distribution and Other Adjustments	Pro Forma for the Financing and Distribution
Revenue	$ 1,041.1			$ 1,041.1
Cost of goods and services	549.6			549.6
Operating expenses:				
Selling, general & administrative expenses	69.6			69.6
Depreciation and amortization expense	167.2			167.2
Other operating income	(4.8)			(4.8)
Total operating expenses	232.0			232.0
Operating income	259.5			259.5
Interest expense, net	(23.8)	(16.9) (d)	18.3 (f)	(22.4)
Other income	3.7			3.7
Income before income taxes	239.4			240.8
Income tax provision	(56.1)	5.9 (h)		(50.2)
Net income	183.3			190.6
Less: Net income attributable to noncontrolling interests	1.4			1.4
Net income attributable to Accommodations Business of Oil States International, Inc.	$ 181.9			$ 189.2
Earnings Per Share:				
Basic				$ 1.72 (i)
Diluted				$ 1.71 (j)
Weighted-Average Shares Outstanding				
Basic				109.9 (i)
Diluted				110.3 (j)

See accompanying Notes to the Unaudited Pro Forma Combined Financial Statements

NOTES TO THE UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS

(a) Our historical combined financial statements reflect the historical financial position and results of operations of the accommodations business of Oil States.

(b) Reflects incurrence of $775.0 million of indebtedness, which consists of borrowings under our anticipated U.S. term loan. The expected debt balance at the time of the distribution was determined by senior management based on a review of a number of factors including expected credit ratings, forecasted liquidity and capital requirements, expected operating results and general economic conditions.

Proceeds from new indebtedness at December 31, 2013	$	775.0
Less: Cash payments for debt issuance costs (footnote c)		(10.0)
Net cash proceeds	$	765.0

(c) The adjustment assumes the capitalization of debt issuance costs of $10.0 million which will be amortized on a straight-line basis over the term of the credit facility, which approximates the effective interest method. Included in the historical combined balance sheet are historical deferred debt issuance costs related to existing revolving credit facilities in Australia and Canada as of December 31, 2013 totaling $4.2 million which are assumed to be expensed as we expect to replace these existing facilities in connection with the spin-off. The resulting net adjustment is $5.8 million.

(d) Represents the incremental interest expense related to the additional debt expected to be incurred upon the spin-off, assuming an annual interest rate of 2.4% on total indebtedness of $775.0 million. The interest rates for pro forma purposes are based on assumptions of the rates to be effective on the completion of the spin-off. A one-eighth percent change in assumed interest rates for our additional debt would have a pro forma impact of $1.0 million annually. The following chart provides the detail for the pro forma adjustment to interest expense for the financing adjustments:

		Year ended December 31, 2013
Interest expense related to new debt ($775.0 million of indebtedness at an assumed annual interest rate of 2.4%)	$	(18.6)
Non-cash interest expense related to amortization of pro forma deferred debt issuance costs (footnote c)		(2.0)
Eliminate non-cash interest expense related to pre spin-off deferred debt issuance costs		3.7
Total adjustment	$	(16.9)

(e) Reflects the cash distribution to Oil States of $750.0 million.

(f) Reflects the contribution of debt to affiliates in connection with the spin-off. The associated net interest expense to affiliates of $18.3 million is eliminated in the pro forma combined statements of income as a distribution adjustment. The elimination of interest expense to affiliates does not have an impact on the pro forma consolidated tax provision.

(g) Adjustment reflects the pro forma recapitalization of our equity. As of the Distribution Date, Oil States' net investment in our business will be exchanged to reflect the spin-off of our common stock to Oil States' shareholders and to reflect the common stock of approximately 108.4 million outstanding shares of common stock having a par value of $0.01 per share, based on the number of shares of Oil States common stock outstanding on December 31, 2013 and a distribution ratio of two shares of Civeo common stock for every one share of Oil States common stock held on the record date.

Parent company investment at December 31, 2013	$	1,651.0
Write off of historical debt issuance costs (footnote c)		(4.2)
Net adjustment to “Parent company investment” associated with the distribution		1,646.8
Contribution by Oil States of affiliated debt (footnote f)		335.2
Distribution to Oil States (footnote e)		(750.0)
Adjustment for par value of common stock		(1.1)
Adjustment to additional paid-in capital	$	1,230.9

(h) The provision for income taxes reflected in our historical combined financial statements was determined as if the accommodations business filed separate, stand-alone income tax returns in each relevant jurisdiction. Our effective tax rate reflects the historical assumption that we do not intend to repatriate non-United States earnings. The statutory rates in Canada and Australia are 25% and 30%, respectively. The pro forma adjustments were determined assuming U.S. borrowings and using the statutory rate for the U.S. of 35% in the respective tax periods presented.

(i) Pro forma basic earnings per share and pro forma weighted-average basic shares outstanding are based on the weighted average number of Oil States common shares outstanding for the year ended December 31, 2013, adjusted for a distribution ratio of two shares of Civeo common stock for every one share of Oil States common stock held on the record date.

(j) Pro forma diluted earnings per share and pro forma weighted-average diluted shares outstanding reflect potential dilution from the issuance of Civeo equity awards to Civeo employees, after giving effect to the distribution. While the actual future impact will depend on various factors, we believe the estimate yields a reasonable approximation of the future diluted impact of the Civeo equity plans.

SELECTED HISTORICAL COMBINED FINANCIAL DATA

The following tables present the selected historical combined financial information of the accommodations business. The term "accommodations business" refers to Oil States' historical accommodations segment reflected in its historical combined financial statements discussed herein and included elsewhere in this information statement. The balance sheet data as of December 31, 2013 and 2012 and the statement of income data for each of the years ended December 31, 2013, 2012 and 2011 are derived from our audited financial statements included elsewhere in this information statement. The balance sheet data as of December 31, 2011 and statement of income data for the year ended December 31, 2010 are derived from our audited combined financial statements not included in this information statement. The balance sheet data as of December 31, 2010 and 2009 and the statement of income data for the year ended December 31, 2009 are derived from our accounting records.

The selected historical combined financial information presented below should be read in conjunction with our combined financial statements and accompanying notes, the "Unaudited Pro Forma Combined Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this information statement. The financial information may not be indicative of our future performance and does not necessarily reflect what the financial position and results of operations would have been had we operated as a separate, stand-alone entity during the periods presented, including changes that will occur in our operations as a result of our spin-off from Oil States.

	For the year ended December 31,				
	2013	2012	2011	2010	2009
			(In thousands)		
Statement of Income Data:					
Revenues	$ 1,041,104	$ 1,108,875	$ 864,701	$ 537,690	$ 481,402
Operating income	259,456	352,929	242,159	141,459	138,106
Net income attributable to Accommodations Business of Oil States International, Inc.	181,876	244,721	168,505	97,514	98,047

	As of December 31,				
	2013	2012	2011	2010	2009
			(In thousands)		
Balance Sheet Data:					
Total assets	$ 2,127,050	$ 2,132,925	$ 1,799,894	$ 1,487,462	$ 573,699
Long-term debt to affiliates	335,171	358,316	350,530	230,944	—
Long-term debt to third-parties	—	123,497	126,972	183,822	—

Management's Discussion and Analysis contains "forward-looking statements" that are based on management's current expectations, estimates and projections about our business operations. Our actual results may differ materially from those currently anticipated and expressed in such forward-looking statements as a result of numerous factors, including the known material factors set forth in "Risk Factors." You should read the following discussion and analysis together with our Combined Financial Statements and the notes to those statements included elsewhere in this information statement.

The Separation and Spin-Off

On July 30, 2013, Oil States announced that its board of directors had authorized management to pursue the spin-off of its Accommodations business into a standalone, publicly traded company. The proposed spin-off is expected to be executed through a tax free distribution to Oil States shareholders. Oil States intends to distribute, on a pro rata basis, shares of Civeo common stock to the Oil States shareholders as of the record date of the spin-off. Upon completion of the spin-off, Oil States and Civeo will each be independent, publicly traded companies and will have separate public ownership, boards of directors and management. The completion of the spin-off will be subject to, among other things, final approval of the Oil States board of directors and the receipt of a private letter ruling from the IRS which affirms the tax free nature of the spin-off.

The combined financial statements included in this information statement have been prepared in connection with the spin-off and reflect the combined results of operations, financial position and cash flows of the Accommodations Business of Oil States as if it had operated on a stand-alone basis for all periods presented. All material intercompany accounts within Civeo have been eliminated. Historically, Oil States has provided services to and funded certain expenses for Civeo. The combined statements of income reflect expense allocations for these functions, which include: (1) finance, legal, risk management, tax, treasury, information technology, human resources and certain other shared services; (2) certain employee benefits; and (3) share-based compensation. The combined statements do not include all of the actual expenses that would have been incurred had Civeo been an independent, stand-alone company during the periods presented.

Macroeconomic Environment

We provide workforce accommodation to the natural resource industry in Canada, Australia and the U.S. Demand for our services can be attributed to two phases of our customers' projects: (1) the development or construction phase and (2) the operations or production phase. Initial demand for our services is driven by our customers' capital spending programs related to the construction and development of oil sands and coal mines and associated infrastructure as well as the exploration for oil and natural gas. Long term demand for our services is driven by continued development and expansion of natural resource production and operation of oil sands refining facilities. Industry capital spending programs are generally based on the long-term outlook for commodity prices, economic growth and estimates of resource production. As a result, demand for our products and services is largely sensitive to expected commodity prices, principally related to crude oil, met coal and, to a lesser extent, natural gas.

In Canada, Western Canadian Select (WCS) crude is the benchmark price for our oil sands accommodations' customers. Pricing for WCS is driven by several factors. A significant factor affecting WCS pricing is the underlying price for WTI. As WTI prices have improved over the past few years with the global economic recovery, WCS prices have also improved. Another significant factor affecting WCS pricing has been transportation. Historically, WCS has traded at a discount to WTI, or "WCS Basis Differential," due to transportation costs and limited capacity to move growing Canadian crude oil production to U.S. refineries. Depending on the extent of pipeline capacity availability, the WCS Basis Differential has varied. With the increase in global oil prices and increased transportation capacity from the oil sands region due to rail and barge alternatives, the absolute price of WCS has increased and the WCS Basis Differential has decreased. WCS prices in 2013 averaged $73.58 per barrel compared to $71.80 per barrel in 2012. However, the WCS Basis Differential widened substantially from below $15 per barrel to $18 per barrel as of April 30, 2014, as production increased and demand from U.S. refineries declined due to maintenance requirements. Should the price of WTI decline or the WCS Basis Differential widen further, our oil sands customers' may delay additional investments or reduce their spending in the oil sands region.

Given the historical volatility of WTI crude prices and the WCS Basis Differential, there remains a risk that prices in the oil sands could deteriorate going forward due to slowing growth rates in China, fiscal and financial uncertainty in the U.S. and various European countries, potentially negative effects on economic growth in the U.S. due to automatic government spending cuts and a prolonged level of relatively high unemployment in the U.S. and other advanced economies. However, if the global supply of oil and global inventory levels were to decrease due to government instability in a major oil-producing nation and energy demand continues to increase in countries such as China, India and the U.S., we could see continued and/or additional increases in WTI crude prices which coupled with an improvement in takeaway capacity from the oil sands could improve WCS pricing. This, in turn, could lead to our oil sands customers increasing their investments in oil sands production. Conversely, if WCS crude prices continue to experience a significant discount to WTI crude, our oil sands customers' may have an incentive to delay additional investments in their oil sands assets.

Natural gas prices and WTI crude oil pricing, discussed above, have an impact on the demand for our U.S. accommodations. Prices for natural gas in the United States improved during 2013 and early 2014, largely due to above average storage withdrawals in response to colder than normal weather, continued elevated demand for natural gas for electric power generation, lower net imports from Canada and higher industrial demand. However, natural gas prices continue to be weak relative to prices experienced in 2006 through 2008 due to the rise in production from unconventional natural gas resources in North America, specifically onshore shale production, resulting from the broad application of horizontal drilling and hydraulic fracturing techniques. Any increases in the supply of natural gas, whether the supply comes from conventional or unconventional production or associated gas production from oil wells, could constrain prices for natural gas for an extended period and result in fewer rigs drilling for gas in the near-term. Lower rig counts typically impact our mobile fleet in the United States. However, SAGD development utilizes natural gas and lower natural gas prices could have a positive impact on this activity in Canada. Natural gas prices traded at approximately $4.82 per Mcf as of April 30, 2014.

Our Australian villages in the Bowen Basin primarily serve coal mines in that region. Met coal pricing and growth in production in the region is influenced by levels of steel production. Because Chinese steel production has been growing at a slower pace than that experienced in 2010 and early 2011, Chinese demand for imported steel inputs such as met coal and iron ore decreased during 2013 compared to 2012. Met coal prices have decreased materially from over $200/metric ton at the beginning of 2012 to approximately $150/metric ton at the end of 2013. Depressed met coal prices have led to the implementation of cost control measures by our customers, some coal mine closures and delays in the start-up of new coal mining projects in Australia. A continued depressed met coal price will impact our customers' future capital spending programs.

Recent WTI crude, WCS crude, Queensland hard coking coal and natural gas pricing trends are as follows:

	Average Price [1]			
Quarter ended	WTI Crude (per bbl)	WCS Crude (per bbl)	Hard Coking Coal (per ton)	Henry Hub Natural Gas (per mcf)
12/31/2013	$ 97.50	$ 66.34	$ 143.76	$ 3.85
9/30/2013	105.83	83.10	142.21	3.55
6/30/2013	94.05	77.48	149.94	4.02
3/31/2013	94.33	66.86	167.71	3.49
12/31/2012	88.01	61.34	156.79	3.40
9/30/2012	92.17	76.75	187.88	2.88
6/30/2012	93.38	73.53	216.49	2.29
3/31/2012	102.85	75.82	212.20	2.44
12/31/2011	94.03	81.56	236.69	3.32
9/30/2011	89.71	75.05	296.24	4.12
6/30/2011	102.51	84.72	315.74	4.37

(1) Source: WTI crude and natural gas prices from U.S. Energy Information Administration (EIA), and WCS crude prices and Queensland hard coking coal index from Bloomberg.

Overview

Demand for our services is primarily tied to the long-term outlook for crude oil and met coal prices. Other factors that can affect our business and financial results include the general global economic environment and regulatory changes in the U.S., Canada, Australia and in other markets.

Generally, our customers are making multi-billion dollar investments to develop their prospects, which have estimated reserve lives of ten years to in excess of thirty years. Consequently, these investments are dependent on those customers' longer-term view of commodity demand and prices. Oil sands development and production activity has increased over the past several years and has had a positive impact on our Canadian business. Recent announcements of new and expanded oil sands projects can create the opportunity to extend existing accommodations contracts and incremental contracts for us in Canada. For example, in the third quarter of 2012, we were awarded a ten-year contract in support of future operations personnel working on the Kearl Project, one of the Canadian oil sands potentially largest mining operations. In addition, several major and national oil companies have announced acquisitions and joint ventures to develop oil sands leases or other acquisitions of oil sands exposure that should bode well for future oil sands investment and, as a result, demand for oil sands accommodations. However, given the WCS discount to WTI, several oil sands customers have announced the deferral of new oil sands projects, which could negatively affect our ability to expand our oil sands room count or our occupancy levels in the near term.

We expanded our Australian room capacity in 2012 and 2013 to meet increasing demand, notably in the Bowen Basin in Queensland and in the Gunnedah Basin in New South Wales to support coal production, and in Western Australia to support LNG and other energy-related projects. In early 2013, a confluence of low met coal pricing, additional carbon and mining taxes on our Australian customers and several years of cost inflation caused several of our customers to delay or reduce their growth plans. This has negatively affected our ability to expand our room count and to maintain or increase occupancy levels. It has also caused one of our customers to renegotiate contracts to reduce their forward room commitments beginning in March 2014 in return for termination compensation beginning in March 2014.

Exchange rates between the U.S. dollar and the Canadian dollar and between the U.S. dollar and the Australian dollar influence our U.S. reported financial results. Our business has historically derived a vast majority of its revenues and operating income in Canada and Australia. These revenues and profits are translated into U.S. dollars for U.S. GAAP financial reporting purposes. For the year ended December 31, 2012, average U.S. dollar and Canadian and Australian dollar exchange rates were comparable with a less than 1% change over average exchange rates in 2011. However during 2013, particularly at year end, we saw a strengthening U.S. dollar compared to both the Canadian and Australian dollars. During 2013, the Canadian and Australian dollars weakened 7% and 15%, respectively, relative to the U.S. dollar. A strong U.S. dollar is generally viewed positively for our Australian customers as they typically receive U.S. dollar denominated payment for their commodities with expenses denominated in Australian dollars.

While global demand for oil and natural gas are significant factors influencing our business generally, certain other factors also influence our business, such as the pace of worldwide economic growth.

We continue to monitor the global economy, the demand for crude oil, met coal and natural gas and the resultant impact on the capital spending plans and operations of our customers in order to plan our business. Our capital expenditures in 2013 totaled $292 million compared to $314 million in 2012.

Consolidated Results of Operations (in millions)

	Twelve Months Ended December 31,						
			Variance 2013 vs. 2012			Variance 2012 vs. 2011	
	2013	2012	$	%	2011	$	%
Revenues							
Canada	$ 710.5	$ 717.2	$ (6.7)	(1%)	$ 579.9	$ 137.3	24%
Australia	255.5	276.2	(20.7)	(7%)	197.1	79.1	40%
United States	75.1	115.5	(40.4)	(35%)	87.7	27.8	32%
Total	$ 1,041.1	$ 1,108.9	$ (67.8)	(6%)	$ 864.7	$ 244.2	28%
Cost of sales							
Canada	$ 399.0	$ 386.9	$ 12.1	3%	$ 334.4	$ 52.5	16%
Australia	96.1	104.6	(8.5)	(8%)	74.0	30.6	41%
United States	54.5	60.9	(6.4)	(11%)	48.0	12.9	27%
Total	$ 549.6	$ 552.4	$ (2.8)	(1%)	$ 456.4	$ 96.0	21%
Gross profit							
Canada	$ 311.5	$ 330.3	$ (18.8)	(6%)	$ 245.5	$ 84.8	35%
Australia	159.4	171.6	(12.2)	(7%)	123.1	48.5	39%
United States.	20.6	54.6	(34.0)	(62%)	39.7	14.9	38%
Total	$ 491.5	$ 556.5	$ (65.0)	(12%)	$ 408.3	$ 148.2	36%
Operating income							
Canada	$ 190.8	$ 226.4	$ (35.6)	(16%)	$ 162.3	$ 64.1	39%
Australia	75.2	99.2	(24.0)	(24%)	63.2	36.0	57%
United States	(1.9)	31.4	(33.3)	(106%)	19.6	11.8	60%
Other	(4.6)	(4.1)	(0.5)	12%	(2.9)	(1.2)	41%
Total	$ 259.5	$ 352.9	$ (93.4)	(26%)	$ 242.2	$ 110.7	46%

YEAR ENDED DECEMBER 31, 2013 COMPARED TO YEAR ENDED DECEMBER 31, 2012

We reported net income attributable to the Accommodations business for the year ended December 31, 2013 of $181.9 million. This result compares to net income attributable to the Accommodations business of $244.7 million reported for the year ended December 31, 2012, which included a gain of $17.9 million from a favorable contract settlement reported in our U.S. accommodations segment.

Revenues. Revenues decreased $67.8 million, or 6%, in 2013 compared to 2012.

Our Canadian segment reported revenues in 2013 that were $6.7 million, or 1%, lower than those in 2012. The decrease in Canadian accommodations revenue primarily resulted from a 9% reduction in Revenue per Available Room (RevPAR) in our lodges. The RevPAR reduction was due to a 3% weakening of the Canadian dollar relative to the U.S. dollar as well as lower contracted rates at our Wapasu Lodge and modestly reduced occupancy at our Beaver River and Athabasca Lodges. Those declines were partially offset by an 8% increase in the average number of available lodge rooms.

Our Australian segment reported revenues in 2013 that were $20.7 million, or 7%, below 2012. Increased revenue at our Coppabella and Narrabri villages due to room additions as well as contributions from our new Karratha village were offset by lower occupancy at our Middlemount and Calliope villages. Additionally, the exchange rate between the U.S. dollar and Australian dollar resulted in a 7% year over year reduction in revenue. Within Australia, the average number of available rooms increased by 15%, but unfavorable exchange rate movements and reduced occupancy at Calliope and Middlemount contributed to a decrease in RevPAR of 19%.

Our U.S. segment reported revenues in 2013 that were $40.4 million, or 35%, below 2012. The decrease in U.S. accommodations revenue primarily due to lower utilization of our rooms due to a reduced rig count and weather related issues in the Bakken as well as reduced pricing due to high levels of competition . Additionally, 2012 results included $18.3 million in revenue from a favorable contract settlement reported during the first quarter of 2012.

Cost of Sales and Service. Our combined cost of sales decreased $2.8 million, or 1%, in 2013 compared to 2012 primarily due to weaker Canadian and Australian dollars relative to the U.S. dollar and lower manufacturing costs, partially offset by increased room capacity in Canada and Australia. Our gross margin as a percentage of revenues decreased from 50% in 2012 to 47% in 2013 in part due to the favorable contract settlement reported in our U.S. accommodations segment in 2012. Excluding the favorable contract settlement, our gross margin as a percentage of revenues would have been 49% in 2012. The decrease in gross margin as a percentage of revenues from the adjusted 49% in 2012 to 47% in 2013 was primarily due to lower contracted rates in Canada.

Our Canadian segment cost of sales increased $12.1 million, or 3%, in 2013 compared to 2012 due primarily to increased room capacity at Henday and Conklin lodges as well as the start-up of Anzac Lodge. Our Canadian segment gross margin as a percentage of revenues fell from 46% in 2012 to 44% in 2013.

Our Australian segment cost of sales decreased $8.5 million, or 8%, in 2013 compared to 2012 primarily due to a weaker Australian dollar relative to the U.S. dollar and lower occupancy partially offset by an increased room capacity of 15%. Our Australian accommodations segment gross margin as a percentage of revenues was flat at 62% in 2013 compared to 2012.

Our U.S. segment cost of sales decreased $6.4 million, or 11%, in 2013 compared to 2012 primarily due to lower revenues in the segment. Our U.S. accommodations segment gross margin as a percentage of revenues decreased from 47% in 2012, which was heavily influenced by $17.9 million in gross profit due to a favorable contract settlement, to 27% in 2013. Excluding the contract settlement, gross margin in the U.S. would have been 38%. The year over year negative variance is primarily due to lower utilization of our rooms due to a reduced rig count in our regions of operation and weather related issues in the Bakken as well as reduced pricing due to high levels of competition. U.S. accommodations are driven by shorter-term and spot contracts and, therefore, experience more volatility due to commodity price changes.

Selling, General and Administrative Expenses. Selling, general and administrative (SG&A) expense increased $5.4 million, or 8%, in 2013 compared to 2012 primarily due to increased bad debt expense, professional fees, rent and employee-related costs, partially offset by the weakening of the Australian and Canadian dollars relative to the U.S. dollar in 2013 compared to 2012.

Depreciation and Amortization. Depreciation and amortization expense increased $28.2 million, or 20%, in 2013 compared to 2012 primarily due to capital expenditures made in Canadian lodges and Australian villages during 2012 and 2013.

Operating Income. Consolidated operating income decreased $93.4 million, or 26%, in 2013 compared to 2012 primarily due to the favorable contract settlement reported in our U.S. accommodations segment in 2012, the lower RevPAR in Canada, lower occupancy levels in Australia, increased depreciation expense on accommodations assets and lower utilization for our U.S. accommodations assets, partially offset by an increase in average available rooms in 2013 compared to 2012 and a gain of $4.0 million from a reduction in the fair value of a liability associated with contingent acquisition consideration in our U.S. accommodations segment.

Interest Expense and Interest Income. Net interest expense, including interest expense and income to/from affiliates, decreased by $2.3 million, or 9%, in 2013 compared to 2012 primarily due to decreased interest expense on the Canadian dollar-denominated long-term debt with affiliates as a result of the weakening of the Canadian dollar to U.S. dollar exchange rate in 2013 compared to 2012. During the second quarter of 2013, $1.2 million of deferred financing costs, representing the remaining unamortized balance of deferred financing costs associated with our Canadian term loan, was expensed due to its repayment in full. Interest income increased as a result of increased cash balances in interest bearing accounts.

Income Tax Expense. Our income tax provision in 2013 totaled $56.1 million, or 23% of pretax income, compared to income tax expense of $84.3 million, or 26% of pretax income, in 2012. The effective tax rates for the year ended December 31, 2013 and 2012, respectively, are lower than U.S. statutory rates due to a lower proportion of U.S. income which is taxed at higher statutory rates. Statutory corporate, federal tax rates in Canada and Australia were 25% and 30%, respectively, in both 2013 and 2012. The effective tax rate is below the statutory rate due to permanent differences related to the acquisition of our Australian operations.

YEAR ENDED DECEMBER 31, 2012 COMPARED TO YEAR ENDED DECEMBER 31, 2011

We reported net income for the year ended December 31, 2012 of $244.7 million including a pre-tax gain of $17.9 million from a favorable contract settlement reported in our U.S. accommodations segment. These results compare to net income for the year ended December 31, 2011 of $168.5 million.

We reported revenues in 2012 that were $244.2 million, or 28%, above 2011. The increase in revenue primarily resulted from expanded room capacity in Canada and Australia along with $17.9 million in revenue from a favorable contract settlement reported in our U.S. accommodations segment during the first quarter of 2012. Revenues, average available rooms and RevPAR for our lodges and villages increased 35%, 23% and 10%, respectively, in 2012 compared to 2011.

Revenues. Combined revenues increased $244.2 million, or 28%, in 2012 compared to 2011.

Our Canadian segment reported revenues in 2012 that were $137.3 million, or 24%, above 2011. The increase in revenue primarily resulted from expanded room capacity at our Henday, Wapasu, Beaver River and Athabasca lodges. Average available rooms and RevPAR for our lodges increased 19% and 12%, respectively, in 2012 compared to 2011.

Our Australian segment reported revenues in 2012 that were $79.1 million, or 40%, above 2011. The increase in revenue primarily resulted from expanded room capacity at our Calliope, Coppabella, Dysart and Moranbah villages. Average available rooms and RevPAR for our villages increased 29% and 8%, respectively, in 2012 compared to 2011.

Our U.S. segment reported revenues in 2012 that were $27.8 million, or 32%, above 2011. The increase in accommodations revenue primarily resulted from stronger utilization of our mobile asset fleet along with $18.3 million in revenue from a favorable contract settlement reported during the first quarter of 2012.

Cost of Sales and Service. Our combined cost of sales increased $96.0 million, or 21%, in 2012 compared to 2011. This cost of sales increase was primarily related to the increase in available rooms. Our combined gross margin as a percentage of revenues increased from 47% in 2011 to 50% in 2012 primarily due to a 10% increase in RevPAR for lodges and villages in 2012 compared to 2011. The increase in the RevPAR in 2012 compared to 2011 was primarily due to increased occupancy levels.

Our Canadian segment cost of sales increased $52.5 million, or 16%, in 2012 compared to 2011 primarily due to increased revenues and room capacity at our Henday, Wapasu, Beaver River and Athabasca lodges. Our Canadian segment gross margin as a percentage of revenues increased from 42% in 2011 to 46% in 2012 primarily due to a 12% increase in RevPAR for lodges in 2012 compared to 2011. The increase in the RevPAR in 2012 compared to 2011 was primarily due to increased occupancy levels.

Our Australian accommodations segment cost of sales increased $30.6 million, or 41%, in 2012 compared to 2011 primarily due to increased revenues. Our Australian accommodations segment gross margin as a percentage of revenues stayed constant at 62% from 2011 to 2012 as an 8% increase in RevPAR was offset by cost inflation in 2012 compared to 2011.

Our U.S. accommodations segment cost of sales increased $12.9 million, or 27%, in 2012 compared to 2011 primarily due to increased revenues and increased capacity in our open camp room count. Our U.S. accommodations segment gross margin as a percentage of revenues increased from 45% in 2011 to 47% in 2012 primarily due to a favorable contract settlement in 2012 compared to 2011.

Selling, General and Administrative Expenses. Selling, general and administrative (SG&A) expense increased $9.8 million, or 18%, in 2012 compared to 2011 primarily due to increased employee-related costs related to higher total headcount.

Depreciation and Amortization. Depreciation and amortization expense increased $28.3 million, or 26%, in 2012 compared to 2011 primarily due to capital expenditures made during 2011 and 2012 largely related to investments in our Canadian and Australian lodges and villages.

Operating Income. Consolidated operating income increased $110.7 million, or 46%, in 2012 compared to 2011 primarily as a result of an increase in operating income from our Canadian operations of $64.1 million, or 39%, due to expanded room capacity and higher Australian operating income of $36.0 million, or 57%, along with the favorable contract settlement reported in our U.S. accommodations segment.

Interest Expense and Interest Income. Net interest expense, including interest expense and income to/from affiliates, increased $6.1 million, or 31%, in 2012 compared to 2011 primarily due to increased outstanding debt levels with affiliates. Interest income decreased as a result of lower interest rates, partially offset by increased cash balances in interest bearing accounts.

Income Tax Expense. Our income tax provision for 2012 totaled $84.3 million, or 26% of pretax income, compared to income tax expense of $55.1 million, or 25% of pretax income, for 2011. The effective tax rates for the years ended December 31, 2012 and 2011, respectively, are comparable and are lower than U.S. statutory rates because of lower foreign tax rates. Statutory corporate, federal tax rates in Canada were 25% and 26%, respectively, in 2012 and 2011. The statutory corporate, federal tax rate in Australia was 30% in both 2012 and 2011.

Liquidity and Capital Resources

Our primary liquidity needs are to fund capital expenditures, which in the past have included expanding and improving our accommodations, developing new lodges and villages, purchasing or leasing land under our land banking strategy and for general working capital needs. In addition, capital has been used to repay debt, repay intercompany borrowings and fund strategic business acquisitions. Historically, our primary sources of funds have been cash flow from operations, credit facilities in Australia and Canada and liquidity provided by Oil States.

Cash totaling $337.4 million was provided by operations during the year ended December 31, 2013 compared to cash totaling $432.7 million provided by operations during the year ended December 31, 2012. The decrease in operating cash flow in 2013 compared to 2012 was primarily due to weaker Canadian and Australian dollars relative to the U.S. dollar and lower occupancy levels in the lodges and villages. During the year ended December 31, 2013, changes in working capital used $26.4 million of cash flow compared to $33.0 million generated from working capital for the year ended December 31, 2012. The primary changes in working capital were related to purchases of inventory and a reduction in taxes payable.

Cash was used in investing activities during the years ended December 31, 2013 and 2012 in the amounts of $284.2 million and $305.7 million, respectively. Capital expenditures totaled $291.7 million and $314.0 million during the years ended December 31, 2013 and 2012, respectively. Capital expenditures in both years consisted principally of construction and installation of assets for our lodges and villages primarily in support of Canadian oil sands projects and Australian mining production and development projects.

The table below delineates historical capital expenditures split between development spending on our lodges and villages, land banking spending, mobile and open camp spending and other capital expenditures. We classify capital expenditures for rooms and central facilities at our lodges and villages as development capital expenditures. Land banking spending consists of land acquisition and initial permitting or zoning costs. Other capital expenditures in the table below relate to routine capital spending for support equipment, upgrades to infrastructure at our lodge and village properties and spending related to our manufacturing facilities among other items.

Based on management's judgment of asset classifications, we believe the following table represents the components of capital expenditures for the years ended December 31, 2013, 2012 and 2011 (in millions):

	Year Ended December 31,		
	2013	**2012**	**2011**
Development	$ 101.0	$ 164.1	$ 250.3
Land banking	15.4	7.9	4.8
Mobile/open camp	102.4	101.6	48.8
Other	72.9	40.4	44.6
Total capital expenditures	$ 291.7	$ 314.0	$ 348.5

Development spending in 2013 was primarily related to the expansion of the Beaver River and Conklin lodges, and completion of the initial rooms at our Anzac lodge in Canada. In 2013, we also completed the initial phase of construction at Boggabri village in Australia. In addition, we commenced construction of our McClelland Lake lodge in the northern Athabasca oil sands region of Canada. Development capital expenditures in 2012 were primarily related to the expansion of the Athabasca, Henday and Conklin lodges in Canada and the commencement of Anzac lodge, also in Canada. In Australia, we continued the expansion of the Coppabella, Dysart, Moranbah and Narrabri villages, completed construction of the initial stage of the Karratha village and commenced construction on the Boggabri village. Development capital expenditures in 2011 were primarily related to the expansion of Wapasu Creek Lodge and initial construction of the Henday Lodge, both located in Canada. Development spending in Australia, included expansion at the Coppabella, Dysart, Moranbah and Middlemount villages and commencement of the initial construction of the Karratha, Narrabri and Calliope villages.

Open and mobile camp spending in 2013 was primarily related to additions to our Canadian mobile camp assets as well as spending on our Boundary open camp in Estevan, Saskatchewan and open camp locations in Killdeer, North Dakota and Pecos, Texas . Capital spending on mobile camp units and open camps in 2012 was primarily related to additions to our well site and Canadian mobile camp assets as well as our open camp locations in Three Rivers, Texas; Estevan, Saskatchewan; and Red Earth, Alberta. Mobile and open camp spending in 2011 was primarily related to additions to our Canadian mobile camp assets.

We primarily utilize our internal manufacturing capabilities to construct our accommodations properties. We capitalize direct construction, engineering and installation costs and related overhead costs for these assets. In addition, we capitalize interest expense depending on the size and duration of a construction project. Interest expense on the combined statements of income is net of capitalized interest of $0.8 million, $3.5 million and $5.1 million, respectively, for the years ended December 31, 2013, 2012 and 2011. Capitalized interest varies year-to-year due to the level of development spending and debt levels outstanding. We currently expect to spend a total of approximately $325 million to $375 million for capital expenditures during 2014 primarily to expand existing and develop new accommodation assets. We expect to fund these capital expenditures with cash available, internally generated funds and borrowings under our credit facility. The foregoing capital expenditure forecast does not include any funds for strategic acquisitions, which we could pursue depending on the economic environment in our industry and the availability of transactions at prices deemed to be attractive to us.

Net cash of $30.3 million was provided by financing activities during 2013, primarily due to contributions from Oil States and partially offset by the repayment of all amounts outstanding under our Canadian term loan and repayments under our Australian credit facility. Net cash of $1.5 million was provided by financing activities during 2012, primarily as a result of contributions from Oil States , partially offset by repayments on our Canadian term loan and Australian credit facility, payment of financing costs related to the Australian credit facility and the repayment of the remaining outstanding balance of a note with the former owners of Mountain West.

To provide us with additional liquidity following the spin-off, we anticipate that we will enter into a credit facility with availability in Canada, Australia and the U.S and a U.S. term loan facility, as further described below. Borrowings under our credit facility and our term loan facility are expected to fund the anticipated cash distribution of $750.0 million to Oil States at closing as well as for general corporate purposes. We believe that cash on hand, cash flow from operations and available borrowings under our new credit facility will be sufficient to meet our liquidity needs in the coming twelve months. If our plans or assumptions change, or are inaccurate, or if we make further acquisitions, we may need to raise additional capital. Acquisitions have been, and our management believes acquisitions will continue to be, a key element of our business strategy. The timing, size or success of any acquisition effort and the associated potential capital commitments are unpredictable and uncertain. We may seek to fund all or part of any such efforts with proceeds from debt and/or equity issuances. Our ability to obtain capital for additional projects to implement our growth strategy over the longer term will depend upon our future operating performance, financial condition and, more broadly, on the availability of equity and debt financing. Capital availability will be affected by prevailing conditions in our industry, the global economy, the global financial markets and other factors, many of which are beyond our control. In addition, such additional debt service requirements could be based on higher interest rates and shorter maturities and could impose a significant burden on our results of operations and financial condition, and the issuance of additional equity securities could result in significant dilution to stockholders.

Credit Facilities and Long Term Debt. We have historically relied on Oil States for financial support and cash management. Following the spin-off, our capital structure and sources of liquidity will change. In connection with the spin-off, we expect to enter into (i) a $650.0 million, 5-year revolving credit facility which is currently expected to be allocated as follows: (A) a $450.0 million senior secured revolving credit facility in favor of Civeo, as borrower, (B) a $100.0 million senior secured revolving credit facility in favor of certain of our Canadian subsidiaries, as borrowers, and (C) a $100.0 million senior secured revolving credit facility in favor of one of our Australian subsidiaries, as borrower and (ii) a $775.0 million, 5-year term loan facility in an amount to be determined up to $775.0 million in favor of Civeo. U.S. Dollar amounts outstanding under the credit facilities are expected to bear interest at a variable rate equal to LIBOR plus a margin of 1.75% to 2.75%, or a base rate plus 0.75% to 1.75%, based on our total leverage, in each case based on a ratio of our total leverage to EBITDA (as defined in the credit facilities). Canadian Dollar amounts outstanding under the credit facilities are expected to bear interest at a variable rate equal to CDOR plus a margin of 1.75% to 2.75%, or a base rate plus a margin of 0.75% to 1.75%, in each case based on a ratio of our total leverage to EBITDA (as defined in the credit facilities). Australian Dollar amounts outstanding under the credit facilities are expected to bear interest at a variable rate equal to BBSY plus a margin of 1.75% to 2.75%, based on a ratio of our total leverage to EBITDA (as defined in the credit facilities). We expect to pay certain customary fees with respect to the credit facility.

We expect that the credit facility will contain customary affirmative and negative covenants that, among other things, will limit or restrict (i) subsidiary indebtedness, liens and fundamental changes to be determined, (ii) asset sales, (iii) margin stock, (iv) specified acquisitions, (v) restrictive agreements, (vi) transactions with affiliates and (vii) investments and other restricted payments, including dividends and other distributions.

Dividends. Our board of directors has approved a dividend policy pursuant to which, following the spin-off, we intend to pay a quarterly dividend in the amount of $0.13 per share, which we intend to commence payment of in the third quarter. However, the amount per share of our dividend payments may be changed in the future without advance notice. In addition, our ability to pay dividends on our common stock is limited by covenants in our credit facilities. Future agreements may also limit our ability to pay dividends, and we may incur incremental taxes in the United States if we repatriate foreign earnings to pay such dividends. See “Dividend Policy,” “Description of Material Indebtedness” and “—Tax Matters.”

Contractual Obligations. The following summarizes our contractual obligations at December 31, 2013, and the effect such obligations are expected to have on our liquidity and cash flow over the next five years (in thousands):

	Payments due by period				
	Total	**Less than 1 year**	**1 - 3 years**	**3 - 5 years**	**More than 5 years**
Contractual cash obligations					
Total debt, including capital leases	$ 335,171	$ —	$ —	$ —	$ 335,171
Purchase obligations	45,525	45,525	—	—	—
Non-cancelable operating lease obligations	43,233	5,992	10,364	8,148	18,729
Asset retirement obligations - expected cash payments	21,808	591	43	512	20,662
Total contractual cash obligations	$ 445,737	$ 52,108	$ 10,407	$ 8,660	$ 374,562

Our debt obligations at December 31, 2013 are included in our combined balance sheet, which is a part of our Combined Financial Statements included in this Form 10. We have not entered into any material leases subsequent to December 31, 2013.

Due to the uncertainty with respect to the timing of future cash flows associated with our uncertain tax positions at December 31, 2013, we are unable to make reasonably reliable estimates of the period of cash settlement with the respective taxing authorities.

Effects of Inflation

Our revenues and results of operations have not been materially impacted by inflation in the past three fiscal years.

Off-Balance Sheet Arrangements

As of December 31, 2013, we had no off-balance sheet arrangements as defined in Item 303(a)(4)(ii) of Regulation S-K.

Tax Matters

Our primary deferred tax assets at December 31, 2013, are related to deductible goodwill and other intangibles, and our asset retirement obligation.

In the future, we may determine that it is advisable to repatriate foreign earnings from Canada and Australia. Should we do so, we will be subject to incremental taxes in the U.S., thereby increasing our overall effective tax rate.

There are a number of legislative proposals to change the United States tax laws related to multinational corporations. In Australia, proposed changes to tax laws could negatively impact the deductibility of the interest expense on our intercompany debt. Should these changes take effect, our effective tax rate in Australia would increase. These proposals are in various stages of discussion. It is not possible at this time to predict how these proposals would impact our business or whether they could result in increased tax costs.

Critical Accounting Policies

Our Combined Financial Statements included in this Form 10 have been prepared in accordance with accounting principles generally accepted in the United States (GAAP), which require that management make numerous estimates and assumptions. Actual results could differ from those estimates and assumptions, thus impacting our reported results of operations and financial position. The critical accounting policies and estimates described in this section are those that are most important to the depiction of our financial condition and results of operations and the application of which requires management's most subjective judgments in making estimates about the effect of matters that are inherently uncertain. We describe our significant accounting policies more fully in Note 2 to Audited Combined Financial Statements included in this Form 10.

Accounting for Contingencies

We have contingent liabilities and future claims for which we have made estimates of the amount of the eventual cost to liquidate these liabilities or claims. These liabilities and claims sometimes involve threatened or actual litigation where damages have been quantified and we have made an assessment of our exposure and recorded a provision in our accounts to cover an expected loss. Other claims or liabilities have been estimated based on their fair value or our experience in these matters and, when appropriate, the advice of outside counsel or other outside experts. Upon the ultimate resolution of these uncertainties, our future reported financial results will be impacted by the difference between our estimates and the actual amounts paid to settle a liability. Examples of areas where we have made important estimates of future liabilities include future consideration due sellers as a result of the terms of a business combination, litigation, taxes, interest, insurance claims, contract claims and obligations and asset retirement obligations.

Tangible and Intangible Assets, including Goodwill

Our goodwill totaled $261.0 million, or 12%, of our total assets, as of December 31, 2013. Our other intangible assets totaled $75.7 million, or 4%, of our total assets, as of December 31, 2013. The assessment of impairment of long-lived assets, including intangibles, is conducted whenever changes in the facts and circumstances indicate a loss in value has occurred. Indicators of impairment might include persistent negative economic trends affecting the markets we serve, recurring losses or lowered expectations of future cash flows expected to be generated by our assets. The determination of the amount of impairment would be based on quoted market prices, if available, or upon our judgments as to the future operating cash flows to be generated from these assets throughout their estimated useful lives. Our industry is cyclical and our estimates of the period over which future cash flows will be generated, as well as the predictability of these cash flows and our determination of whether a decline in value of our investment has occurred, can have a significant impact on the carrying value of these assets and, in periods of prolonged down cycles, may result in impairment losses.

We evaluate goodwill for impairment at the reporting unit level. Each segment of the Accommodations business represents a separate reporting unit, and all three of our reporting units have goodwill. We evaluate each reporting unit at least annually or on an interim basis, if an indicator of impairment was determined to occur, as defined in current accounting standards regarding goodwill to assess goodwill for potential impairment. As part of the goodwill impairment analysis, current accounting standards give us the option to first perform a qualitative assessment to determine whether it is more likely than not (that is, a likelihood of more than 50 percent) that the fair value of a reporting unit is less than its carrying amount, including goodwill. If it is determined that it is more likely than not that the fair value of a reporting unit is greater than its carrying amount, then performing the currently prescribed two-step impairment test is unnecessary. In developing a qualitative assessment to meet the "more-likely-than-not" threshold, each reporting unit with goodwill on its balance sheet is assessed separately and different relevant events and circumstances are evaluated for each unit. If it is determined that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, then the prescribed two-step impairment test is performed. Current accounting standards also give us the option to bypass the qualitative assessment for any reporting unit in any period and proceed directly to performing the first step of the two-step goodwill impairment test. In 2013, we chose to bypass the qualitative assessment for all of its reporting units with goodwill remaining and perform the two-step impairment test. In performing the two-step impairment test, we estimate the implied fair value ("IFV") of each reporting unit and compare the IFV to the carrying value of such unit. Because none of our reporting units has a publically quoted market price, we must determine the value that willing buyers and sellers would place on the reporting unit through a routine sale process (a Level 3 fair value measurement). In our analysis, we target an IFV that represents the value that would be placed on the reporting unit by market participants, and value the reporting unit based on historical and projected results throughout a cycle, not the value of the reporting unit based on trough or peak earnings. We utilize, depending on circumstances, trading multiples analyses, discounted projected cash flow calculations with estimated terminal values and acquisition comparables to estimate the IFV. The IFV of our reporting units is affected by future oil, coal and natural gas prices, anticipated spending by our customers, and the cost of capital. If the carrying amount of a reporting unit exceeds its IFV, goodwill is considered to be potentially impaired and additional analysis in accordance with current accounting standards is conducted to determine the amount of impairment, if any. In 2013, our quantitative assessment indicated that the fair value of each of our reporting units is greater than its carrying amount.

Revenue and Cost Recognition

Revenues are recognized based on a periodic (usually daily), or room rate or when the services are rendered. Revenues are recognized in the period in which services are provided pursuant to the terms of Accommodations' contractual relationships with its customers. In some contracts, the rate or committed room numbers may vary over the contract term. In these cases, revenue may be deferred and recognized on a straight-line basis over the contract term. Revenue from the sale of products, not accounted for utilizing the percentage-of-completion method, is recognized when delivery to and acceptance by the customer has occurred, when title and all significant risks of ownership have passed to the customer, collectability is probable and pricing is fixed and determinable. Our product sales terms do not include significant post-delivery obligations. For significant projects, revenues are recognized under the percentage-of-completion method, measured by the percentage of costs incurred to date compared to estimated total costs for each contract (cost-to-cost method). Billings on such contracts in excess of costs incurred and estimated profits are classified as deferred revenue. Costs incurred and estimated profits in excess of billings on percentage-of-completion contracts are recognized as unbilled receivables. Management believes this method is the most appropriate measure of progress on large contracts. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Factors that may affect future project costs and margins include weather, production efficiencies, availability and costs of labor, materials and subcomponents. These factors can significantly impact the accuracy of Accommodations' estimates and materially impact Accommodations' future reported earnings. Revenues exclude taxes assessed based on revenues such as sales or value added taxes.

Cost of services includes labor, food, utilities, cleaning supplies and other costs associated with operating the accommodations facilities. Cost of goods sold includes all direct material and labor costs and those costs related to contract performance, such as indirect labor, supplies, tools and repairs. Selling, general, and administrative costs are charged to expense as incurred.

Valuation Allowances

Our valuation allowances, especially related to potential bad debts in accounts receivable involve reviews of underlying details of these assets and known trends in the marketplace. If market conditions are less favorable than those projected by management, or if our historical experience is materially different from future experience, additional allowances may be required.

Estimation of Useful Lives

The selection of the useful lives of many of our assets requires the judgments of our operating personnel as to the length of these useful lives. Our judgment in this area is influenced by our historical experience in operating our assets, technological developments and expectations of future demand for the assets. Should our estimates be too long or short, we might eventually report a disproportionate number of losses or gains upon disposition or retirement of our long-lived assets. We believe our estimates of useful lives are appropriate.

Stock-Based Compensation

Our historic stock-based compensation is based on participating in the Oil States 2001 Equity Participation Plan (Plan). Our disclosures reflect only our employees' participation in the Plan. Since the adoption of the accounting standards regarding share-based payments, we are required to estimate the fair value of stock compensation made pursuant to awards under the Plan. An initial estimate of the fair value of each stock option or restricted stock award determines the amount of stock compensation expense we will recognize in the future. To estimate the value of stock option awards under the Plan, we have selected a fair value calculation model. We have chosen the Black Scholes Merton "closed form" model to value stock options awarded under the Plan. We have chosen this model because our option awards have been made under straightforward vesting terms, option prices and option lives. Utilizing the Black Scholes Merton model requires us to estimate the length of time options will remain outstanding, a risk free interest rate for the estimated period options are assumed to be outstanding, forfeiture rates, future dividends and the volatility of our common stock. All of these assumptions affect the amount and timing of future stock compensation expense recognition. We will continually monitor our actual experience and change assumptions for future awards as we consider appropriate.

Income Taxes

We follow the liability method of accounting for income taxes in accordance with current accounting standards regarding the accounting for income taxes. Under this method, deferred income taxes are recorded based upon the differences between the financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws in effect at the time the underlying assets or liabilities are recovered or settled.

When our earnings from foreign subsidiaries are considered to be indefinitely reinvested, no provision for U.S. income taxes is made for these earnings. If any of the subsidiaries have a distribution of earnings in the form of dividends or otherwise, the Company would be subject to both U.S. income taxes (subject to an adjustment for foreign tax credits) and withholding taxes payable to the various foreign countries.

In accordance with current accounting standards, we record a valuation allowance in each reporting period when management believes that it is more likely than not that any deferred tax asset created will not be realized. Management will continue to evaluate the appropriateness of the valuation allowance in the future based upon our operating results.

In accounting for income taxes, we are required by the provisions of current accounting standards regarding the accounting for uncertainty in income taxes, to estimate a liability for future income taxes. The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax regulations. We recognize liabilities for anticipated tax audit issues in the U.S. and other tax jurisdictions based on our estimate of whether, and the extent to which, additional taxes will be due. If we ultimately determine that payment of these amounts is unnecessary, we reverse the liability and recognize a tax benefit during the period in which we determine that the liability is no longer necessary. We record an additional charge in our provision for taxes in the period in which we determine that the recorded tax liability is less than we expect the ultimate assessment to be.

Our results have been reported in the consolidated tax return of Oil States. We have determined our U.S. income taxes in the combined financial statements by assuming our results are excluded from the consolidated return and then comparing consolidated taxable income and taxes due with and then without our results. Canadian and Australian taxes are based on actual tax returns filed by our foreign subsidiaries.

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board (the “FASB”), which are adopted by the Company as of the specified effective date. Unless otherwise discussed, management believes that the impact of recently issued standards, which are not yet effective, will not have a material impact on the Company’s consolidated financial statements upon adoption.

Our Company

We are currently a wholly owned subsidiary of Oil States. Following the spin-off, we will be an independent, publicly traded company without any retained ownership by Oil States. Our assets and operations consist of the existing accommodations business of Oil States in its financial statements.

We are one of the largest integrated providers of long-term and temporary remote site accommodations, logistics and facility management services to the natural resource industry. We operate in some of the world's most active oil, coal, natural gas and iron ore producing regions, including Canada, Australia and the United States. We have established a leadership position in providing a fully integrated service offering to our customers, which include major and independent oil and natural gas companies, mining companies and oilfield and mining service companies. Our Develop, Own and Operate model allows our customers to focus their efforts and resources on their core development and production businesses.

Our scalable modular facilities provide workforce accommodations where, in many cases, traditional infrastructure is not accessible, sufficient or cost effective. Our services allow for efficient development and production of resources found in locations far away from large communities. We believe that many of the more recently discovered mineral deposits and hydrocarbon reservoirs are in remote locations. We support these facilities by providing lodging, catering and food services, housekeeping, recreation facilities, laundry and facilities management, as well as water and wastewater treatment, power generation, communications and personnel logistics where required. Our premium accommodations services allow our customers to outsource their accommodations needs to a single supplier, maintaining employee welfare and satisfaction while focusing their investment on their core resource production efforts. Our primary focus is on providing premium accommodations to leading natural resource companies at our major properties, which we refer to as lodges in Canada and villages in Australia. We have seventeen lodges and villages in operation, with an aggregate of more than 20,000 rooms. Additionally, in the United States and Canada we have eleven smaller open camp properties as well as a fleet of mobile accommodation assets. In the year ended December 31, 2013, we generated $1.0 billion in revenue and $259.5 million in operating income.

We have long-standing relationships with many of our customers, many of whom are large investment grade energy and mining companies. This customer profile provides us with a stable and recurring revenue base.

Demand for our accommodations services generally originates from our customers' projects which can be segmented into two phases: (1) the development or construction phase and (2) the operations and production phase. Initial demand for our services is primarily driven by our customers' capital spending programs related to the construction and development of oil sands projects, mines and other resource developments including associated resource delineation and infrastructure. Long term demand for our services is driven by the operations of the producing projects and mines including operating and production activities, sustaining and maintenance capital spending, the drilling and completion of steam-assisted gravity drainage (SAGD) wells and long-term development of related infrastructure. Industry capital spending programs are generally based on the long-term outlook for commodity prices, economic growth and estimates of resource production. We concentrate our efforts on serving customer operations with long-duration production horizons that we think will generate strong returns on our deployed capital.

For the year ended December 31, 2013, we generated $1.0 billion in revenues and $259.5 million in operating income. For the year ended December 31, 2012, we generated $1.1 billion in revenues and $352.9 million in operating income. The majority of our operations, assets and income are derived from lodge and village facilities which are generally contracted by our customers on a take-or-pay basis over multi-year periods. These facilities are most similar in operation to multi-family real estate assets or lodging properties and generate more than 75% of our revenue. Important performance metrics include average available rooms, revenue related to our major properties and RevPAR. "Other Revenue," shown below, consists of our revenue related to our open camp facilities and mobile fleet as well as third party sales related to our manufacturing division. The chart below summarizes these key statistics for the periods presented in this information statement.

	Twelve Months Ended December 31,		
	2013	2012	2011
	(In millions, except for average available lodges/villages rooms and RevPAR)		
Lodge/Village Revenue (1)			
Canada	$ 548.7	$ 550.2	$ 413.3
Australia	255.5	273.7	196.4
Total Lodge/Village Revenue	$ 804.2	$ 823.9	$ 609.7
Mobile and Open Camp Revenue			
Canada	$ 161.8	$ 167.0	$ 166.5
Australia	—	2.5	0.8
United States	75.1	115.5	87.7
Total Mobile and Open Camp Revenue	$ 236.9	$ 285.0	$ 255.0
Total Revenue	$ 1,041.1	$ 1,108.9	$ 864.7
Average Available Lodge/Village Rooms (2)			
Canada	11,541	10,660	8,985
Australia	8,925	7,761	6,012
Total Lodge/Village Rooms	20,466	18,421	14,997
RevPAR for Lodges and Villages			
Canada	$ 130	$ 141	$ 126
Australia	78	97	90
Total RevPAR for Lodges and Villages	$ 108	$ 123	$ 111
Occupancy in Lodges and Villages (3)			
Canada	92%	93%	81%
Australia	83%	93%	96%
Total Occupancy in Lodges and Villages	87%	93%	88%
Average Exchange Rate			
Canadian dollar to US dollar	$ 0.9711	$ 1.0006	$ 1.0117
Australian dollar to US dollar	0.9650	1.0359	1.0324

(1) Includes revenue related to rooms as well as the fees associated with catering, laundry and other services including facilities management.
(2) Average available rooms include rooms that are utilized for our personnel.
(3) Occupancy represents total billed days divided by rentable days. Rentable days excludes staff rooms and out of service rooms.

We have grown our average available room count by 196% since 2010 through our acquisition of The MAC as well as a disciplined capital expenditure program. Over the same period, we have more than doubled our revenue related to major villages and lodges.

Our Competitive Strengths

Develop, Own, Operate model with solutions that span the lifecycle of the customers' projects

We employ a Develop, Own, Operate business model, offering an integrated solution to our customers' workforce accommodations needs. We identify and acquire sites through purchase or long-term lease and then arrange for necessary permits for development. We also engineer, design, construct, install and operate full service, scalable facilities. This comprehensive service offering enables our customers to focus on their core competency – the exploration and development of natural resources – and consequently allocate their operational resources and financial capital more efficiently. In return for outsourcing their accommodations needs, our customers benefit from efficient operations and consistent service delivery with greater cost and quality control. Housing personnel and contractors is not a significant project or operating expense for our customers, nor is it their expertise. However, accommodations availability and quality are material factors impacting our customers' project timing and success. The quality of accommodations is critical to the attraction, retention and productivity of our customers' workforce because skilled employees are generally in relatively limited supply in the regions where we operate. Our Develop, Own, Operate model provides accountability and a single-source counterparty that we believe is valued by our customers.

Using our Develop, Own, Operate business model, we provide accommodations solutions which span the lifecycle of customer projects from the initial exploration and resource delineation to long term production. Initially, as customers assess the resource potential and determine how they will develop it, they typically need accommodations for a limited number of employees for an uncertain duration of time. Our fleet of mobile accommodation assets is well-suited to support this initial exploratory stage as customers evaluate their development and construction plans. As development of the resource begins, we are able to serve their needs through either our open camp model or through our scalable lodge or village model. As projects grow and headcount needs increase, we are able to scale our facility size to meet our customers' growing needs. By providing infrastructure early in the project lifecycle, we are well positioned to continue to service our customers throughout the production phase, which typically lasts decades.

Reputation and experience

Without a track-record of relevant operating success in a region, customers are reluctant to award accommodations contracts to unproven counterparties. We believe that our reputation and proven ability to build and operate premium accommodations offer a competitive advantage in securing new contracts. Through a predecessor, we initially entered the large scale, premium workforce accommodation market through a 2,100 bed facility that we built and sold to Syncrude in 1990 and operated and managed for them for nearly twenty years. Our initial investment in large scale owned and operated accommodations in the oil sands in Canada came with the establishment of our PTI Lodge in 1998 and through our predecessor in Australia with our Moranbah Village in 1996. Since making those initial investments, our product and service offering has evolved as our customers' needs have changed. Accommodations are critical to our customers' projects; without timely availability and quality of accommodations, their projects may not start as expected or may not be able to attract and retain qualified and sufficient labor. We believe our track-record of meeting deadlines and delivering a high level of service aids in the establishment and operation of many projects and allow us to minimize risk for our customers. In Canada, we received Shell's Vendor of the Year award in 2010 as well as the Award of Distinction for Aboriginal Affairs from the Premier of Alberta in 2011. In 2013, our Australian operations received the prestigious Australian Business Award for Service Excellence.

High quality asset base in areas with long term visibility creates a more stable revenue base

We have built a network of high quality accommodations assets that are generally placed near long-lived resource assets – primarily metallurgical coal mines in the Bowen Basin of Australia, oil sands recovery projects in Alberta, Canada and oil and gas shale resources in the U.S. These reserves generally have long-term development horizons that we believe provide us with a long term opportunity for occupancy in our lodges and villages. Many of our guests are working on resource assets that have expected 30-40 year production lives, although production levels, and thus our occupancy, may fluctuate during these periods as commodity prices vary. Many of our accommodations are strategically located near concentrations of large resource projects, allowing multiple customers to access our sites and share accommodations costs that would otherwise be borne by each project individually.

We offer premium services with comfortable, high quality rooms complemented by comprehensive infrastructure and supporting services. Our services include laundry, power generation, water and wastewater treatment as well as a growing expertise in personnel logistics, allowing our customers to focus on resource development. These premium facilities and services are targeted towards the larger, more stable resource companies and their contractors. We are well positioned to serve multi-year resource developments, providing, for our industry, longer-term visibility and stability to our operations. We seek a customer base that typically contracts for accommodations services under two to five year, take-or-pay contracts, providing more stable revenues. In addition, the costs to many of our customers of switching providers are high due to the long lead times required to acquire land and subsequently develop supporting accommodations facilities. We believe this strategy helps reduce investment and customer concentration risks, enhancing revenue visibility and stability.

Land banking focus with a pipeline of approved developments

We believe that there are benefits created by investing early in land in order to gain the strategic, early mover advantage in an emerging region or resource play. The initial component of our Develop, Own, Operate business model is site selection and permitting. Our business development team actively assesses regions of potential future customer demand and pursues land acquisition and permitting, a process we describe as “land banking.” We believe that having the first available accommodations solution in a new market allows us to win contracts from customers and gives us an early mover advantage as competitors may be less willing to speculatively build large-scale accommodation facilities without firm customer commitments.

We currently operate in a total of twenty-eight locations, which includes seven lodges, ten villages and eleven open camps across Australia, Canada and the U.S., several of which have the capacity for further expansion if market and customer demands grow and if we obtain appropriate permitting and other regulatory approvals. In some of these locations, we have already secured additional land to expand our operational footprint if needed. Our financial strength allows us to make these investments which we believe is a competitive advantage. We have a pipeline of five undeveloped sites that have received the necessary permitting and regulatory approvals. We believe this will allow us to respond promptly to future room demand in emerging regions.

Significant operational and financial scale

Natural resources projects in the Canadian oil sands region and Australian mining regions are typically large in scope and scale; oftentimes costing several billion dollars, and have significant requirements for equipment and labor. Service providers, particularly outsourced accommodations providers, in this sector must have significant operational and financial scale and resources to adequately serve these sizable developments. With cash flow from existing facilities coupled with our solid financial structure, we are capable and willing to invest further to support customer growth plans. As a result of our significant investments made over the last four years, we have more than doubled our accommodations revenues to $1.0 billion in 2013. We are one of the largest global providers of accommodations services. We have spent $1.2 billion for capital expenditures in North America since Oil States’ IPO in 2001 and $375.8 million in Australia since our acquisition of The MAC in 2010. Our largest lodge, Wapasu Creek Lodge, has over 5,100 rooms which we believe is the second largest lodging property in North America, in terms of rooms, second only to a hotel in Las Vegas. With our proven operational track record, substantial installed base and strong balance sheet, we are able to clearly demonstrate to customers that we have the willingness to invest and have the scale to deliver premium services on their most substantial projects, reducing their project timing and counterparty risks.

Our Business Strategy

Pursue growth in existing markets through existing and undeveloped locations

We believe that we have considerable growth opportunities in our existing markets through our portfolio of permitted, undeveloped locations. We also have permitted expansion capability in some of our current operating lodges and villages. The permits associated with land banked undeveloped locations and existing locations allow for the development of up to approximately16,000 additional lodge and village rooms over time, which represents a potential increase of more than 75% over the 20,857 rooms in operation as of December 31, 2013. For the three years ended December 31, 2013, we have invested $28.2 million on land banking. However, we are under no obligation to develop these sites and cannot provide any assurance that these locations will be developed. See “Risk Factors – Our land banking strategy may not be successful.” With our integrated business model, this pipeline of permitted developments provides us with the ability to respond quickly to customer project approvals and be an early mover in regions with emerging accommodation demand.

We will continue to be proactive in securing land access and permits for future locations, so that we are prepared to be an early mover in identified growth regions. When a market opportunity is identified, we secure an appropriate block of land, either through acquisitions or leases, with appropriate zoning, near high quality reserves and/or near prospective customer locations. This strategy requires us to carefully evaluate potential future demand opportunities, oftentimes several years in advance of the specific market opportunity due to the lead time required for development approvals and land development. We believe that our scale and financial position provides us with advantages in pursuing this strategy. Our existing land holdings comprise assets that expand our capacity in some of our base markets as well as properties that extend the reach of our offering.

Capital discipline based on returns focused investment and flexible financial structure

We take a thoughtful, measured, disciplined and patient approach to our investments. Our land banking strategy creates a relatively inexpensive option to develop a property in the future. Our scalable facility design then allows us to match the pace of our investments to demand growth. For example, our Wapasu Creek Lodge opened in 2007 with 589 rooms. As activity in the area expanded, we were able to build further stages such that Wapasu now comprises 5,174 rooms with three central core facilities. We believe that we have an incumbency advantage to extend our contracts after the initial term due to our premium services and long lead times for site development and permitting.

Our substantial base of operations and cash flow coupled with our strong balance sheet will allow us to pursue and execute our strategic growth plan while maintaining a suitable leverage profile given the contract profile of our existing operations. We believe that our financial strength makes us a more attractive counterparty for the largest natural resource companies. Our capital base allows us to undertake large projects, often involving long lead times, and commit capital throughout industry cycles.

Selectively pursue acquisition opportunities

We actively pursue accretive acquisitions in market sectors where we believe such acquisitions can enhance and expand our business. We believe that we can expand existing services and broaden our geographic footprint through strategic acquisitions. These acquisitions also allow us to generate incremental revenues from existing and new customers and obtain greater market share.

We employ a buy and build strategy for acquisitions. We purchase cash flow producing assets in complementary markets and grow those assets organically. The acquisition of The MAC in December 2010 is an example of our buy and build strategy. We viewed the Australia accommodations market as an attractive market with a similar economic and political profile to our Canadian business. At the date of acquisition, The MAC had 5,210 rooms. We have since grown the room count by 78% through the addition of 4,052 rooms while adding four villages to that portfolio.

Pursue growth into new segments and sectors

We believe that our knowledge of developing and operating premium, integrated accommodations services may translate to new sector opportunities, potentially including military and student housing, emergency lodging services and construction support, among others. We have historically focused on the natural resources end markets, but we believe that there continues to be strong, stable demand in certain non-energy markets, typically characterized by long-tenured projects, with some in remote locations.

Additionally, we have opportunities to provide additional personnel related services to our existing customer base. As a trusted partner on issues related to people and as an expert in remote workforce logistics, we are assessing the opportunity to manage or assist in the logistics of our guests' journey from home to our properties to work and back home, including reservations management, flight centers and bus terminals. We believe that the spin-off will enhance our ability to enter new sectors and expand our logistical services to the customer.

Our History

Our Canadian operations, founded in 1977, began by providing modular rental housing to energy customers, primarily supporting drilling rig crews. Over the next decade, the business acquired a catering operation and a manufacturing facility, enabling it to provide a more integrated service offering. Through our experience in building and managing Syncrude's Mildred Lake Village beginning in 1990, we recognized a need for a premium, and more permanent, solution for workforce accommodations in the oil sands region. Pursuing this strategy, we opened PTI Lodge in 1998, one of the first independent lodging facilities in the region.

With an integrated business model, we are able to identify, solve and implement solutions and services that enhance the guests' accommodations experience and reduce the customer's total cost of remote housing. Through our experiences and integrated model, our accommodation services have evolved to include fitness centers, water and wastewater treatment, laundry service and many other advancements. As our experience in the region grew, we were the first to introduce to the Canadian oil sands market suite-style accommodations for middle and upper level management working in the oil sands region with our Beaver River Executive Lodge in 2005. Since then we have continued to innovate our service offering to meet our customers' growing and evolving needs. From that entrepreneurial beginning, we have developed into Canada's largest third-party provider of premium accommodations in the oil sands region.

Today, in addition to providing accommodations services, we endeavor to support customers' logistical efforts in managing the movement of large numbers of personnel efficiently. At our Wapasu Creek location, we have introduced services that improve the customer's efficiency in transporting personnel to the mine site on a daily basis as well as the efficiency in rotating personnel when crews change. These logistical services have generated material cost efficiencies for our customer.

Beginning with our acquisition of The MAC Services Group in December 2010, we support the Australian natural resources industry through ten villages located in Queensland, New South Wales and Western Australia. Like Canada, The MAC has a long-history of accommodating customers in remote regions beginning with its initial Moranbah Village in 1996, and has grown to become Australia's largest integrated, provider of accommodations services for people working in remote locations. The MAC was the first to introduce resort style accommodations to the mining sector, adding landscaping, outdoor kitchens, pools, fitness centers and, in some cases, taverns. In all our operating regions our business is built on a culture of continual service improvement to enhance the guest experience and reduce customer remote housing costs.

We take an active role in minimizing our environmental impact of our operations through a number of sustainable initiatives. Our off-site building manufacturing process allows us to minimize waste that arises from the construction process. We also have a focus on water conservation and utilize alternative water supply options such as recycling and rainwater collection and use. By building infrastructure such as waste-water treatment and water treatment facilities to recycle grey and black water on some of our sites, we are able to gain cost efficiencies as well as reduce the use of trucks related to water and wastewater hauling, which in turn, reduces our carbon footprint. In our Australian villages, we utilize passive solar design principles and smart switching systems to reduce the need for electricity related to heating and cooling.

Our Industry

We provide services for the oil and gas and mining industries. Our scalable modular facilities provide long-term and temporary work force accommodations where traditional infrastructure is often not accessible, sufficient or cost effective. Once facilities are deployed in the field, we also provide catering and food services, housekeeping, laundry, facility management, water and wastewater treatment, power generation, communications and personnel logistics. Demand for our services is cyclical and substantially dependent upon activity levels, particularly our customers' willingness to spend capital on the exploration for, development and production of oil, coal, natural gas and other resource reserves. Our customers' spending plans are generally based on their view of commodity supply and demand dynamics as well as the outlook for near-term and long-term commodity prices. As a result, the demand for our services is highly sensitive to current and expected commodity prices.

We serve multiple projects and multiple customers at most of our sites, which allows those customers to share the costs associated with their peak construction accommodations needs. As projects shift from construction-related activities and into production activities, project headcounts reduce and our facilities provide customers with cost efficiencies as they are able to share the costs of accommodations related infrastructure (power, water, sewer and IT) and central dining and recreation facilities with other customers operating projects in the same vicinity.

Our business is significantly influenced by the level of production of oil sands deposits in Alberta, Canada, activity levels in support of natural resources production in Australia and oil and gas production in Canada and the United States. Our two major drivers are activity related to oil sands production in Western Canada and metallurgical coal production in Australia's Bowen Basin.

Historically, oil sands developers and Australian mining companies built, owned and in some cases operated the accommodations necessary to house their personnel in these remote regions because local labor and third-party owned rooms were not available. Over the past twenty years and increasingly over the past ten years, customers have moved away from the insourcing business model recognizing that accommodations are non-core investments for their business.

Civeo is one of the few accommodations providers that service the entire value chain from site identification to long-term facility management. We believe that our existing industry divides accommodations into three primary types: lodges and villages, open camps and mobile assets. Civeo is principally focused on lodges and villages. Lodges and villages typically contain a larger number of rooms and require more time and capital to develop. These facilities typically have dining areas, meeting rooms, recreational facilities, pubs and landscaped grounds where weather permits. Lodges and villages are generally built supported by multi-year, take-or-pay contracts. These facilities are designed to serve the long-term needs of customers in constructing and operating their resource developments. Open camps are usually smaller in number of rooms and typically serve customers on a spot or short-term basis. They are "open" for any customer who needs lodging services. Finally, mobile camps are designed to follow customers and can be deployed rapidly to scale. They are often used to support conventional and in-situ drilling crews as well as pipeline and seismic crews and are contracted on a well-by-well or short term basis. Oftentimes, customers will initially require mobile accommodations as they evaluate or initially develop a field or mine. Open camps may best serve smaller operations or the needs of customers as they expand in a region. These open camps can also serve as an initial, small foothold in a region until the demand for a full-scale lodge or village is required.

The accommodations market is segmented into competitors that serve components of the overall value chain, but has very few integrated providers. We estimate that customer-owned rooms represent over 50% of the market. Engineering firms such as Bechtel, Fluor and ColtAmec will design accommodations facilities. Many public and private firms, such as ATCO, Britco and Horizon North, will build the modular accommodations for sale. Horizon North, Black Diamond, ATCO and Algeco Scotsman will primarily own and lease the units to customers and in some cases provide facility management services, usually on a shorter-term basis with a more limited number of rooms, similar to our open camp and mobile fleet business. Facility service companies, such as Aramark, Sodexo or Compass Group, typically do not invest in and own the accommodations assets, but will manage third-party or customer-owned facilities. We believe the integrated model provides value to our customers by reducing project timing and counterparty risks. In addition with our holistic approach to accommodations, we are able to identify efficiency opportunities for the customers and execute them. With our focus on large-scale lodges and villages, our business model is most similar to a developer of multi-family properties, such as Camden or Post, or a developer of lodging properties who is also an owner operator, such as Hyatt or Starwood.

Canada

Overview

During the year ended December 31, 2013, we generated approximately 68% of our revenue and 74% of our operating income from our Canadian operations. We are Canada's largest integrated provider of accommodations services for people working in remote locations. We provide our accommodation services through lodges, open camps and mobile assets. Our accommodations support workforces in the Canadian oil sands and in a variety of oil and natural gas drilling, mining and related natural resource applications as well as disaster relief efforts.

Canadian Market

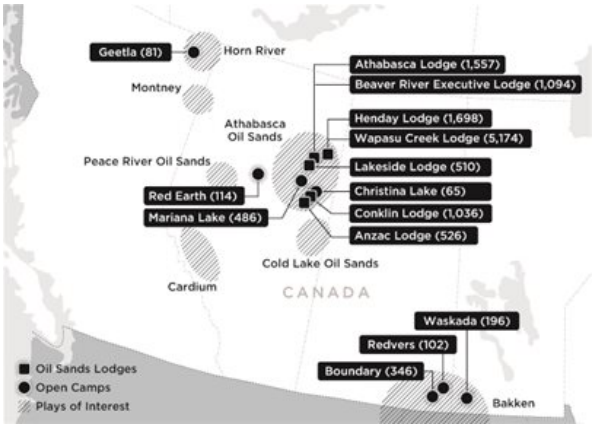
Our accommodations business has grown in recent years in large part due to the increasing demand for accommodations to support workers in the oil sands region of Canada. Demand for oil sands accommodations is primarily influenced by the longer-term outlook for crude oil prices rather than current energy prices, given the multi-year production phase of oil sands projects and the costs associated with development of such large scale projects. Utilization of our existing Canadian capacity and our future expansions will largely depend on continued oil sands spending.

The Athabasca oil sands are located in northern Alberta, an area that is very remote with a limited local labor supply. Of Canada's 33.5 million residents, nearly half of the population lives in ten cities, only 10% of the population lives in Alberta and less than 1% live within 100 km of the oil sands. The local municipalities, of which Fort McMurray is the largest, have grown rapidly over the last decade stressing their infrastructure and are challenged to respond to large-scale changes in demand. As such, the workforce accommodations market provides a cost effective solution to the problem of staffing large oil sands projects by sourcing labor throughout Canada to work on a rotational basis.

Activity in the Athabasca oil sands region generated over three-fourths of our Canadian revenue in 2013. The oil sands region of northern Alberta continues to represent one of the world's largest, long term growth areas for oil production. Our Wapasu, Athabasca, Henday and Beaver River Lodges are focused on the northern region of the Athabasca oil sands, where customers primarily utilize surface mining to extract the bitumen, or oil sands. Oil sands mining operations are characterized by large capital requirements, large reserves, large personnel requirements, very low exploration or reserve risk and relatively lower cash operating costs per barrel of bitumen produced. Our Conklin and Anzac lodges as well as a portion of our mobile fleet of assets are focused in the southern portion of the region where we primarily serve *in situ* operations and pipeline expansion activity. *In situ* methods are used on reserves that are too deep for traditional mining methods. *In situ* technology typically injects steam to the deep oil sands in place to separate the bitumen from the sand and pumps it to the surface where it undergoes the same upgrading treatment as the mined bitumen. Reserves requiring *in situ* techniques of extraction represent 80% of the established recoverable reserves in Alberta. *In situ* operations generally require less capital and personnel and produce lower volumes of bitumen per development, with higher ongoing operating expense per barrel of bitumen produced.

In February 2014, Oil States announced that our Canadian segment had begun construction on McClelland Lake Lodge in the northern Athabasca oil sands. The lodge will have an initial capacity of 1,561 rooms and the potential to reach 1,997 rooms. We plan to open the lodge in the summer of 2014 and reach our full initial capacity in the fourth quarter of 2014. McClelland Lake Lodge will initially support a new oil sands mining project in the region under a three-year contract for the majority of the rentable rooms.

Canadian Services



Rooms in our Canadian Lodges

Lodges	Region	Extraction Technique	As of December 31, 2013	2012	2011
Wapasu	N. Athabasca	mining	5,174	5,174	5,174
Henday	N. Athabasca	mining/in situ	1,698	1,698	1,120
Athabasca	N. Athabasca	mining	1,557	1,877	1,776
Beaver River	N. Athabasca	mining	1,094	876	732
Conklin	S. Athabasca	mining/in situ	1,036	948	584
Anzac	S. Athabasca	in situ	526	—	—
Lakeside	N. Athabasca	mining	510	510	510
Total Rooms			11,595	11,083	9,896

Our oil sands lodges support construction and operating personnel for maintenance and expansionary projects as well as ongoing operations associated with surface mining and *in situ* oil sands projects generally under medium-term contracts (two to three years). All of our lodge properties are located on land with leases obtained from the province of Alberta with initial terms of ten years. Our leases have expiration dates that range from 2015 to 2026. Currently, only 33% of our Canadian lodge rooms are on land with leases expiring prior to December 31, 2017. Thus far, we have successfully renewed or extended all expiring land leases and expect we will be able to in the future. We provide a full service hospitality function at our lodges including reservation management, check in and check out, catering, housekeeping and facilities management. Our lodge guests receive the amenity level of a full-service hotel plus three meals a day. Since mid-year 2006, we have installed over 11,000 rooms in our lodge properties supporting oil sands activities in northern Alberta. Our growth plan for this part of our business includes the expansion of these properties where we believe there is durable long-term demand. During 2013, we added 512 rooms (net of retirements) to our major oil sands lodges. Our Wapasu Creek Lodge is equivalent in size to the largest hotels in North America.

Over 75% of our Canadian revenue in 2013 was generated by our seven major lodges. We provide our lodge services on a day rate or monthly rental basis and our customers typically commit for medium to long term contracts (from 6 months up to 10 years). Customers make a minimum nightly or monthly room commitment for the term of the contract, and the multi-year contracts provide for inflationary escalations in rates for increased food, labor and utilities costs.

Open Camps

In addition to our oil sands lodges, we have seven open camps in Alberta, British Columbia, Saskatchewan and Manitoba. The major differentiator between lodges and open camps is the size of the facility. Open camps are generally smaller facilities that provide a level of amenity similar to that of one of our larger lodges including quality accommodation and food services, satellite television, fitness facilities and on-site laundry. We own the land where all of our open camp assets are located except for Waskada and Redvers, which are on leased land. We are currently working to renew these leases, which expire in 2014. Open camps are typically utilized for exploratory, seasonal or short term projects. Therefore, customer commitments for open camps tend to be shorter in initial duration (six to eighteen months). Open camps may be operational for twelve months or several years or transition into lodges depending on customer demand. Over time, room counts may fluctuate up or down depending on demand in the region. If the demand in a region decreases, open camps can be relocated to areas of greater activity. We provide accommodation services at our open camps on a day rate basis. Open camp revenue comprises a portion of "Other Revenue" in our Canadian segment.

Our Alberta open camps service the Athabasca and Peace River oil sands as well as conventional and shale play oil and gas developments and infrastructure expansions. Mariana Lake Lodge provides seasonal accommodation to the pipeline construction industry as well as workforces related to *in situ* projects in the southern portion of the Athabasca oil sands. Our Redvers Lodge in Saskatchewan and Waskada Lodge in Manitoba service the Canadian area of the Bakken Shale, a prolific shale basin spanning the US and Canadian borders. Geetla Lodge services the Horn River Basin in British Columbia. Our newest open camp, Boundary Lodge, which opened in August 2013, serves customers in the Bakken Shale.

Rooms in our Canadian Open Camps

		As of December 31,		
Open Camps	**Province**	**2013**	**2012**	**2011**
Mariana Lake	Alberta	486	478	478
Boundary	Saskatchewan	346	—	—
Waskada	Manitoba	196	196	196
Red Earth	Alberta	114	92	0
Redvers	Saskatchewan	102	102	77
Geetla	British Columbia	81	135	136
Christina Lake	Alberta	65	10	72
Total Rooms		1,390	1,013	959

Mobile Fleet

Our mobile fleet consists of modular, skid-mounted accommodations and central facilities that can be configured to quickly serve a multitude of short to medium term accommodation needs. The dormitory, kitchen and ancillary assets can be rapidly mobilized and demobilized and are scalable to support 200 to 800 people in a single location. In addition to the asset rental we provide catering, cleaning and housekeeping as well as camp management services, including fresh water and sewage hauling services. Our mobile fleet services the traditional oil and gas sector in Alberta and British Columbia and in situ oil sands drilling and development operations in Alberta as well as pipeline construction crews throughout Canada. The assets have also been used in the past in disaster relief efforts, the Vancouver Olympic Games and a variety of other non-energy related projects.

Our mobile fleet assets are rented on a per unit basis based on the number of days that a customer utilizes the asset. In cases where we provide catering or ancillary services, the contract can provide for per unit pricing or cost-plus pricing. Customers are also typically responsible for mobilization and demobilization costs. Mobile fleet revenue comprises a portion of "Other Revenue" in our Canadian segment.

Australia

Overview

During the year ended December 31, 2013, we generated 25% of our revenue and 29% of our operating income from our Australian operations. As of December 31, 2013, we had 9,262 rooms across ten villages of which 7,506 rooms service the Bowen Basin region of Queensland, one of the premier metallurgical coal basins in the world. We provide accommodation services on a day rate basis to mining and related service companies (including construction contractors) under medium-term contracts (three to five years) with minimum nightly room commitments. During 2013, we added 644 rooms to our Australian villages. In the third quarter of 2013, we opened our new Boggabri Village, consisting of 508 rooms, to serve the Gunnedah Basin.

Australian Market

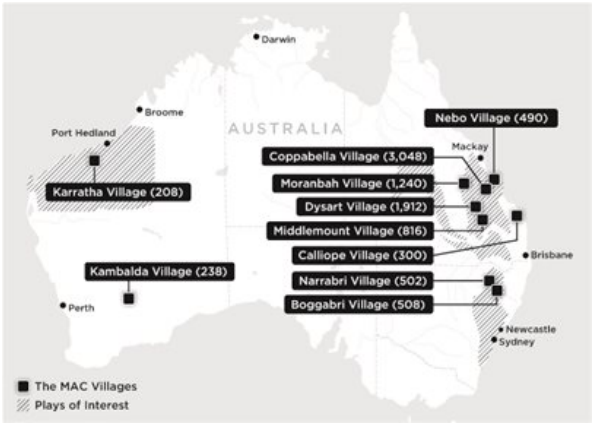
The Australian natural resources sector plays a vital role in the Australian economy. The Australian natural resources sector is Australia's largest contributor to exports and a major contributor to the country's gross domestic product, employment and government revenue. Australia has broad natural resources including metallurgical and thermal coal, conventional and coal seam gas, base metals, iron ore and precious metals such as gold. The growth of Australian natural resource commodity exports over the last decade has been largely driven by strong Asian demand for coal, iron ore and liquefied natural gas (LNG). Australia resources are primarily located in remote regions of the country that lack infrastructure and resident labor forces to develop these resources. Approximately 60% of the Australian population is located in five cities which are all located on the coast of Australia and over 90% of the population lives in the southern half of the country. Sufficient local labor is lacking near the major natural resources developments, which are primarily inland and in the central and northern parts of the country. As a result, much of the natural resources labor force works on a rotational basis; often requiring a commute from a major city or the coast and a living arrangement near the resource projects. Consequently, there is substantial need for workforce accommodations to support resource production in the country. Workforce accommodations have historically been built by the resource developer/owner, typical of an insourcing business model.

Since 1996, our Australian accommodations business, The MAC, has sought to change the insourcing business model through its integrated service offering, allowing customers to outsource their accommodations needs and focus their investment on their core resource production operations. Our Australian accommodations villages are strategically located in proximity to long-lived, low-cost mines operated by large mining companies. The current activities of our Australian accommodations segment are primarily related to supplying accommodations in support of metallurgical (met) coal mining in the Bowen Basin region of Queensland.

Our five villages in the Bowen Basin of central Queensland generated 83% of our Australian revenue in 2013. The Bowen Basin contains one of the largest coal deposits in Australia and is renowned for its premium metallurgical coal. Metallurgical coal is used in the steel making process and demand has largely been driven by growth in global demand for steel finished goods and steel construction materials. More recently, growth in construction demand for steel products in emerging economies, particularly China and India, has also increased demand for the commodity. Australia is the largest exporter of met coal in the world in addition to being close to the largest growth markets. Our villages are focused on the mines in the central portion of the basin and are well positioned for the announced expansion projects in the region.

Beyond the Bowen Basin, we serve several emerging markets with our five additional villages. At the end of 2013, we had two villages with over 1,000 combined rooms in the Gunnedah Basin, an emerging thermal, met coal and coal seam gas region of New South Wales. We also service infrastructure projects related to the LNG facilities under construction on Curtis Island in Queensland through our Calliope Village. In Western Australia we serve workforces related to gold mining, iron ore port expansions and LNG facilities operations on the Northwest Shelf through our Kambalda and Karratha villages.

Australian Services



Rooms in our Australian Villages

Villages	Resource Basin	Commodity	As of December 31, 2013	2012	2011
Coppabella	Bowen	met coal	3,048	2,912	2,556
Dysart	Bowen	met coal	1,912	1,912	1,491
Moranbah	Bowen	met coal	1,240	1,240	1,180
Middlemount	Bowen	met coal	816	816	816
Boggabri	Gunnedah	met/thermal coal	508	—	—
Narrabri	Gunnedah	met/thermal coal	502	502	242
Nebo	Bowen	met coal	490	490	490
Calliope	—	LNG	300	300	300
Kambalda	—	Gold	238	238	238
Karratha	Pilbara	LNG, iron ore	208	208	—
Total Rooms			9,262	8,618	7,313

Our Australian accommodations segment operated ten villages with 9,262 rooms as of December 31, 2013 and has a significant development portfolio in Australia. The MAC provides accommodation services to mining and related service companies under medium-term contracts. Our Australian accommodations villages are strategically located near long-lived, low-cost mines operated by large mining companies. Our growth plan for this part of our business continues to include the expansion of these properties where we believe there is durable long-term demand.

Our Coppabella, Dysart, Moranbah, Middlemount and Nebo villages are located in the Bowen Basin. Coppabella, at over 3,000 rooms, is our largest village and provides accommodation to a variety of customers. The village supports both operational workforce needs as well as contractor needs with resort style amenities, including swimming pools, gyms, a walking track and a tavern. Our Nebo, Dysart, Moranbah and Middlemount villages have a long history of providing premium service in the region.

In 2011, we opened Narrabri village, the first village of its kind in New South Wales, to service met coal mines and coal seam gas in the Gunnedah Basin. Our newest village, Boggabri, opened in the third quarter of 2013. Boggabri Village, whose first stage of 508 rooms opened in 2013, will be servicing the construction and operating workforce of two customers with approved mines in the Gunnedah Basin. Our Calliope Village services the workforce for the three major LNG facilities under construction on Curtis Island in Queensland. Karratha, in Western Australia, services workforces related to iron ore port expansions and LNG facilities operations on the Northwest Shelf. Our Kambalda village services several gold mines in Western Australia.

United States

Overview

During the year ended December 31, 2013, our U.S. business generated 7% of our revenue at an operating loss. Our U.S. business is focused primarily on the Rocky Mountain corridor, the Bakken Shale region, the Eagle Ford Shale and Permian Basin regions of Texas and offshore locations in the Gulf of Mexico. The business provides open camp facilities and highly mobile smaller camps that follow drilling rigs and completion crews as well as accommodations, office and storage modules that are placed on offshore drilling rigs and production platforms.

United States Market

Onshore oil and natural gas development has historically been supported by local workforces traveling short to moderate distances to the worksites. With the development of substantial resources in regions such as the Bakken, Rockies, South Texas and Permian Basin, labor demand has exceeded the local labor supply and infrastructure to support the demand. Consequently, demand for remote, scalable accommodations has developed in the United States over the past five years. Demand for accommodations in the United States has historically been tied to the level of oil and natural gas exploration and production activity which is primary driven by oil and natural gas prices. Activity levels have been, and we expect will continue to be, highly correlated with hydrocarbon commodity prices.

United States Services

Mobile Fleet

Our business in the United States consists primarily of mobile fleet assets. We provide a variety of sizes and configurations to meet the needs of drilling contractors, completion companies, infrastructure construction projects and offshore drilling and completion activity. We provide quality catering and housekeeping services as well.

Our mobile fleet is rented on a per unit basis based on the number of days that a customer utilizes the asset. In cases where we provide catering or ancillary services, the contract can provide for per unit pricing or cost-plus pricing. Customers are also typically responsible for mobilization and demobilization costs.

Open Camps

United States Open Camp Rooms	State	As of December 31, 2013	2012	2011
Three Rivers Lodge	TX	274	106	—
Stanley House	ND	199	199	199
West Permian Lodge	TX	166	—	—
Killdeer Lodge	ND	126	—	—
Total United States Open Camp Rooms		765	305	199

We have four open camps in the U.S. comprised of 765 rooms. Our Stanley House and Killdeer Lodge, which we opened in October 2013, provide accommodations support to the Bakken Shale region in North Dakota. Our Three Rivers Lodge supports the Eagle Ford Shale in South Texas, and our West Permian Lodge supports the Permian Basin in West Texas.

Manufacturing

As part of our integrated business model, we utilize a flexible manufacturing strategy that combines internal manufacturing capabilities and outsourced manufacturing partners to allow us to respond quickly to changing customer needs and timing. We own two accommodations manufacturing plants near Edmonton, Alberta, Canada and one facility in Johnstown, Colorado. Additionally, we lease manufacturing plants in Ormeau, Queensland and Belle Chase, Louisiana. Each of our facilities specializes in the design, engineering, production, transportation and installation of a variety of portable modular buildings, predominately for our own use. In Canada and Australia we have a staff of engineers and architects that have designed and delivered large and small projects. Our Australian operations are generally near small, regional towns and we have a long history of integrating our design with the community. We are capable of taking highly replicable and well-designed manufactured buildings and our expertise in site layout combined with site-built components including landscaping, recreational facilities and certain common facilities to create a comfortable community within a community. We manufacture accommodations facilities to suit the climate, terrain and population of a specific project site.

While we have traditionally focused our manufacturing efforts on our internal needs, we from time to time sell units to third parties. Revenues from the sale of accommodation units to third parties has been a small portion of our revenue and is included in “Other Revenue” in our Canadian and United States segments. We have not historically sold units to third-parties in Australia.

Community Relations

Partnering with regional communities and aboriginal groups is part of our long term strategy. In our Canadian operations, we have worked proactively with local aboriginal communities to develop sustainable recruitment partnerships. In 2004, our Canadian operations entered into two joint ventures, Buffalo Metis Catering and Metis Catering JV, with five Aboriginal communities in the Regional Municipality of Wood Buffalo to provide catering and housekeeping services at our lodges. Our efforts in this area were recognized in 2011 and 2012 through Alberta Chamber of Commerce industry awards of recognition for excellence in aboriginal relations business practices. This success is also recognized by our customers, community and government leaders and is an important component of the social license in which to do business.

In Australia, our community relations program also aims to build and maintain a social license to operate in regional host communities by delivering consultation and engagement from project inception, through development, construction and on into operations. This is a major advantage for our business model as it ensures consistent communication, gains trust and builds relationships to last throughout the resource lifecycle. There is an emphasis on developing partnerships that create a long-term sustainable outcome to address specific community needs. To that end, we partner with local municipalities to improve and expand municipal infrastructure. These improvements provide necessary infrastructure, allowing the local communities an opportunity to expand and improve.

Customers and Competitors

Our customers primarily operate in oil sands mining and development, drilling, exploration and extraction of oil and natural gas and coal and other extractive industries. To a lesser extent, we also support other activities, including pipeline construction, forestry, humanitarian aid and disaster relief, and support for military operations. Our largest customers in 2013 were Imperial Oil Limited (a company controlled by ExxonMobil Corporation) and Fluor Canada Ltd and BM Alliance Coal Operations Pty Ltd (an alliance between BHP Billiton and Mitsubishi) in Australia.

Our primary competitors in Canada in the open and mobile camp accommodations include ATCO Structures & Logistics Ltd., Black Diamond Group Limited, Horizon North Logistics Inc. and Clean Harbors, Inc. Some of these competitors have one or two locations similar to our oil sands lodges; however, based on our estimates, these competitors do not have the breadth or scale of our lodge operations. In Canada, we also compete against Aramark Corporation and Compass Group for facility management services.

Our primary competitors in Australia to our village accommodations are Ausco Modular (a subsidiary of Algeco Scotsman) and Fleetwood Corporation. We also compete against Aramark Corporation, Sodexo and Compass Group PLC for facility management services.

In the United States, we primarily offer our open camp and mobile camps accommodations and compete against Stallion Oilfield Holdings, Inc., Target Logistics Management LLC (a subsidiary of Algeco Scotsman Global S.a.r.l.) and Black Diamond Group Limited.

Historically, many customers have invested in their own accommodations. Management estimates that our existing and potential customers own approximately 50% of the rooms available in the Canadian oil sands and 60% of the rooms in the Australian coal mining regions. This represents a growth opportunity for us as customers increasingly outsource accommodations to more efficiently deploy capital for core resource development operations.

Our Lodge and Village Contracts

Revenues from our lodges and villages represented over 75% of our consolidated revenues in 2013. Our customers typically contract for accommodations services under take-or-pay contracts with terms that most often range from two to five years. Our contract terms generally provide for a rental rate for a reserved room and an occupied room rate that compensates us for services, including meals, utilities and maintenance for workers staying in the lodges and villages. In multi-year contracts, our rates typically have annual contractual escalation provisions to cover expected increases in labor and consumables costs over the contract term. Over the term of the contract, the customer commits to a minimum number of rooms over a determined period. In some contracts, customers have a contractual right to terminate rooms, for reasons other than a breach, in exchange for a termination fee. As of December 31, 2013, we had 69% of our rooms committed for 2014 and 42% of our rooms committed for 2015.

As of December 31, 2013, we had 17,618 rooms under contract, or 84% of our available rooms. The table below details the expiration of those contracts:

	Contracted Room Expiration
2014	5,509
2015	6,773
2016	1,131
2017	1,898
2018	569
Thereafter	1,738
Total	17,618

The contracts expire throughout the year and for many of the near term expirations, we are in the process of negotiating extensions or new commitments. We cannot assure that we can renew existing contracts or obtain new business on the same or better terms.

Seasonality of Operations

Our operations are directly affected by seasonal weather. A portion of our Canadian operations is conducted during the winter months when the winter freeze in remote regions is required for exploration and production activity to occur. The spring thaw in these frontier regions restricts operations in the second quarter and adversely affects our operations and our ability to provide services. Our Canadian operations have also been impacted by forest fires and flooding in the past five years. During the Australian rainy season between November and April, our operations in Queensland and the northern parts of Western Australia can be affected by cyclones, monsoons and resultant flooding. In the United States, winter weather in the first quarter and the resulting spring break up in the second quarter have historically negatively impacted our Bakken and Rocky Mountain operations. Our U.S. offshore operations have historically impacted by the Gulf of Mexico hurricane season from July through November.

Employees

As of December 31, 2013, we had 4,068 full-time employees on a consolidated basis, 69% of whom are in Canada, 15% of whom are in Australia and 16% of whom are in the U.S. We were party to collective bargaining agreements covering 1,823 employees located in Canada and 543 employees located in Australia as of December 31, 2013.

Government Regulation

Our business is significantly affected by foreign and domestic laws and regulations at the federal, provincial, state and local levels relating to the oil, natural gas and mining industries, worker safety and environmental protection. Changes in these laws, including more stringent regulations and increased levels of enforcement of these laws and regulations, could significantly affect our business. Moreover, to the extent that these laws and regulations impose more stringent requirements or increased costs or delays upon our customers in the performance of their operations, the resulting demand for our products and services by those customers may be adversely affected, which impact could be significant and long-lasting. We cannot predict changes in the level of enforcement of existing laws and regulations or how these laws and regulations may be interpreted or the effect changes in these laws and regulations may have on us or our customers or on our future operations or earnings. We also are not able to predict the extent to which new laws and regulations will be adopted or whether such new laws and regulations may impose more stringent or costly restrictions on our customers or our operations.

Our operations and the operations of our customers upon whom we provide our products and services are subject to numerous stringent and comprehensive foreign, federal, provincial, state and local environmental laws and regulations governing the release or discharge of materials into the environment or otherwise relating to environmental protection. Numerous governmental agencies issue regulations to implement and enforce these laws, for which compliance is often costly yet critical. The violation of these laws and regulations may result in the denial or revocation of permits, issuance of corrective action orders, modification or cessation of operations, assessment of administrative and civil penalties, and even criminal prosecution. We believe that we are in substantial compliance with existing environmental laws and regulations and we do not anticipate that future compliance with existing environmental laws and regulations will have a material effect on our Consolidated Financial Statements. However, there can be no assurance that substantial costs for compliance or penalties for non-compliance with these existing requirements will not be incurred in the future by us or our customers with whom we conduct business. Moreover, it is possible that other developments, such as the adoption of stricter environmental laws, regulations and enforcement policies or more stringent enforcement of existing environmental laws and regulations, could result in additional costs or liabilities upon us or our customers that we cannot currently quantify.

For example, in Canada, the Federal Government in September 2010 appointed an Oil Sands Advisory Panel to review and comment upon existing scientific studies and literature regarding water monitoring in the Lower Athabasca region and provide recommendations for improving such monitoring. The Oil Sands Advisory Panel presented its final report to the Minister of the Environment in December 2010. In response to this report, Environment Canada, with input from the government of Alberta through Alberta Environment, developed an environmental monitoring plan specific to the oil sands with respect to water, air quality and biodiversity. Further, in January 2011, the Province of Alberta established a Provincial Environmental Monitoring Panel with a mandate to recommend a world class environmental evaluation, monitoring and reporting system, generally for the Province and specifically for the lower Athabasca Region where oil sands are produced. This panel issued its recommendations to the Alberta Minister of the Environment in July 2011. In February 2012, the governments of Canada and Alberta released the Joint Canada-Alberta Implementation Plan for Oil Sands Monitoring that will be phased in between 2012 and 2015. The costs of implementing this plan are to be funded by industry members, some of whom are our customers. As this new monitoring regime is implemented the increased levels of monitoring and enforcement may increase costs for us and our customers and could reduce activity and demand for our services.

Further, the Province of Alberta released its new Clean Air Strategy in October 2012 which it proposes to implement for, at a minimum, a 10-year period, beginning in 2013. The implementation of this strategy along with Alberta's continued implementation of its regulatory changes to oil and oil sands regulation may result in additional costs or liabilities for our customers' operations.

The Federal Water Pollution Control Act, as amended, and analogous state laws impose restrictions and strict controls regarding the discharge of pollutants into state waters or waters of the United States. The discharge of pollutants into jurisdictional waters is prohibited unless the discharge is permitted by the EPA or applicable state agencies. Many of our domestic properties and operations require permits for discharges of wastewater and/or storm water, and we have developed a system for securing and maintaining these permits. In addition, the Oil Pollution Act of 1990, as amended, or OPA, imposes a variety of requirements on responsible parties related to the prevention of oil spills and liability for damages, including natural resource damages, resulting from such spills in waters of the United States. A responsible party under OPA includes the owner or operator of an onshore facility or vessel, or the lessee or permittee of the area in which an offshore facility is located. The Federal Water Pollution Control Act and analogous state laws provide for administrative, civil and criminal penalties for unauthorized discharges and, together with the OPA, require the development and implementation of spill prevention and response plans and impose potential liability for the remedial costs and associated damages arising out of any unauthorized discharges.

Past scientific studies have suggested that emissions of certain gases, commonly referred to as greenhouse gases, or GHG, and including carbon dioxide and methane, may be contributing to warming of the Earth's atmosphere and other climatic changes. On January 29, 2010, Canada affirmed its desire to be associated with the Copenhagen Accord that was negotiated in December 2009 as part of the international meetings on climate change regulation in Copenhagen. The Copenhagen Accord, which is not legally binding, allows countries to commit to specific efforts to reduce GHG emissions, although how and when the commitments may be converted into binding emission reduction obligations is currently uncertain. Pursuant to the Copenhagen Accord process, Canada has indicated an economy-wide GHG emissions target that equates to a 17 per cent reduction from 2005 levels by 2020, and the Canadian federal government has also indicated an objective of reducing overall Canadian GHG emissions by 60% to 70% from 2006 levels by 2050. Additionally, in 2009, the Canadian federal government announced its commitment to work with the provincial governments to implement a North America-wide cap and trade system for GHG emissions, in cooperation with the United States. Under the system, Canada would have a cap-and-trade market for Canadian-specific industrial sectors that could be integrated into a North American market for carbon permits. It is uncertain whether either federal GHG regulations or an integrated North American cap-and-trade system will be implemented, or what obligations might be imposed under any such systems.

Additionally, GHG regulation can take place at the provincial and municipal level. For example, Alberta introduced the Climate Change and Emissions Management Act, which provides a framework for managing GHG emissions by reducing specified gas emissions, relative to gross domestic product, to an amount that is equal to or less than 50% of 1990 levels by December 31, 2020. The accompanying regulation, the Specified Gas Emitters Regulation, effective July 1, 2007, requires mandatory emissions reductions through the use of emissions intensity targets, and a company can meet the applicable emissions limits by making emissions intensity improvements at facilities, offsetting GHG emissions by purchasing offset credits or emission performance credits in the open market, or acquiring "fund credits" by making payments of $15 per ton of GHG emissions to the Alberta Climate Change and Management Fund. The Specified Gas Reporting Regulation imposes GHG emissions reporting requirements if a company has GHG emissions of 100,000 tons or more of carbon dioxide equivalent from a facility in a calendar year. In addition, Alberta facilities must currently report emissions of industrial air pollutants and comply with obligations in permits and under other environmental regulations. The Canadian federal government currently proposes to enter into equivalency agreements with provinces to establish a consistent regulatory regime for GHGs, but the success of any such plan is uncertain, possibly leaving overlapping levels of regulation. The direct and indirect costs of these regulations may adversely affect our operations and financial results as well as those of our customers with whom we conduct business.

Our Australian accommodations segment is regulated by general statutory environmental controls at both the state and federal level which may result in land use approval and compliance risk. These controls include: land use and urban design controls; the regulation of hard and liquid waste, including the requirement for tradewaste and/or wastewater permits or licenses; the regulation of water, noise, heat, and atmospheric gases emissions; the regulation of the production, transport and storage of dangerous and hazardous materials (including asbestos); and the regulation of pollution and site contamination. Some specified activities, for example, sewage treatment works, may require regulation at a state level by way of environmental protection licenses which also impose monitoring and reporting obligations on the holder. There is an increasing emphasis from state and federal regulators on sustainability and energy efficiency in business operations. Federal requirements are now in place for the mandatory disclosure of energy performance under building rating schemes. These schemes require the tracking of specific environmental performance factors. Carbon reporting requirements currently exist for corporations which meet a reporting threshold for greenhouse gases or energy use or production for a reporting (financial) year under national legislation. In addition, the Australian Commonwealth Government's carbon pricing mechanism ("CPM") commenced on July 1, 2012. Under the CPM, entities that are responsible for facilities that meet specified emissions thresholds will be required to purchase and surrender permits representing their carbon emissions. The CPM is intended to operate as a carbon trading scheme, commencing with a three year fixed price period, followed by a flexible price cap-and-trade emissions trading scheme. Although our Australian accommodations facilities are currently below the emissions thresholds specified by the CPM and are, thus, not affected by the CPM, this could change in the future and the resultant change could have an adverse effect on our Australian operations and financial results.

The EPA determined in December 2009 that emissions of GHGs present an endangerment to public health and the environment and, based on those findings, adopted regulations to restrict emissions of greenhouse gases under existing provisions of the CAA, including one that requires a reduction in emissions of greenhouse gases from motor vehicles and another that regulates emissions of greenhouse gases from certain large stationary sources. The EPA has also adopted rules requiring the monitoring and reporting of greenhouse gas emissions from specified large greenhouse gas emission sources in the United States, including, among others, offshore and onshore oil and natural gas production facilities, on an annual basis.

While the U.S. Congress has from time to time considered legislation to reduce emissions of GHGs, there has not been significant activity in the form of adopted legislation to reduce GHG emissions at the federal level in recent years. In the absence of federal climate legislation in the U.S., a number of state and regional efforts have emerged that are aimed at tracking and/or reducing GHG emissions by means of cap and trade programs that typically require major sources of GHG emissions, such as electric power plants, to acquire and surrender emission allowances in return for emitting those GHGs. If Congress undertakes comprehensive tax reform in the coming year, it is possible that such reform may include a carbon tax, which could impose additional direct costs on operations and reduce demand for refined products. Although it is not possible at this time to predict how legislation or new regulations that may be adopted to address GHG emissions would impact our business, any such future laws and regulations could require us to incur increased operating costs, such as costs to purchase and operate emissions control systems, to acquire emission allowances or comply with new regulatory or reporting requirements including the imposition of a carbon tax. Any such legislation or regulatory programs could also increase the cost of consuming, and thereby reduce demand for oil and natural gas, which could reduce our customers' demand for our products and services. The adoption of legislation or regulatory programs to reduce emissions of greenhouse gases could require us or our customers to incur increased operating costs, such as costs to purchase and operate emissions control systems, to acquire emissions allowances or comply with new regulatory or reporting requirements. Any such legislation or regulatory programs could also increase the cost of consuming, and thereby reduce demand for, the oil and natural gas, which could reduce the demand for our products and services. Consequently, legislation and regulatory programs to reduce emissions of greenhouse gases could have an adverse effect on our business, financial condition and results of operations. Finally, it should be noted that some scientists have concluded that increasing concentrations of greenhouse gases in the Earth's atmosphere may produce climate changes that have significant physical effects, such as increased frequency and severity of storms, droughts, floods and other climatic events. If any such effects were to occur, they could have an adverse effect on our financial condition and results of operations.

Our operations as well as the operations of our customers are also subject to various laws and regulations addressing the management, disposal and releases of regulated substances. For example, in the United States, the federal Resource Conservation and Recovery Act, as amended ("RCRA") and comparable state statutes regulate the generation, storage, treatment, transportation, disposal and cleanup of hazardous and non-hazardous solid wastes. Under the auspices of the EPA, most states administer some or all of the provisions of RCRA, sometimes in conjunction with their own, more stringent requirements. Federal and state regulatory agencies can seek to impose administrative, civil and criminal penalties for alleged non-compliance with RCRA and analogous state requirements. In the course of our operations, we generate some amounts of ordinary industrial wastes, such as paint wastes, waste solvents and waste oils that may be regulated as hazardous wastes. Moreover, the federal Comprehensive Environmental Response, Compensation and Liability Act, as amended ("CERCLA"), also known as the Superfund law, and comparable state laws impose liability, without regard to fault or legality of conduct, on classes of persons considered to be responsible for the release of a "hazardous substance" into the environment. These persons include the current and past owner or operator of the site where the release occurred and anyone who disposed or arranged for the disposal of a hazardous substance released at the site. Under CERCLA, such persons may be subject to joint and several, strict liability for the costs of cleaning up the hazardous substances that have been released into the environment, for damages to natural resources and for the costs of certain health studies. CERCLA also authorizes the EPA and, in some instances, third parties to act in response to threats to the public health or the environment and to seek to recover from the responsible classes of persons the costs they incur. In addition, neighboring landowners and other third-parties may file claims for personal injury and property damage allegedly caused by the hazardous substances released into the environment. We generate materials in the course of our operations that may be regulated as hazardous substances. In the event of mismanagement or release of regulated substances upon properties where we conduct operations, we could become subject to CERCLA, RCRA and analogous state laws. Under such laws, we could be required to undertake response or corrective measures, which could include removal of previously disposed substances and wastes, cleanup of contaminated property or performance of remedial operations to prevent future contamination.

The federal Endangered Species Act, as amended, or the ESA, restricts activities in the United States that may affect endangered or threatened species or their habitats. If endangered species are located in areas of the United States where our oil and natural gas exploration and production customers operate, such operations could be prohibited or delayed or expensive mitigation may be required. Moreover, as a result of a settlement approved by the U.S. District Court for the District of Columbia in 2011, the U.S. Fish and Wildlife Service is required to make a determination on listing of more than 250 species as endangered or threatened under the ESA before the end of the agency's 2017 fiscal year. The designation of previously unprotected species as threatened or endangered in areas of the United States where our customers' oil and natural gas exploration and production operations are conducted could cause them to incur increased costs arising from species protection measures or could result in limitations on their exploration and production activities, which could have an adverse impact on demand for our products and services.

Properties

The following table presents information about our principal properties and facilities. Except as indicated below, we own all of the properties or facilities listed below:

Location	Approximate Square Footage/Acreage	Description
United States:		
Houston, Texas (lease)	8,900	Principal executive offices
Johnstown, Colorado	153 acres	Manufacturing facility and yard
Killdeer, North Dakota	42 acres	Open camp
Pecos, Texas	35 acres	Open camp
Dickinson, North Dakota (lease)	26 acres	Mobile asset facility and yard
Vernal, Utah (lease)	21 acres	Mobile asset facility and yard
Carrizo Springs, Texas (leased land)	20 acres	Open camp (closed)

Location	Approximate Square Footage/Acreage	Description
Casper, Wyoming (lease)	14 acres	Accommodations facility and yard
Belle Chasse, Louisiana	10 acres	Manufacturing facility and yard
Three Rivers, Texas (lease)	9 acres	Open camp
Big Piney, Wyoming (lease)	7 acres	Mobile asset facility and yard
Stanley, North Dakota (lease)	7 acres	Open camp
Englewood, Colorado (lease)	5,480	Sales office
Windsor, Colorado (lease)	4,933	Sales office
Canada:		
Fort McMurray, Alberta (leased land)	240 acres	Wapasu Creek and Henday Lodges
Fort McMurray, Alberta (leased land)	140 acres	Pebble Beach open camp (closed)
Fort McMurray, Alberta (leased land)	135 acres	Conklin Lodge
Fort McMurray, Alberta (leased land)	128 acres	Beaver River and Athabasca Lodges
Fort McMurray, Alberta	45 acres	Christina Lake Lodge
Acheson, Alberta	40 acres	Office and warehouse
Edmonton, Alberta	33 acres	Manufacturing facility
Grimshaw, Alberta (lease)	20 acres	Equipment yard
Fort McMurray, Alberta (leased land)	18 acres	Anzac Lodge
Nisku, Alberta	9 acres	Manufacturing facility
Edmonton, Alberta (lease)	86,376	Office and warehouse
Edmonton, Alberta (lease)	71,654	Manufacturing facility and yard
Edmonton, Alberta (lease)	28,253	Office
Edmonton, Alberta (lease)	16,130	Office
Australia:		
Coppabella, Queensland, Australia	198 acres	Coppabella Village
Calliope, Queensland, Australia	124 acres	Calliope Village
Narrabri, New South Wales, Australia	82 acres	Narrabri Village
Boggabri, New South Wales, Australia	52 acres	Boggabri Village
Dysart, Queensland, Australia	50 acres	Dysart Village
Middlemount, Queensland, Australia	37 acres	Middlemount Village
Karratha, Western Australia, Australia (own and lease)	34 acres	Karratha Village
Kambalda, Western Australia, Australia	27 acres	Kambalda Village
Nebo, Queensland, Australia	26 acres	Nebo Village
Moranbah, Queensland, Australia	17 acres	Moranbah Village
Ormeau, Queensland, Australia (lease)	3 acres	Manufacturing facility
Sydney, New South Wales, Australia (lease)	17,276	Office
Brisbane, Queensland, Australia (lease)	7,115	Office

We also have various offices supporting our business segments which are both owned and leased. We believe that our leases are at competitive or market rates and do not anticipate any difficulty in leasing additional suitable space upon expiration of our current lease terms.

Leased land for our lodge properties in Canada refers to land leased from the Alberta government. We also lease land for our Karratha village from the provincial government in Australia. Generally, our leases have an initial term of ten years and will expire between 2015 and 2026.

Legal Proceedings

We are a party to various pending or threatened claims, lawsuits and administrative proceedings seeking damages or other remedies concerning our commercial operations, products, employees and other matters as a result of our products or operations. Although we can give no assurance about the outcome of pending legal and administrative proceedings and the effect such outcomes may have on us, we believe that any ultimate liability resulting from the outcome of such proceedings, to the extent not otherwise provided for or covered by indemnity or insurance, will not have a material adverse effect on our combined financial position, results of operations or liquidity.

MANAGEMENT

Executive Officers and Directors

The following table sets forth information as of May 6, 2014, regarding the individuals who are expected to serve as our executive officers and directors following the spin-off. After the spin-off, none of our executive officers will continue to be employees of Oil States.

Name	Position(s)	Age
Douglas E. Swanson	Chairman of the Board	75
Bradley J. Dodson	President, Chief Executive Officer and Director	40
Frank C. Steininger	Senior Vice President, Chief Financial Officer and Treasurer	56
Ron R. Green	Senior Vice President, North America	64
Peter McCann	Senior Vice President, Australia	47
Martin A. Lambert	Director	58
Constance B. Moore	Director	58
Richard A. Navarre	Director	53
Gary L. Rosenthal	Director	64
Charles Szalkowski	Director	66

Douglas E. Swanson, prior to the spin-off, will be appointed as Chairman of the Board of Civeo. Mr. Swanson has served as a director of Oil States since February 2001 and served as Oil States' Chief Executive Officer from February 2001 until he retired in April 2007. Mr. Swanson will not run for re-election as a director of Oil States, and his term will end on May 15, 2014. From January 1992 to August 1999, Mr. Swanson served as President and Chief Executive Officer of Cliffs Drilling Company, a contract drilling company. He holds a B.A. degree from Cornell College and is a Certified Public Accountant. Mr. Swanson was a director and member of the compensation committee of Flint Energy Services, Ltd., (Toronto: FEX: TO) a Canadian integrated midstream oil and gas production services provider from April 2000 to May 2010. He was Chairman of the Board of Directors of Boots and Coots International Well Control, Inc. (AMEX: WEL), an oilfield services company that provided integrated pressure control and related services worldwide from March 2006 to September 2010.

Bradley J. Dodson is currently Executive Vice President, Accommodations of Oil States and President and Chief Executive Officer and Director of Civeo; positions held since December 2013. Mr. Dodson has held several executive positions with Oil States since joining in March 2001, including serving as Senior Vice President, Chief Financial Officer and Treasurer from April 2010 to December 2013, Vice President, Chief Financial Officer and Treasurer from May 2006 to April 2010, Vice President, Corporate Development from March 2003 to May 2006 and Director of Business Development from March 2001 to February 2003. From June 1998 to March 2001, Mr. Dodson served in several positions for L.E. Simmons & Associates, Incorporated, a private equity firm specializing in oilfield service investments. From July 1996 to June 1998, Mr. Dodson worked in the mergers and acquisitions group of Merrill Lynch & Co. He holds a M.B.A. degree from the University of Texas at Austin and a B.A. degree in economics from Duke University.

Frank C. Steininger, upon the spin-off, will serve as Senior Vice President, Chief Financial Officer and Treasurer of Civeo. From August 1980 to March 2014, Mr. Steininger worked for PricewaterhouseCoopers LLP, where he was admitted to the partnership in 1991. From 1997 to 2014, Mr. Steininger was an Assurance Partner in PwC's Global Energy practice. He holds a B.S. degree in accounting from the University of Akron.

Ron R. Green, upon the spin-off, will serve as Senior Vice President, North America of Civeo. Mr. Green is the Senior Vice President, Accommodations of Oil States and President and Chief Executive Officer—PTI Group Inc. ("PTI"), a wholly owned subsidiary of Civeo. He has held this position since April 2006. From December 2005 to March 2006 he was Senior Vice President and Chief Operating Officer of PTI. From November 2004 to November 2005, Mr. Green served as Vice President, Premium Camp Services for PTI. Prior to joining PTI, Mr. Green served as Vice President and General Manager of ESS Remote Site Services, a division of Compass Group PLC from October 1995 to August 2003. From 1975 to 1995, Mr. Green held various senior executive positions in the accommodations industry.

Peter McCann, upon the spin-off, will serve as Senior Vice President, Australia. Mr. McCann has been Managing Director of The MAC, a wholly owned subsidiary of Civeo since June 2012. From January 2010 through June 2012, Mr. McCann was the Executive General Manager, Finance for The MAC. From 2004 to 2010, Mr. McCann served as Chief Financial Officer of Royal Wolf Trading. Mr. McCann holds a Bachelor of Commerce degree in accountancy from the University of New South Wales.

Martin A. Lambert, prior to the spin-off, will be appointed as a Director of Civeo. Mr. Lambert has served as a director of Oil States since February 2001. Considering his new appointment, we expect that Mr. Lambert will resign from the board of directors of Oil States upon completion of the spin-off. Mr. Lambert's principal occupation since November 1, 2008 has been as Chief Executive Officer of Swan Hills Synfuels LP, an energy conversion company. Prior thereto, Mr. Lambert served as a founder and managing director of Matco Capital Ltd., a private equity firm focused in the energy sector, since mid-2002. Mr. Lambert was a partner in the Canadian law firm Bennett Jones LLP from March 1987 to March 2007 and served as the Chief Executive Officer of that firm from 1996 to 2000. He served as a Director of Calfrac Well Services Ltd., from March 2004 to May 2010. Mr. Lambert currently is a director of Zedi, Inc., a private company involved in Canadian, U.S. and other international oilfield services. Mr. Lambert received his LLB degree from the University of Alberta in 1979.

Constance B. Moore, promptly following the spin-off, will be appointed as a Director of Civeo. Ms. Moore has been a director of BRE Properties, Inc. (BRE) (NYSE: BRE) from September, 2002 until BRE was acquired in April 2014. Ms. Moore served as President and Chief Executive Officer of BRE from January 2005 until April 2014 and served as President and Chief Operating Officer from January 2004 until December 2004. Ms. Moore has more than 35 years of experience in the real estate industry. Prior to joining BRE in 2002, she was the managing director of Security Capital Group & Affiliates. From 1993 to 2002, Ms. Moore held several executive positions with Security Capital Group, including co-chairman and chief operating officer of Archstone Communities Trust. Ms. Moore holds an M.B.A. from the University of California, Berkeley, Haas School of Business, and a bachelor's degree from San Jose State University. In 2009, she served as chair of the National Association of Real Estate Investment Trusts (NAREIT). Currently, she is chair of the Fisher Center for Real Estate and Urban Economics Policy Advisory Board at UC Berkeley; a member of the Urban Land Institute; serves on the board of the Tower Foundation at San Jose State University; and is a Trustee for the City of Hope.

Richard A. Navarre, promptly following the spin-off, will be appointed as a Director of Civeo. Mr. Navarre currently provides advisory services to the energy industry and private equity firms. Mr. Navarre served as the President and Chief Commercial Officer of Peabody Energy Corporation from February 2008 until he retired in June 2012. He previously served as the Peabody Energy Corporation Executive Vice President of Corporate Development and Chief Financial Officer from July 2006 to January 2008 and as Chief Financial Officer from October 1999 to June 2008. Mr. Navarre is currently an independent director and member of the audit committee for Natural Resource Partners LP (NYSE: NRP), an advisory Board member for Secure Energy, LLC and was a past Chairman of the Board for United Coal Company, LLC. He is a member of the Board of Directors of the Foreign Policy Association, a member of the Hall of Fame of the College of Business at Southern Illinois University-Carbondale, a member of the Board of Advisors of the College of Business and Administration, and a member of the Cardinal Glennon - Children's Hospital Benefit Committee. Mr. Navarre is a Certified Public Accountant and received his B.S. in Accounting from Southern Illinois University-Carbondale.

Gary L. Rosenthal, prior to the spin-off, will be appointed as a Director of Civeo. Mr. Rosenthal has served as a director of Oil States since February 2001. Mr. Rosenthal has been a partner in The Sterling Group, L.P., a private equity firm since January 2005. Mr. Rosenthal served as Chairman of the Board of Hydrochem Holdings, Inc. from May 2003 until December 2004. From August 1998 to April 2001, he served as Chief Executive Officer of AXIA Incorporated, a diversified manufacturing company. He holds J.D. and A.B. degrees from Harvard University.

Charles Szalkowski, promptly following the spin-off, will be appointed as a Director of Civeo. Mr. Szalkowski worked with the law firm of Baker Botts L.L.P. from 1975 until he retired as a partner in December 2012. Since his retirement, Mr. Szalkowski has pursued his personal interests. Mr. Szalkowski is a member of the Board of Trustees and Chairman of the Audit Committee of Rice University. He was previously on the Board of Directors of Accelerate Learning Inc. (formerly Stemscopes Inc.) and a Board member of the Compensation Committee of Rice University. Mr. Szalkowski became a Certified Public Accountant in 1975 and received his J.D. and M.B.A. degrees from Harvard University in 1975 and B.S. in Accounting and B.A. in economics and political science from Rice University in 1971.

Qualifications of Directors

When identifying our directors to be appointed prior to or promptly following the spin-off, the following were considered:

- the person's reputation, integrity and independence;
- the person's qualifications as an independent, disinterested, non-employee or outside director;
- the person's skills and business, government or other professional experience and acumen, bearing in mind the composition of the board of directors;
- the number of other public companies for which the person serves as a director and the availability of the person's time and commitment to Civeo; and
- the person's knowledge of areas and businesses in which we operate.

Oil States, as sole stockholder of Civeo prior to the spin-off, believes the above mentioned attributes, along with the leadership skills and other experience of the Civeo board of directors described below, provide Civeo with the perspectives and judgment necessary to guide its strategies and monitor their execution.

The following table notes the breadth and variety of business experience of each of the individuals who are expected to serve as our directors following the spin-off.

	Executive Leadership	Financial	Accommodations, Real Estate and Hospitality	International Operations	Past or Present CEO	Director Experience
Bradley J. Dodson	√	√	√	√	√	
Martin A. Lambert	√	√	√	√	√	√
Constance B. Moore	√	√	√		√	√
Richard A. Navarre	√	√		√		√
Gary L. Rosenthal	√	√	√	√	√	√
Douglas E. Swanson	√	√	√	√	√	√
Charles Szalkowski		√				

Board Structure

We currently expect that, upon the completion of the spin-off, our board of directors will consist of seven members, a majority of whom we expect to satisfy the independence standards established by the Sarbanes-Oxley Act of 2002 and the applicable rules of the SEC and the NYSE. We currently expect that, subsequent to the spin-off, we will increase the size of the board by two to nine members and appoint two independent directors.

Upon completion of the spin-off, our board of directors will be divided into three classes, each of roughly equal size. The directors designated as Class I directors will have terms expiring at the first annual meeting of stockholders following the spin-off; the directors designated as Class II directors will have terms expiring at the second annual meeting of stockholders; the directors designated as Class III directors will have terms expiring at the third annual meeting of stockholders after that. Commencing with the first annual meeting of stockholders held following the spin-off, directors for each class will be elected at the annual meeting of stockholders held in the year in which the term for that class expires and thereafter will serve for a term of three years. We have not yet set the date of the first annual meeting of stockholders to be held following the spin-off.

Board Committees

Our board of directors will establish several standing committees in connection with the discharge of its responsibilities. In connection with the spin-off, our board of directors will establish the following committees:

Audit Committee

In connection with the spin-off, our board of directors will establish an audit committee, composed of at least one director and a majority of independent directors. We expect the initial member of the audit committee will be Mr. Swanson, whom the board of directors has determined is independent. We expect that, upon completion of the spin-off, Mr. Swanson will resign from the audit committee and our board of directors will appoint Messsrs. Navarre and Szalkowski and Ms. Moore, each of whom the board of directors is expected to determine is independent.

The Audit Committee will meet separately with representatives of our independent auditors, the Company's internal audit personnel and representatives of senior management in performing its functions. The Audit Committee will review the general scope of audit coverage, the fees charged by the independent auditors, matters relating to internal control systems and other matters related to accounting and reporting functions. The board of directors is expected to determine that each of Messrs. Navarre and Szalkowski and Ms. Moore is financially literate and has accounting or related financial management expertise, each as required by the applicable NYSE listing standards. The board of directors is also expected to determine that each of Messrs. Navarre and Ms. Moore will qualify as audit committee financial experts under the applicable rules of the Exchange Act. A more detailed discussion of the Audit Committee's mission, composition and responsibilities is contained in the Audit Committee charter, which will be available on our website: www.civeo.com .

Compensation Committee

In connection with the spin-off, our board of directors will establish a compensation committee, composed of at least one director and a majority of independent directors. We expect that the initial member of the compensation committee will be Mr. Lambert, whom the board of directors has determined is independent.

The Compensation Committee will administer the 2014 Equity Participation Plan of Civeo Corporation (the EPP), and in this capacity make a recommendation to the full board of directors concerning aggregate amount of all option grants or stock awards to employees as well as specific awards to executive officers under the EPP. In addition, the Compensation Committee will be responsible for (i) making recommendations to the board of directors with respect to the compensation of our chief executive officer and other executive officers, (ii) overseeing and approving compensation and employee benefit policies and (iii) reviewing and discussing with our management the Compensation Discussion and Analysis and related disclosure included in our annual proxy statement. A more detailed discussion of the Compensation Committees mission, composition and responsibilities is contained in the Compensation Committee charter, which will be available on our website: www.civeo.com.

Nominating and Governance Committee

In connection with the spin-off, our board of directors will establish a nominating and governance committee, composed of at least one director and a majority of independent directors. We expect that the initial members of the Nominating & Corporate Governance Committee will be Messrs. Rosenthal and Swanson, each of whom the board of directors has determined is independent.

The Nominating & Corporate Governance Committee will make proposals to the board of directors for candidates to be nominated by the board of directors to fill vacancies or for new directorship positions, if any, which may be created from time to time. A more detailed discussion of the Nominating and Governance Committees mission, composition and responsibilities is contained in the Nominating and Governance Committee charter, which will be available on our website: www.civeo.com.

Director Independence

To qualify as "independent" under the NYSE listing standards, a director must meet objective criteria set forth in the NYSE listing standards, and the board of directors must affirmatively determine that the director has no material relationship with us (either directly or as a stockholder or officer of an organization that has a relationship with us) that would interfere with his or her exercise of independent judgment in carrying out his or her responsibilities as a director.

The board of directors will review all direct or indirect business relationships between each director (including his or her immediate family) and our Company, as well as each director's relationships with charitable organizations, to assess director independence as defined in the listing standards of the NYSE. The NYSE listing standards include a series of objective tests, such as the director is not an employee of our Company and has not engaged in various types of business dealings with our Company. In addition, as further required by the NYSE, the board of directors will make a subjective determination as to each independent director that no material relationships exist which, in the opinion of the board of directors, would interfere with the exercise of his or her independent judgment in carrying out the responsibilities of a director. When assessing the materiality of a director's relationship with us, the board of directors will consider the issue not merely from the standpoint of the director, but also from the standpoint of the persons or organizations with which the director has an affiliation.

Corporate Governance Guidelines

In connection with the spin-off, our board of directors will adopt Corporate Governance Guidelines to best ensure that the board of directors has the necessary authority and practices in place to make decisions that are independent from management, that the board of directors adequately performs its function as the overseer of management and to help ensure that the interests of the board of directors and management are aligned with the interests of the stockholders.

Corporate Code of Business Conduct & Ethics

In connection with the spin-off, we will adopt a Corporate Code of Business Conduct and Ethics, which will require that all directors, officers and employees of Civeo act ethically at all times.

Substantially all of our employees will be required to complete online training on a regular basis which includes a review of the Corporate Business Conduct & Ethics Code policy and an acknowledgement that the employee has read and understands the policy.

Financial Code of Ethics for Senior Officers

In connection with the spin-off, we will adopt a Financial Code of Ethics for Senior Officers that will apply to the chief executive officer, chief financial officer, principal accounting officer and other senior officers ("Senior Officers").

Senior Officers must also comply with the Company's Business Conduct and Ethics Code. Ethical principles set forth in this policy include, among other principals, matters such as:

- Acting ethically with honesty and integrity
- Avoiding conflicts of interest
- Complying with disclosure and reporting obligations with full, fair accurate, timely and understandable disclosures
- Complying with applicable laws, rules and regulations
- Acting in good faith, responsibly with due care, competence and diligence
- Promoting honest and ethical behavior by others
- Respecting confidentiality of information
- Responsibly using and maintain assets and resources

Director Resignation Policy

In connection with the spin-off, we will adopt a director resignation policy. The director resignation policy will provide that if a director fails to receive a majority vote in an uncontested director election, that director is required by our Corporate Governance Guidelines to inform the Chairman of the Nominating & Corporate Governance Committee of the failure and tender his or her resignation to the Committee for consideration. Such resignation shall not be effective unless and until the board of directors chooses to accept the resignation in accordance with our Corporate Governance Guidelines. While not necessarily resulting in a resignation, the offer will provide the Nominating & Corporate Governance Committee the opportunity to consider the appropriateness of continued board of directors membership and make a recommendation to the board of directors as to the director's continuation. The Nominating & Corporate Governance Committee will recommend to the board of directors the action, if any, to be taken with respect to the resignation, and the board of directors will consider whether the director's abilities and qualifications are such that they negate the assumption that he or she is unsuitable, which could be inferred from the director's failure to receive a majority vote,

The director resignation policy will also provide that if a director's principal occupation or business association changes substantially during his or her tenure as a director, that director is required by our Corporate Governance Guidelines to inform the Chairman of the Nominating & Corporate Governance Committee of the change and tender his or her resignation to the Committee for consideration. Such resignation shall not be effective unless and until the board of directors chooses to accept the resignation in accordance with our Corporate Governance Guidelines. The board, through the Nominating & Corporate Governance Committee, shall review the matter in order to evaluate the continued appropriateness of such director's membership on the board of directors and each applicable committee under these circumstances, taking into account all relevant factors and may accept or reject a proffered resignation.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

For purposes of the following Compensation Discussion and Analysis, four of the persons who we expect will be our named executive officers as of the distribution date are identified below (collectively, our "Named Executive Officers"). The information provided reflects compensation earned at Oil States or its subsidiaries and the design and objectives of the executive compensation programs in place prior to the separation. In addition, summary information concerning Civeo's executive compensation approach developed to date in connection with planning for the separation is also included below.

Compensation decisions for our Named Executive Officers prior to the spin-off will be made by Oil States. To the extent such persons are senior officers of Oil States, the decisions will be made by the Oil States Compensation Committee (the "Oil States Compensation Committee") of the board of directors of Oil States, which is composed entirely of independent directors. Executive compensation decisions following the spin-off will be made by the Compensation Committee of Civeo.

This Compensation Discussion and Analysis has three main parts:

- Oil States 2013 Executive Compensation— This section describes and analyzes the executive compensation programs at Oil States in 2013 (beginning on page 99 of this information statement).
- Effects of Spin-off on Outstanding Executive and Other Compensation Awards— This section discusses the effect of the spin-off on outstanding Oil States compensation awards and Civeo compensation held by our Named Executive Officers (beginning on page 112 of this information statement).
- Civeo Compensation Programs— This section discusses the anticipated executive compensation programs at Civeo (beginning on page 113 of this information statement).

Our Named Executive Officers are as follows:

Name	2013 Oil States Job Title	2014 Civeo Job Title
Bradley J. Dodson	Executive Vice President, Accommodations	President and Chief Executive Officer
Frank C. Steininger[1]	N/A	Senior Vice President, Chief Financial Officer and Treasurer
Ron R. Green	Senior Vice President, Accommodations and President[2]	Senior Vice President, North America
Peter L. McCann	Managing Director of The MAC[3]	Senior Vice President, Australia

Information with respect to only four individuals has been presented in this Compensation Discussion and Analysis because these four individuals are the only persons whom we have currently identified as likely to be executive officers of Civeo.

Oil States 2013 Executive Compensation

The Oil States Compensation Committee provides overall guidance to Oil States' executive compensation program and administers incentive compensation plans.

[1] Prior to March 4, 2014, Mr. Steininger was an employee of PricewaterhouseCoopers LLP. Therefore, he held no position at and received no compensation from Oil States during 2013.
[2] Mr. Green is currently an officer of PTI Group Inc., an indirect subsidiary of Oil States. He is the Senior Vice President, Accommodations with Oil States.
[3] Mr. McCann is currently an officer of The MAC Services Group, Pty Limited., an indirect subsidiary of Oil States.

The executive compensation program includes three primary elements which are generally performance oriented and, taken together, constitute a flexible and balanced method of establishing total compensation for Oil States' executive officers. The three major elements consist of (a) base salary, (b) annual incentive compensation, and (c) long-term incentive awards. The design of this compensation program supports Oil States' philosophy of executive total compensation.

Executive Total Compensation Philosophy

Oil States' philosophy regarding the executive compensation program for its named executive officers and other senior managers has been to design a compensation package that provides competitive base salary levels and compensation incentives that (i) attract and retain individuals of outstanding ability in these key positions, (ii) recognize corporate performance relative to established goals and the performance of Oil States relative to the performance of other companies of comparable size, complexity and quality and against budget goals, and (iii) support both the short-term and long-term strategic goals of Oil States. The Oil States Compensation Committee believes this approach closely links the compensation of Oil States' executives to the execution of Oil States' strategy and the accomplishment of Oil States goals that coincide with stockholder objectives.

Compensation Program Objectives:

- Attract, motivate, reward and retain key employees and executive talent required to achieve corporate strategic plans;
- Reinforce the relationship between strong individual performance of executives and business results;
- Align the interests of executives with the long-term interests of stockholders; and
- Design a compensation program that neither promotes overly conservative actions or excessive risk taking.

The compensation program is designed to reward executives for long-term strategic management and the enhancement of stockholder value. Oil States believes that the compensation program design and policies contribute to achievement of Oil States' objectives.

Compensation Benchmarking Relative to Market

The Oil States Compensation Committee establishes executive compensation primarily based on a review of the executive's performance and compensation history and takes into account corporate performance. In the exercise of its duties, the Oil States Compensation Committee periodically benchmarks Oil States' executive compensation against that of comparable companies; however, the Oil States Compensation Committee does not set percentile goals against benchmark data for purposes of determining executive compensation levels. The Oil States Compensation Committee considers the market to consist of both the oilfield services industry and geographic markets in which Oil States competes for executive talent. Benchmark data is periodically obtained for a selected peer group approved by the Oil States Compensation Committee (the "peer group") as well as for industry companies of comparable size and business complexity. Oil States currently uses the following peer group companies:

- Carbo Ceramics, Inc.;
- Cameron International Corporation;
- Core Laboratories N.V.;
- Dresser-Rand Group, Inc.;
- Dril-Quip, Inc.;
- Exterran Holdings, Inc.;

- FMC Technologies, Inc.;
- Helix Energy Solutions Group, Inc.;
- Helmerich & Payne, Inc.;
- Key Energy Services, Inc.;
- McDermott International, Inc.;
- Oceaneering International, Inc.;
- RPC, Inc.;
- Superior Energy Services, Inc.; and
- Tidewater, Inc.

In selecting benchmark companies, the Oil States Compensation Committee considered each company's participation in the energy services sector as well as market capitalization, annual revenues, business complexity, profitability, returns on equity and assets, the number of divisions/segments, countries in which they operate and total number of employees. The benchmarked companies change from time to time to insure their continued appropriateness for comparative purposes. Oil States made two changes to its peer group companies in 2013. They deleted Complete Production Services, Inc. because it was acquired, and they added Cameron International Corporation because it is similar to Oil States' offshore products segment and because they compete for the same executive talent.

The Oil States Compensation Committee reviews the compensation programs for comparable positions at similar corporations with which Oil States competes for executive talent, and also considers relative internal equity within its executive pay structure. This approach allows the Oil States Compensation Committee to respond to changing business conditions, manage salaries and incentives more evenly over an individual's career as well as minimize the potential for the automatic ratcheting-up of salaries and incentives that could occur with an inflexible and more narrowly defined approach.

In evaluating the peer group and other comparison data for compensation purposes, the Oil States Compensation Committee neither bases its decisions on quantitative relative weights of various factors, nor follows mathematical formulas. Rather, the Oil States Compensation Committee exercises its discretion and makes its judgment after considering the factors it deems relevant.

Compensation Practices as They Relate to Risk Management

Oil States' compensation policies and practices are designed to provide rewards for short-term and long-term performance, both on an individual basis and at the entity level. In general, optimal financial and operational performance, particularly in a competitive business, requires some degree of risk-taking. Oil States' compensation strategies are designed to encourage company growth and appropriate risk taking but not to encourage excessive risk taking. Oil States' Compensation Committee retains discretion with respect to the compensation packages of its named executive officers. Compensation strategies are designed so as not to encourage management to take actions that could have a material adverse effect on Oil States in the long-run to simply achieve a specific short-term goal. Oil States also attempts to design the compensation program for its larger general employee population so that it does not inappropriately incentivize Oil States' employees to take unnecessary risks in their day to day activities. Oil States recognizes, however, that there are trade-offs and that it can be difficult in specific situations to maintain the appropriate balance. As such, Oil States continues to evaluate its programs with a view to insuring they do not become materially imbalanced one way or the other.

Oil States' compensation arrangements contain certain design elements that are intended to minimize the incentive for taking unwarranted risk to achieve short-term, unsustainable results. Those elements include a maximum amount that can be earned under the annual incentive cash compensation and performance based equity award programs.

In combination with Oil States' risk-management practices, Oil States does not believe that risks arising from its compensation policies and practices for its employees, including its named executive officers, are reasonably likely to have a material adverse effect on Oil States.

Elements of Compensation:

- *Base Salary*—Base salary is the guaranteed element of an executive's direct compensation and is intended to provide a foundation for a competitive overall compensation opportunity for the executive. The Oil States Compensation Committee reviews each executive's base salary annually. Executive officer base salaries are determined after an evaluation that considers the executive's prior experience and breadth of knowledge and which also considers benchmark data from the peer group companies and other similarly sized companies in businesses comparable to Oil States, Oil States' and the executive's performance, and any significant changes in the executive's responsibilities. The Oil States Compensation Committee considers all these factors together plus overall industry conditions and retention risks and makes a subjective determination on base salary adjustments. Effective February 25, 2013, the Oil States Compensation Committee approved certain changes to the base salary rates of the Named Executive Officers (other than Mr. Steininger). Specifically, Mr. Dodson's base salary was increased 3.8% to $415,000; Mr. Green's base salary was increased 4.6% to C$460,000; and Mr. McCann's base salary was increased 4.5% to A$405,000. Base salaries were increased in 2013 based on a number of factors including inflationary trends, the growth of Oil States, retention risks, individual performance and in recognition of the strong performance of Oil States' stock which was in excess of one year, three year and ten year comparative performance of the industry peer group. Mr. Dodson received a raise of 12.1% to $465,000 effective December 9, 2013 in connection with his promotion to Executive Vice President, Accommodations.

Cindy B. Taylor, President and Chief Executive Officer of Oil States, provides the Oil States Compensation Committee with input regarding the performance of other Oil States executives and makes compensation recommendations with respect to these individuals. While considering her recommendations, the Oil States Compensation Committee makes an independent judgment with respect to compensation levels for each of Mrs. Taylor's direct reports.

Annual Cash Incentive Compensation—Oil States' Annual Incentive Compensation Plan ("AICP") is performance based and provides executives with direct financial incentives in the form of annual cash bonuses based on total Oil States and business unit performance. Annual incentive awards are linked to the achievement of pre-determined Oil States-wide and business unit quantitative performance goals and are designed to place a significant portion of the executive's total compensation at risk. The purpose of the AICP is to:

- create stockholder value;
- provide focus on the attainment of annual goals that lead to long-term success of Oil States;
- provide annual performance-based cash incentive compensation;
- motivate achievement of critical annual operating performance metrics; and
- motivate employees to continually improve Oil States-wide and business unit performance.

The AICP is flexible and provides the Oil States Compensation Committee the discretion annually to set goals and objectives with input from management that it believes are consistent with creating stockholder value. The goals and objectives generally include growth objectives, operating objectives, safety goals and other measures that the board of directors of Oil States believes will drive financial performance. Under the AICP, an incentive target percentage is established for each executive officer based upon, among other factors, the Oil States Compensation Committee's review of publically available competitive compensation data for that position, level of responsibility and ability to impact Oil States' success. The AICP recognizes market differences in incentive award opportunities between organizational levels. Achieving results which exceed a minimum, or threshold, level of performance triggers an AICP payout. Performance results at or below the threshold (i.e. achieving a percentage ranging from 75% to 85% of the related AICP performance objective or less) will result in no AICP award. Targeted performance is earned when an executive achieves 100% of their AICP performance objective(s). Overachievement (i.e. achieving a percentage ranging from 120% to 125% of the related AICP performance objective) is the performance level at which incentive compensation is maximized. If the performance results fall between the threshold level and the target level, 0-100% of the AICP target amount will be paid out proportionately to the distance such performance results fall between the two levels. If the performance results fall between the target level and the overachieve level, 100-200% of the AICP target amount will be paid out proportionately to the distance such performance results fall between the two levels. The 2013 award opportunities, expressed as a percentage of eligible AICP earnings (i.e. annual base salary), for the Named Executive Officers are outlined below:

	Threshold	Target	Overachievement
Bradley J. Dodson	0%	65%	130%
Frank C. Steininger[4]	—	—	—
Ron R. Green	0%	75%	150%
Peter L. McCann	0%	55%	110%

As shown in the table above, the maximum AICP overachievement percentage is limited to twice the target level percentage which helps mitigate the potential for excessive risk taking. In addition, targets and goals are adjusted to incorporate material acquisitions which also limits excessive risk taking.

At the beginning of each year, the Oil States Compensation Committee is responsible for establishing the AICP performance objectives based on recommendations by the Chief Executive Officer. The Oil States Compensation Committee sets performance goals that are measurable, achievable and quantifiable. At the end of each year, the Oil States Compensation Committee reviews the performance results of Oil States and the incentive awards to be paid to each executive officer and to all participants in the AICP, as a group. In its discretion, the Oil States Compensation Committee will interpret the AICP and has authority to make adjustments in individual, business unit or Oil States-wide results in its discretion. The Oil States Compensation Committee did not make any discretionary changes to the 2013 incentive payments to the Named Executive Officers.

Performance measures are selected and weighted by management and the Oil States Compensation Committee annually to give emphasis to performance criteria for which participants have influence. The Oil States Compensation Committee has established "earnings before interest, taxes, depreciation and amortization" ("EBITDA") as the primary corporate financial performance objective for each executive officer. In addition, a portion of the incentive potential for certain participants was based on return on investment ("ROI") and, for certain of the executives, none of whom were Named Executive Officers, other strategic goals as determined appropriate for the executives' areas of responsibilities. Other strategic goals and objectives varied and included measures such as safety performance. Performance goals may be similar for all executives or may be different to reflect more appropriate measures of corporate and business unit performance. The EBITDA and ROI targets are generally set based on Oil States or business unit annual budgeted financial statements which are approved by the board of directors of Oil States. The relative percentages of EBITDA and ROI used to evaluate Oil States' executives are based upon the nature of each executive's role in Oil States and how that role relates to overall goals and performance of Oil States. For example, for those divisions which have ROI criteria, executives responsible for the operation of those specific divisions or who have a significant impact over investment decisions with respect to such businesses have business-based or Oil States' ROI as part of their performance measure if achievement of such measure is material to Oil States performance. Executives who have less control over segment-based or Oil States' ROI, have performance measures more heavily weighted towards EBITDA. Oil States believes the use of tailored performance goals, which are closely aligned with drivers of Oil States' success, furthers its compensation objective of reinforcing the relationship between strong individual performance of executives and overall business performance. Individual objectives are tailored to match areas of direct responsibility and impact on Oil States performance.

[4] See Named Executive Officers table above for more information about Mr. Steininger.

For the Named Executive Officers, only EBITDA and ROI performance measures are used to determine AICP bonuses. For 2013, Mr. Dodson had 90% of his incentive compensation based on Oil States' EBITDA and 10% of his incentive compensation based on Oil States' ROI. Mr. Green's incentive compensation was based 10% on Oil States' EBITDA with the remainder tied to worldwide Accommodations' EBITDA. Mr. McCann's incentive compensation was based 100% on our Australian Accommodations' EBITDA. Oil States' EBITDA and pretax ROI targets, established in February 2013 based on Oil States' annual operating plan, were $870 million and 15.4%, respectively. The EBITDA target for 2013 represented a 7.1% increase over 2012 actual results and the ROI target decreased from 16.5% in 2012 to 15.4% in 2013. Mr. Steininger held no position at and received no compensation from Oil States in 2013.

At the end of each year, the Oil States Compensation Committee reviews the performance results of Oil States and the total incentive awards to be paid to each executive officer based on such officer's success in achieving the AICP performance objectives.

On a consolidated basis, Oil States achieved 167% of its targets for 2013. As a result, all executive officers received incentive plan payments for 2013 performance, reflecting, in large part, Oil States' and most of its businesses' strong overall performance versus budget and the profitable sale of the tubular services segment. These incentive plan payments under the AICP varied based upon the level of Oil States and business unit achievement of the related goals and objectives. Seven of ten AICP target groupings of Oil States, for AICP calculation purposes, including the consolidated group, exceeded their 2013 target EBITDA objectives. Mr. Dodson received a bonus above target in 2013. Messrs. Green and McCann received bonuses above the threshold level but below the target level in 2013. Each of the Named Executive Officers for the fiscal year ended December 31, 2013, received the following payments in February 2014 under the AICP for fiscal 2013 performance.

	AICP Award ($)	% of Eligible AICP Earnings
Bradley J. Dodson	$ 447,047	108%
Frank C. Steininger[1]	$ —	—
Ron R. Green	$ 269,685	59%
Peter L. McCann	$ 193,291	51%

(1) As described above, Mr. Steininger was not employed by Oil States during 2013 and, accordingly, did not participate in the AICP for fiscal 2013.

Long-term Incentives—Oil States makes certain stock-based awards under its 2001 Equity Participation Plan, which has been approved by Oil States' stockholders, to better align the interests of executive officers with those of stockholders and to provide retention incentives. Specifically, the plan's purposes are to:

- provide an additional incentive for executives to further the growth, development and financial success of Oil States by personally benefiting through ownership of Oil States' stock and/or rights; and
- enable Oil States to obtain and retain the services of executives considered essential to the long term success of Oil States by offering them an opportunity to own stock in Oil States and/or rights which will reflect the growth, development and financial success of Oil States.

Oil States' 2001 Equity Participation Plan provides for the grant of any combination of:

- stock options;
- restricted stock;
- performance awards;
- dividend equivalents;
- deferred stock; and
- stock payments or phantom stock awards.

Under Oil States' 2001 Equity Participation Plan, Oil States has historically granted nonqualified stock options and time-vested restricted stock awards. Oil States amended the 2001 Equity Participation Plan on March 31, 2009, to provide for minimum vesting periods of one year for performance based awards and three years for tenure based awards, except for a small percentage of the authorized shares available for awards under the 2001 Equity Participation Plan. As a result of this amendment, vesting may occur earlier than the minimum vesting periods with respect to no more than 10% of shares cumulatively authorized under the 2001 Equity Participation Plan. Option lives range from six to ten years. Options are awarded at the NYSE's closing price of Oil States' common stock on the date of the grant, or the last preceding trading day if the award date is a date when markets are closed ("NYSE Closing Price"). Restricted stock awards, which are valued at the NYSE Closing Price, generally vest over a four year period at a rate of 25% per year; however, in special situations the Oil States Compensation Committee has approved awards with shorter vesting periods. The Oil States Compensation Committee has never granted options with an exercise price that is less than the NYSE Closing Price on the grant date.

Oil States' 2001 Equity Participation Plan prohibits repricing or replacing underwater stock options or canceling or effecting a cash buyout of stock options without the approval of Oil States' stockholders. Effective February 19, 2013, Oil States amended its 2001 Equity Participation Plan as follows:

- The maximum value of performance awards to any participant in a calendar year is limited to $4,000,000;
- Options forfeited or cancelled are not available to be "recycled" and awarded again;
- An option agreement may not be cancelled or amended in exchange for cash or another equity award;
- Loans from Oil States to plan participants are not permitted;
- Dividend equivalents are not permitted to be credited to option awards and, for other awards, are not payable until the underlying deferred stock or performance award vests; and
- The Oil States Compensation Committee may delegate to the Chief Executive Officer the right to grant awards under the 2001 Equity Participation Plan to any person who is not subject to Section 16 of the Exchange Act subject to conditions and restrictions that the Oil States Compensation Committee determines.

Oil States believes these changes to its 2001 Equity Participation Plan are consistent with "best practices" for equity plans for publicly traded companies. In determining appropriate awards, the Oil States Compensation Committee annually reviews each executive's past performance and experience, his or her position and ability to contribute to the future success and growth of Oil States, time in the current job, base compensation and competitive market data. The Oil States Compensation Committee also takes into account the risk of losing the executive to other employment opportunities and the value and potential for appreciation in Oil States' stock. The Oil States Compensation Committee also takes into consideration that, unlike some benchmark companies, Oil States has no defined benefit retirement plan nor any supplemental executive retirement benefits or similar arrangements. The Oil States Compensation Committee believes that stock options, restricted stock grants and, beginning in 2012, performance based and phantom stock, along with significant vesting requirements, are an effective method of reinforcing the long-term nature of Oil States' business and creating retention incentives. In addition, grants of stock options, restricted stock and performance based and phantom stock awards reinforce alignment with stockholder interests. The Oil States Compensation Committee considers the foregoing factors and any other relevant factors and makes a subjective determination with respect to awarding equity based compensation to its executive officers.

Higher-level positions will generally have a greater percentage of their total compensation based on longer-term incentives which are performance based. The size of long-term incentive grants will vary from year to year and reflects a variety of factors including, among others, competitive market practices, retention priorities, total previous grants, current stock valuation, estimated future charges to earnings, and individual, business unit and company-wide performance. The Oil States Compensation Committee determines the award level for executives, if any, on an annual basis usually at its February meeting each year.

For 2013, Oil States incorporated a combination of nonqualified stock options, restricted stock awards, deferred stock awards, performance based awards and phantom stock awards as the primary executive long-term incentive and retention tool for the Named Executive Officers. Restricted stock and deferred stock awards offers the additional advantages of potentially reducing overall Oil States stock dilution relative to other awards, while improving Oil States' executive retention prospects in a very competitive labor market. Oil States recognizes that options alone may not have adequate retention value in an industry that has historically been cyclical in nature. Oil States believes the introduction of performance based and phantom stock equity awards will add an incentive for continued outstanding performance, enhance Oil States' ability to attract and retain talented executives in an increasingly competitive marketplace and benefit stockholder returns. The Oil States Compensation Committee weighs the cost of these grants with their potential benefit as an incentive, retention and compensation tool.

In administering the long-term incentive equity plan, the Oil States Compensation Committee is sensitive to the potential for dilution of future earnings per share. For this reason and because of other compensation design considerations, the Oil States Compensation Committee focuses the long-term incentive plan on employees who will have the greatest impact on the strategic direction and long-term results of Oil States by virtue of their senior roles and responsibilities.

Performance Based Awards. The performance based awards represent the right to receive shares of Oil States' common stock, subject to forfeiture conditions and achieving performance objectives. Because of tax considerations in Canada and Australia, Mr. Dodson is the only named executive officer to have received a performance based award in the past. The performance based awards do not entitle their recipient to the right to vote, receive dividends or to any other privileges or rights of a stockholder of Oil States until such time as shares of Oil States' common stock are delivered to the recipient following vesting of the performance based awards.

The performance based awards will vest contingent upon the Named Executive Officer's continued employment with Oil States through the specified vesting date, and Oil States' achievement of specified performance objectives during the performance period commencing on January 1st of the three year performance period and ending December 31st of the third year in the three year performance period. Depending on the level of performance achieved, Named Executive Officers may earn between 0% and 200% of the target number of shares of Oil States stock covered by the award, and the number of earned shares will typically be paid to the Named Executive Officer within two and a half months following the end of the performance period. The performance based awards made in February 2012 and February 2013 have a performance criteria that will be measured based upon Oil States' achievement levels of average after-tax annual return on invested capital "ROIC" for the applicable three year performance period.

If the average annual after-tax ROIC over the three year performance period is less than or equal to 6% (the "Entry Level"), 100% of the performance awards will be forfeited. If the performance measure is equal to 9.5% (the "Target Level"), 100% of the performance awards will vest. If the performance measure is equal to or greater than 13%, (the "Over-Achieve Level"), 200% of the performance awards will vest. If the performance measure falls between the Entry Level and the Target Level, 0—100% of the performance awards will vest proportionately to the distance such performance measure falls between the two levels. If the performance measure falls between the Target Level and the Over-Achieve Level, 100—200% of the performance awards will vest proportionately to the distance such performance measure falls between the two levels. Upon certain events, such as a change in control or specified employment termination scenarios, the vesting of the performance awards may be accelerated.

Phantom Stock Awards. Oil States began awarding cash-settled phantom stock awards in 2012 under its phantom stock plan to certain executives in Canada because these awards were more tax efficient for Oil States and the executive. Phantom stock awards made on February 19, 2013 totaled 30,314 shares and will vest 33.3% per year on the first, second and third anniversary of the award date. Each phantom stock award entitles the holder to the cash equivalent amount equal to a share of Oil States stock on the vesting date.

Restricted Stock, Deferred Stock and Option Awards. Restricted stock awards in the amount of 5,500 restricted shares were made to Mr. Dodson on February 19, 2013 at the then fair market value of $80.25 per restricted share. Stock option awards with respect to 4,000 shares of Oil States common stock were made to Mr. Dodson on February 19, 2013 that had an exercise price of $80.25 per share based on the NYSE Closing Price and that had a Black Scholes fair market value on the date of grant of $28.31 per option award. These awards will vest in four equal installments on each anniversary of the grant date (so that the 2013 awards will be 100% vested on February 19, 2017), provided the named executive officer remains an employee continuously from the date of grant through the applicable vesting date. Vesting of the awards may be accelerated upon the occurrence of certain events, as described in detail below under "—Potential Payments Upon Termination or Change in Control." While a Named Executive Officer holds nonvested restricted shares, he or she is entitled to all the rights of ownership with respect to the shares, including the right to vote the shares and receive dividends thereon (except that any dividends or other distributions paid in any form other than cash shall be subject to forfeiture restrictions applicable to the underlying award). Deferred stock award recipients are not entitled to vote and do not accrue dividends or awards until they vest.

Mr. Green received a grant of 15,000 shares of phantom stock in February 2013 which vests in three equal installments on each anniversary of the grant date. Mr. McCann received a deferred stock award of 6,000 shares in February 2013 which vests in four equal installments on each anniversary date.

Stock option grants, restricted and deferred stock awards and performance based and phantom stock awards are expensed to comply with Financial Accounting Standards Board, Accounting Standards Codification, Topic 718, Compensation—Stock Compensation ("FASB ASC Topic 718—Stock Compensation"). There is no program, plan or practice to time the grant of stock options and award restricted stock to executives in coordination with the release of material non-public information. Except in special circumstances, equity grants are made to employees annually at the time of the February meeting of the board of directors of Oil States. Executive officers and directors are prohibited from trading options or any derivative type of contract related to Oil States' stock.

Benefits

Employee benefits are designed to be broad based, competitive and to attract and retain employees. From time to time the Oil States Compensation Committee reviews plan updates and recommends that Oil States implement certain changes to existing plans or adopt new benefit plans.

Health and Welfare Benefits

Oil States offers a standard range of health and welfare benefits to all employees including executives. These benefits include: medical, prescription drug, vision and dental coverages, life insurance, accidental death and dismemberment, long-term disability insurance, flexible spending accounts, employee assistance, business travel accident insurance and 529 college savings plans. Executive officers make the same contributions for the same type of coverage and receive the same level of benefit as any other employee for each form of coverage /benefit.

Retirement Plans

Oil States does not offer a defined benefit retirement plan. Oil States does offer a defined contribution 401(k) retirement plan to substantially all of its U.S. employees. Participants may contribute from 1% to 75% of their base and cash incentive compensation (subject to IRS limitations), and Oil States makes matching contributions under this plan on the first 6% of the participant's compensation (100% match of the first 4% employee contribution and 50% match on the next 2% contribution). Oil States' matching contributions vest at a rate of 20% per year for each of the employee's first five years of service and then are immediately vested thereafter. A similar defined contribution retirement plan is in place and available to Oil States' Canadian employees, including Mr. Green. See "Canadian Retirement Savings Plan" below. In Australia, employers must contribute 9.25% of base salary, up to a capped limit of A$192,160, into an employee's superannuation fund or savings account as part of the Government's compulsory Superannuation Guarantee. The capped limit is indexed each year.

Deferred Compensation Plan

Oil States maintains a nonqualified deferred compensation plan (the "Deferred Compensation Plan") that permits eligible employees and directors to elect to defer all or a part of their cash compensation (base and/or incentives) from Oil States until the termination of their status as an employee or director. Employees that participate in the Deferred Compensation Plan do not receive any additional compensation other than the employer match on compensation deferred equivalent to what would have been matched in Oil States' 401(k) plan, absent certain IRS limitations. A deferral election may provide for deferring different forms or levels of compensation (base salary and/or incentive compensation) during the year. The Oil States Compensation Committee administers the Deferred Compensation Plan. Participating employees are eligible to receive from Oil States a matching deferral under the Deferred Compensation Plan that is intended to compensate them for contributions they could not receive from Oil States under the 401(k) plan due to the various limits imposed on 401(k) plans by U.S. federal income tax laws. Directors who elect to participate in the Deferred Compensation Plan do not receive any matching contributions.

Participants in the Deferred Compensation Plan are able to invest contributions made to the Deferred Compensation Plan in investment funds selected by Oil States Retirement Plan Committee, which also mirror the 401(k) plan investment funds. Oil States' percentage match on employee contributions vests in the same manner as in Oil States' 401(k) plan. Employee contributions into the Deferred Compensation Plan are automatically vested and an employee can defer up to 75% of their salary and bonus compensation. Since the investment choices under the Deferred Compensation Plan are identical to the choices available under Oil States' 401(k) Plan, no above market or preferential earnings are provided under the Deferred Compensation Plan. As such, no earnings on Deferred Compensation Plan amounts are reported in the Summary Compensation table. Oil States Retirement Plan Committee is composed of employees. The Oil States Compensation Committee has established a grantor trust to hold the amounts deferred under the Deferred Compensation Plan by Oil States' officers and directors. All amounts deferred under the Deferred Compensation Plan remain subject to the claims of Oil States' creditors.

Allocation of net income (or net loss) in each participant's account is divided into sub accounts to reflect each participant's deemed investment designation in a particular fund(s). As of each valuation date, the net income (or net loss) of each fund is allocated among the corresponding sub accounts of the participants. Each sub account is credited with (or debited for) that portion of such net income (or net loss) due to the change in the value of each corresponding sub account from the prior valuation date.

Generally, each participant in the Deferred Compensation Plan will receive (i) a lump sum distribution or installment payments (at the participant's election) upon termination of the participant's service with Oil States and its affiliates or (ii) a lump sum distribution upon a change of control (as defined in the 2001 Equity Participation Plan). For "Key Employees," as defined in IRS regulations, distributions of deferrals made after 2004 are delayed at least six months. Any other withdrawals by the participant will be made in compliance with limitations imposed under Section 409A of the Internal Revenue Code.

Canadian Retirement Savings Plan

As described under the "Retirement Plans," Oil States offers a defined contribution retirement plan to its Canadian employees. In Canada, Oil States contributes, on a matched basis, an amount up to 5% of each Canadian based, salaried employee's (including Mr. Green) earnings (base salary plus annual incentive compensation) to the legislated maximum for a Deferred Profit Sharing Plan (DPSP—Maximum for 2013—$12,135). DPSP is a form of defined contribution retirement savings plan governed by Federal Tax legislation which provides for deferral of tax on deposit and investment return until removed from the plan to support retirement income. Employer contributions vest upon the completion of two years of service. Employee contributions are required in order to be eligible for the DPSP employer matching. Maximum employer matching (5% noted above) is attained with (6%) employee contribution which would go into a Group Registered Retirement Savings Plan (GRRSP). The two plans work in tandem.

Contributions to the "Retirement Savings Plan" for Mr. Green (as with all of the Canadian based salaried employees) is subject to the annual maximum registered savings limit of C$23,820 in 2013 as set out in the Canadian Tax Act.

Participation in the plan is voluntary and matching contributions start after 90 days of employment. Funds are paid by the company to the third party plan administrator and the funds are invested by the administrator on behalf of the employee in accordance with the employee's investment direction from within a broad range of investment options. Apart from the annual contributions, any growth in the member's account is dependent upon the investment decisions made by that individual. Oil States makes no investment decisions on behalf of the employee and has no obligations under the Retirement Savings Plan other than to remit the defined contributions to the plan administrator for subsequent deposit into member accounts and to periodically assess the roles and execution of services by the plan administrator.

The matching contributions noted above (5% employer based upon 6% from employee) are first directed into the tax deferred or registered plans as described above up to Revenue Canada annual limits. For certain employees who by virtue of compensation level would exceed these limits, contributions are then allocated to employee and employer accounts in a Non Registered Savings Plan (NRSP). This plan functions in a manner similar to Oil States' Deferred Compensation Plan. The same basic principles of design and provision apply with the primary difference that the NRSP is annually taxable in regards to investment return.

Other Perquisites and Personal Benefits

Oil States generally does not offer any perquisites or other personal benefits to any executive with an aggregate value over $10,000. Some executives do have Oil States paid club memberships, which are used for business purposes.

Compensation Consultant

In 2013, the Oil States Compensation Committee engaged Frederic W. Cook & Co., Inc. (the "Consultant") to provide independent advice on executive compensation matters. In 2013, the Consultant confirmed to the chair of the Oil States Compensation Committee certain industry compensation data provided by management and provided feedback regarding proposed compensation terms to the Committee. The Oil States Compensation Committee Chairman pre-approved the scope of the work to be performed by and the fee arrangement with the Consultant, which was based on agreed upon rates per hour. The Consultant's engagement was limited to executive compensation projects for the Oil States Compensation Committee, and no other services were provided to Oil States or management. Fees paid to the Consultant in 2013 did not exceed $120,000.

Oil States Executive Compensation Policies

- *Repricing Stock Options*—Oil States' practice is to price awards at the market price on the date of award. Oil States' Equity Participation Plan prohibits any repricing of options without shareholders' approval.

- *Securities Trading Policy*—Oil States prohibits directors, officers and certain other managers from trading Oil States' securities on the basis of material, non-public information or "tipping" others who may so trade on such information. In addition, the policy prohibits trading in Oil States' securities without obtaining prior approval from Oil States' Compliance Officer. Executive officers and directors are prohibited from trading options on any derivative type of contract related to Oil States' stock.

- *Clawback Policy*—To date, Oil States has not adopted a formal clawback policy to recoup incentive based compensation upon the occurrence of a financial restatement, misconduct or other specified events. However, the performance based awards granted to Oil States' named executive officers as part of its 2013 long-term incentive compensation program do include language providing that the award may be cancelled and the officer may be required to repay Oil States for any realized gains to the extent required by applicable law. The Oil States Compensation Committee is currently evaluating the practical, administrative, and other implications of implementing and enforcing a clawback policy, and intends to adopt a clawback policy in compliance with the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 once additional guidance is promulgated by the Securities and Exchange Commission.

- *Executive Stock Ownership Guidelines and Holding Period*—Effective February 16, 2007, Executive Stock Ownership Guidelines were adopted by the Oil States Compensation Committee to further align the interests of executives with the interests of stockholders and further promote Oil States' commitment to sound corporate governance.

The Executive Stock Ownership Guidelines are calculated based on a multiple of the executive's base salary, which is then converted to a fixed number of shares. Once the ownership guideline is established for an executive and communicated, the executive has four years to attain the targeted level of ownership. An executive's ownership guideline does not automatically change as a result of changes in his or her base salary or fluctuations in Oil States' common stock price. However, the Oil States Compensation Committee may, from time to time, reevaluate and revise participants' guidelines to incorporate these types of events. An executive's stock ownership guideline may also increase because of a change in title. The ownership guidelines for the senior executives are as follows:

Stock Ownership Level

Position	Multiple of Salary
Chief Executive Officer	3X
Executive Officers (Section 16)	2X
Corporate Vice Presidents	1X

Stock that counts toward satisfaction of the Executive Stock Ownership Guidelines includes:

- Oil States shares owned outright (i.e. open market purchases) by the executive or his or her immediate family members residing in the same household;
- Vested Oil States restricted stock awards that are issued as part of the executive's long-term compensation;
- Oil States shares acquired upon option exercise that the executive continues to hold;
- Oil States shares held in Oil States' Deferred Compensation Plan; and
- Oil States shares beneficially owned through a trust.

Covered executives are required to achieve their Stock Ownership Guideline within four years from inclusion in the program and continue to maintain and hold the level of stock ownership as long as they are executive officers of Oil States. All covered executives are in compliance with the Stock Ownership Guidelines except for Mr. Green for whom the deadline has been extended due to the tax inefficiencies of issuing restricted stock in Canada. Once achieved, ownership of the guideline amount must be maintained for a holding period as long as the individual is subject to Executive Stock Ownership Guidelines.

Executive and Change of Control Agreements

Oil States maintains Executive Agreements with Messrs. Dodson and Green. The Executive Agreements are not considered employment agreements and the executives are employed "at will" by Oil States. These agreements provide protection in the event of a qualified termination, which is defined as an (i) involuntary termination of the executive officer by Oil States other than for "Cause" or (ii) either an involuntary termination other than for "Cause" or a voluntary termination by the executive for "Good Reason," in each case, during a specified period of time after a corporate "Change of Control" (as defined in each Executive Agreement) of Oil States. The triggering events were selected due to the executive not having complete control of their circumstances. Executives are exercising control over their circumstances when they resign voluntarily without Good Reason or are terminated for Cause. As a result, these events do not trigger any payments.

If a qualified termination occurs other than during the 24-month period following a corporate Change of Control, the Executive Agreements provide (i) for payments based on the executive officer's base salary and target annual bonus amount, (ii) that all restrictions on restricted stock and phantom stock units will lapse and (iii) for continued health benefits for 24 months. Any vested, non-qualified stock options would expire after 3 months of the date of termination if not exercised prior to their expiration.

The Change of Control provision in the Executive Agreement is intended to encourage continued employment by Oil States of its executive officers and to allow such executive to be in a position to provide assessment and advice to the board of directors of Oil States regarding any proposed Change of Control without concern that such executive might be unduly distracted by the uncertainties and risks created by a proposed Change of Control. Unlike "single trigger" plans that pay out immediately upon a change of control, Oil States' agreement requires a "double trigger" (i.e. a change of control along with an involuntary loss of employment). If the qualified termination occurs during the 24-month period following a corporate Change of Control, the agreements provide for a lump sum payment to the executive officer based on the executive officer's base salary and target annual incentive amount. In addition, with respect to such a qualified termination, the agreements provide that all restricted stock, performance shares, phantom stock units and options will become vested, that all restrictions on such awards will lapse and that outstanding stock options will remain exercisable for the remainder of their terms. The executive officer will also be entitled to (A) health benefits until the earlier of (i) 36 months and (ii) the date the executive begins receiving comparable benefits from a subsequent employer, (B) vesting of all contributions to our 401(k) plan and Deferred Compensation Plan to the extent not already vested and (C) outplacement services equal to a maximum of 15% of the executive's salary at the time of termination until the earliest to occur of (i) December 31 of the second calendar year following the year of termination and (ii) the date the executive accepts subsequent employment. The executive agreement entered into with Mr. Dodson during 2009 entitles him to be made whole for any excise taxes incurred with respect to severance payments that are in excess of the limits set forth under the Internal Revenue Code. The executive agreement entered into with Mr. Green does not contain excise tax gross up protection. See "Potential Payments Under Termination or Change of Control" in this Proxy Statement for additional disclosures of severance and Change of Control payments for Named Executive Officers.

The Executive Agreements have a term of three years and are extended automatically for one additional day on a daily basis for a period of three years, unless notice of non-extension is given by the board of directors of Oil States, in which case the agreement will terminate on the third anniversary of the date notice is given. To receive benefits under the Executive Agreement, the executive officer will be required to execute a release of all claims against Oil States. Certain terms of the Executive Agreements are summarized below.

Under the terms of each of their Executive Agreements, Messrs. Dodson and Green will be entitled to receive a lump sum payment equal to two times his base salary and target annual incentive amount if a qualified termination occurs during the 24-month period following a corporate Change of Control. If a qualified termination occurs other than during the 24-month period following a Change of Control, Messrs. Dodson and Green will be entitled to receive a lump sum payment equal to one year of his base salary and target annual incentive amount as well as other benefits described above.

The Separation of Civeo is not a change of control event and therefore will not entitle executive officers of Oil States to any change of control benefits.

Foreign Assignment Agreement

On May 3, 2011, Oil States entered into an assignment letter with Mr. Green setting forth certain terms and conditions governing his temporary assignment in Sydney, Australia in connection with the integration of an acquisition and the expansion of the Oil States' accommodations business in Australia. Mr. Green's assignment ended in June 2012. During the term, the assignment letter provided that Mr. Green's base salary may be paid in either Canadian or Australian currency, and that Mr. Green would be provided health, welfare, retirement plan, and workers compensation benefits that are comparable to the benefits he received prior to his temporary assignment. The assignment letter also provided Mr. Green with the following payments and allowances in addition to his base salary: (i) a monthly cost of living adjustment if the cost-of-living in Australia is determined to be higher than in Canada, including $810 per month to compensate him for additional food costs; (ii) payment for furnished rental housing in Australia within established guidelines; (iii) payment of reasonable expenses associated with maintaining Mr. Green's residence in Canada, including association fees, property management, security, lawn care, routine house-keeping services and similar items; (iv) payment for the reasonable cost of utilities in Australia, including gas, water and electric; (v) tax equalization benefits to ensure Mr. Green does not pay more in taxes than he would if not on assignment, including the cost of an external tax consultant to assist in the preparation and processing of tax returns in both countries; (vi) payment of costs associated with obtaining necessary passports, visas and work permits; (vii) reimbursement of up to $5,000 to cover incidental relocation expenses; (viii) payment of costs for air shipment of personal effects and belongings; (ix) payment for business class airfare for Mr. Green to travel to Australia and for related meals, incidentals and excess baggage fees; (x) payment of temporary living expenses in Australia for up to 30 days, including meals and incidental expenses; (xi) use of an Oil States vehicle and payment of expenses associated with fuel and operating costs; (xii) provision of business class airfare to Canada and related travel expenses in the event of a death or serious illness in Mr. Green's immediate family; and (xiii) repatriation benefits, including business-class airfare to Canada, reimbursement of relocation expenses up to $5,000 and a completion bonus. Severance benefits for Mr. Green are addressed in his Executive Agreement; however, upon termination of Mr. Green's assignment in June 2012, all allowances and benefits provided for in the assignment letter ceased, and Oil States paid for the cost of airfare and reasonable expenses for him to return to Canada. During 2013, Mr. Green was paid a completion bonus of C$255,940 as a result of his foreign assignment.

Agreement with Our Chief Financial Officer

Mr. Steininger has agreed to consult for the Company beginning in March 2014 pending the completion of the spin-off transaction. Following the completion of the spin-off transaction, Mr. Steininger is expected to be named the Senior Vice President, Chief Financial Officer and Treasurer of Civeo. His consulting agreement provides for a weekly fee of $7,692, paid bi-weekly, and contains a provision for the payment of one year of compensation should the spin-off not occur. In addition, pursuant to Mr. Steininger's consulting agreement he is eligible to receive upon the completion of the spin-off, a grant of equity or equity-based awards with respect to Civeo common stock with grant date value of approximately $800,000.

After the completion of the spin-off transaction, Mr. Steininger is expected to enter into an executive agreement, to participate in the Civeo equity participation plan and be eligible for benefits available to other named executive officers.

Effects of Spin-off on Outstanding Executive and Other Compensation Awards

Pursuant to the terms of the Employee Matters Agreement, Oil States and Civeo expect for the following to occur with respect to outstanding Oil States compensation awards:

- Not a Change of Control. The spin-off will not constitute a change of control or similar event under the Oil States or Civeo compensation programs.

- Restricted Shares Held by Civeo Employees. All outstanding Oil States restricted shares held by current employees of Civeo will be cancelled upon the spin-off, with the holder thereof entitled to receive a number of time-vested restricted shares of Civeo common determined in a manner to preserve the pre spin-off value of the prior Oil States restricted shares based upon the relative stock prices of Civeo and Oil States. Following the spin-off, such awards will be subject to similar terms and conditions as the prior award, except that they will vest based upon continued service with or a change of control of Civeo rather than Oil States.

- Other Time-Vested Equity Awards held by Civeo Employees. All outstanding Oil States and other time-vested equity and equity-based awards held (other than restricted shares) by Civeo employees (including those held by Civeo's named executive officers) will be converted upon the completion of the spin-off into the same type of award with respect to Civeo common stock, with the number of shares and exercise price of such award, as applicable, adjusted based upon the relative stock prices of Civeo and Oil States to preserve the value of the award prior to the spin-off. Following the spin-off, such awards will be subject to the same terms and conditions as prior to the spin-off, except that they will vest based upon continued service with or a change of control of Civeo rather than Oil States.

- Time-Vested Equity Awards held by Oil States Employees. All outstanding Oil States options, restricted shares and other time-vested equity and equity-based awards held by current and former Oil States employees and directors will be modified upon the completion of the spin-off based upon the relative pre-and post-spin-off stock prices of Oil States such that the number of shares and exercise price of such award, as applicable, are adjusted based upon the relative stock prices of Civeo and Oil States to preserve the value of the award prior to the spin-off. Following the spin-off, such awards will remain subject to the same terms and conditions as prior to the spin-off.

- Performance-Based Equity Awards held by Civeo Employees. Performance-based deferred stock awards held by Civeo employees (including those held by Civeo's named executive officers) will be cancelled with the holder thereof entitled to receive a grant of time-vested restricted shares of Civeo common stock, with the number of such time-vested restricted shares determined based upon the number of Oil States shares issuable upon settlement based upon the actual attainment of performance objectives to date as of Oil States' most recently-completed fiscal quarter, adjusted based upon the relative stock prices of Civeo and Oil States to preserve the value of the award prior to the spin-off. Following the spin-off, such awards will vest based upon continued service with or a change of control of Civeo and will not be subject to performance vesting conditions.

- Performance-Based Equity Awards held by Oil States Employees. Performance-based deferred stock awards held by Oil States employees will be cancelled with the holder thereof entitled to receive a grant of time-vested restricted shares of Oil States common stock, with the number of such time-vested restricted shares determined based upon the number of Oil States shares issuable upon settlement based upon the actual attainment of performance objectives to date as of Oil States' most recently-completed fiscal quarter, adjusted based upon the relative stock prices of Civeo and Oil States to preserve the value of the award prior to the spin-off. Following the spin-off, such awards will vest based upon continued service or a change of control of Oil States and will not be subject to performance vesting conditions.

- Annual Cash Incentive Plan Awards. From and after the spin-off, all employees of Civeo (including each of Civeo's named executive officers) will cease participation in Oil States' annual incentive plan, and all cash incentive awards for 2014 will be provided under Civeo's annual incentive programs, provided that Civeo will assume any accrued liabilities as of the date of the spin-off and any performance targets established by Oil States for 2014 which relate to the performance of the accommodations business.

- Individual Agreements. All obligations of Oil States under the existing executive agreements and foreign assignment agreements between Oil States and Civeo's employees (including Civeo's named executive officers) will be assumed by Civeo effective as of the distribution, with such modifications to reflect the spin-off, if any, as are mutually agreed between Civeo and the individual. For a description of the current terms of such agreements, see "Compensation Discussion & Analysis—Executive and Change of Control Agreements."

- Other Compensation Programs. Unless otherwise agreed upon between Oil States, Civeo and any employee, from and after the spin-off, all employees of Civeo (including each of Civeo's named executive officers) will cease active participation in all other benefit plans and compensation programs of Oil States and will instead become participants in the comparable plan or program of Civeo, to the extent Civeo provides for such a comparable program.

Civeo Compensation Programs

As described below, prior to the spin-off, Civeo will adopt an equity participation plan similar to that sponsored by Oil States pursuant to which it will issue awards upon the conversion of prior Oil States awards held by Civeo as well as, in the discretion of Civeo's board of directors and compensation committee, future awards to Civeo's employees, officers and directors.

The other compensation programs of Civeo that will be in effect following the spin-off are still being developed and have not yet been finalized. We anticipate that the compensation programs and policies of Civeo following the spin-off will generally be similar to those currently maintained by Oil States.

Chief Executive Officer Compensation

Civeo's board of directors has approved certain changes to Bradley J. Dodson's compensation to go in effect in connection with the spin-off. Specifically, Civeo's board of directors has approved an increase in Mr. Dodson's base salary to $575,000, an initial annual bonus target of 90% of his base salary and a long-term equity incentive award.

Spin-Off Equity Compensation Grants

Prior to the date of the spin-off, Civeo's board of directors is expected to approve grants of Civeo restricted shares under the EPP to individuals who will serve as officers and employees of Civeo from and after the spin-off, with such grants effective as of the completion of the spin-off. The number of restricted shares issued to each such individual pursuant to such grants will depend upon Civeo's stock price at the time of grant, with the aggregate grant date value of all such Civeo restricted shares granted upon completion of the spin-off (other than those restricted shares granted in connection with the cancellation of existing Oil States equity compensation awards) expected to be up to $3,000,000.

Civeo's named executive officers are expected to receive restricted shares upon the spin-off with the following approximate grant date fair values: Bradley J Dodson ($606,704) and Frank C. Steininger ($800,000).

The restricted shares granted upon completion of the spin-off are expected to vest in equal annual installments over the four-year period following the grant date.

2014 Equity Participation Plan

Prior to the spin-off, Civeo's board of directors will have adopted, and Oil States, in its capacity as the sole stockholder of Civeo will have approved, the EPP to attract and retain employees, consultants and directors. The description of the EPP set forth below is a summary of the material features of the EPP. This summary, however, does not purport to be a complete description of all of the provisions of the EPP and is qualified in its entirety by reference to the EPP, a copy of which is filed as an exhibit to the registration statement of which this information statement is a part. The EPP provides for the grant of equity-based awards, including options to purchase shares of Civeo common stock, restricted stock awards, deferred stock awards, performance awards, dividend equivalents or stock payments.

Share Limits

Up to 4,000,000 shares will be available for issuance under the EPP (including those shares issuable in connection with the conversion of Oil States awards to Civeo awards in connection with the spin-off).

Pursuant to the EPP, if any award, expires or is forfeited and canceled without having been fully vested, the shares subject to such restricted stock, performance awards, dividend equivalents, awards of deferred stock or stock payments or other right but as to which such restricted stock performance awards, dividend equivalents, awards of deferred stock or stock payments or other right was not vested prior to its expiration or cancellation will again be available for the grant of an award under the EPP. Notwithstanding the foregoing, shares of Civeo common stock subject to an award under this EPP shall not again be made available for issuance as awards under the EPP if such shares are (a) tendered in payment for an award, (b) delivered or withheld for payment of taxes or (c) not issued or delivered as a result of a net settlement process.

The maximum number of shares of common stock that may be subject to options, restricted stock or deferred stock granted to any one individual in any calendar year may not exceed 800,000 shares of common stock (subject to certain adjustment for mergers, recapitalizations, stock splits and other changes in Civeo common stock). The maximum value of performance awards granted under the EPP to any individual in any calendar year may not exceed $4.0 million.

Administration

The EPP will be administered by the compensation committee of Civeo's board of directors, except in the event Civeo's board of directors chooses to administer the EPP. Subject to the terms and conditions of the EPP, the compensation committee has broad discretion to administer and interpret the EPP, including the power to determine the employees and directors to whom awards will be granted, the type of awards to be granted, the number of shares to be subject to awards and the terms and conditions of awards.

Eligibility

The compensation committee will determine the employees, consultants and directors who are eligible to receive awards under the EPP.

Awards

Under the terms of the EPP, the compensation committee, and at the compensation committee's sole discretion, the chief executive officer may grant options, restricted stock awards, deferred stock awards, performance awards, dividend equivalents or stock payments.

Options. Civeo may grant incentive stock options and options that do not qualify as incentive stock options, except that incentive stock options may only be granted to persons who are our employees or employees of one of our subsidiaries, in accordance with Section 422 of the Code. Except as provided below, the exercise price of a stock option cannot be less than 100% of the fair market value of a share of Civeo common stock on the date on which the option is granted. In the case of an incentive stock option, the option must not be exercisable more than ten years from the date of grant or, in the case of an incentive stock option granted to an individual who owns (or is deemed to own) at least 10% of the total combined voting power of all classes of our capital stock the option must not be exercisable more than five years from the date of grant.

Restricted Stock Awards. Civeo may grant awards of restricted stock consisting of shares of common stock that are issued but subject to such restrictions as the compensation committee may provide, including, without limitation, restrictions concerning voting rights and transferability and forfeiture restrictions based on duration of employment with Civeo and individual performance. The compensation committee determines the other terms and conditions that will apply to any restricted stock award, which may include the achievement of Performance Objectives (as described below under "–Performance Awards.").

Performance Awards. Civeo may grant performance awards to eligible individuals selected by the compensation committee. The value of such performance awards may be linked to the achievement of such specific Performance Objectives (as described below under "–Performance Awards") determined to be appropriate by the compensation committee over any period or periods determined by the compensation committee. In making such determinations, the compensation committee will consider (among such other factors as it deems relevant in light of the specific type of award) the contributions, responsibilities and other compensation of the particular employee or consultant. The maximum value of performance awards granted under the EPP to any individual in any calendar year will not exceed $4.0 million.

Dividend Equivalents. Civeo may grant dividend equivalents to any eligible individual selected by the compensation committee based on the dividends declared on Civeo common stock, to be credited as of dividend payment dates, during the period between the date a deferred stock award or performance award is granted, and the date such deferred stock award or performance award vests or expires, as determined by the compensation committee. Such dividend equivalents shall be converted to cash or additional shares of common stock by such formula and at such time and subject to such limitations as may be determined by the compensation committee. Dividend equivalents shall not be paid out prior to the time the underlying deferred stock or performance award vests.

Stock Payments. Civeo may make stock payments to any eligible individual selected by the compensation committee in the manner determined from time to time by the compensation committee. The number of shares shall be determined by the compensation committee and may be based upon the fair market value, book value, net profits or other measure of the value of Civeo common stock or other specific performance criteria determined appropriate by the compensation committee, determined on the date such stock payment is made or on any date thereafter.

Deferred Stock Award. Civeo may grant a deferred stock award to any to any eligible individual selected by the compensation committee in the manner determined from time to time by the compensation committee. The number of shares of deferred stock shall be determined by the compensation committee and may be linked to the achievement of such specific performance objectives determined to be appropriate by the compensation committee over any period or periods determined by the compensation committee. Common stock underlying a deferred stock award will not be issued until the deferred stock award has vested, pursuant to a vesting schedule or Performance Objectives (as described below under "–Performance Awards") set by the compensation committee, as the case may be. Unless otherwise provided by the compensation committee, a recipient of deferred stock shall have no rights as a Civeo stockholder with respect to such deferred stock until such time as the award has vested and the Civeo common stock underlying the award has been issued.

Performance Objectives

Awards under the EPP intended to qualify as performance based compensation under Section 162(m)(4)(C) of the Code will be subject to any additional limitations set forth in Section 162(m) of the Code and any applicable regulations or rulings thereunder that are requirements for such awards to so qualify. Specifically, but not by way of limitation, awards under the EPP, other than stock options, may be linked to the achievement of objectives (the "Performance Objectives"), if any, established by the compensation committee, which may be described in terms of company-wide objectives, in terms of objectives that are related to performance of a division, subsidiary, department or function within the Civeo or an affiliate in which the EPP participant receiving the award is employed or in individual or other terms, and which will relate to the period of time determined by the compensation committee. The Performance Objectives intended to qualify under Section 162(m) of the Code will be with respect to one or more of the following: (i) net income; (ii) pre-tax income; (iii) operating income; (iv) cash flow; (v) earnings per share; (vi) earnings before any one or more of the following items: interest, taxes, depreciation or amortization; (vii) return on equity; (viii) return on invested capital or assets; (ix) cost reductions or savings; (x) funds from operations and (xi) appreciation in the fair market value of the Civeo common stock. The compensation committee shall determine, in its discretion at the time of an award, which objectives to use with respect to an award, the weighting of the objectives if more than one is used, and whether the objective is to be measured against a company-established budget or target, an index or a peer group of companies. A Performance Objective need not be based on an increase or a positive result and may include, for example, maintaining the status quo or limiting economic losses.

Effect of Change of Control

Except to the extent that an award agreement specifies to the contrary, in the event of a change of control (as defined by the EPP) of Civeo, all outstanding awards will automatically become fully vested immediately prior to such change of control (or such earlier time as set by the compensation committee), and all restrictions, if any, applicable to such awards will lapse, and all performance criteria, if any, with respect to such awards will be deemed to have been met at their target level.

Amendment and Termination of the EPP

Civeo's board of directors or the compensation committee may amend, suspend or terminate the EPP at any time, subject to any requirement of stockholder approval required by applicable law, rule or regulation. Civeo's board of directors and the compensation committee may generally amend the terms of any outstanding award under the EPP at any time. However, no action may be taken by our board of directors or the compensation committee under the EPP that would impair a participant's rights under a previously-granted award without the participant's consent.

No awards may be granted after the EPP has terminated or while the EPP is suspended. No incentive stock option may be granted under the EPP after ten years from the effective date of this EPP.

Short-Term Incentive Plan

Prior to the spin-off, Civeo's board of directors will have adopted, and Oil States, in its capacity as the sole stockholder of Civeo will have approved, the Civeo Corporation Annual Incentive Plan (the "AIP") to attract and retain employees. The AIP will provide for annual short-term cash incentives based upon the attainment of certain performance goals. Awards under the AIP intended to qualify as performance based compensation under Section 162(m)(4)(C) of the Code will be subject to any additional limitations set forth in Section 162(m) of the Code and any applicable regulations or rulings thereunder that are requirements for such awards to so qualify. These limitations are described above with respect to the EPP.

The Performance Objectives under the AIP for awards intended to qualify as performance based compensation under Section 162(m) of the Code will be the same as provided for under the EPP, which include: (i) net income; (ii) pre-tax income; (iii) operating income; (iv) cash flow; (v) earnings per share; (vi) earnings before any one or more of the following items: interest, taxes, depreciation or amortization; (vii) return on equity; (viii) return on invested capital or assets; (ix) cost reductions or savings; (x) funds from operations and (xi) appreciation in the fair market value of the Civeo common stock. The compensation committee shall determine, in its discretion at the time of an award, which objectives to use with respect to an award, the weighting of the objectives if more than one is used, and whether the objective is to be measured against a company-established budget or target, an index or a peer group of companies. Like under the EPP, a Performance Objective need not be based on an increase or a positive result and may include, for example, maintaining the status quo or limiting economic losses.

SUMMARY COMPENSATION TABLE

The following table sets forth certain information regarding compensation paid in respect of specified periods to the Named Executive Officers of Civeo. In 2013, the Named Executive Officers (other than Mr. Steininger) were employed by, and were compensated by, Oil States.

Name and Principal Position	Year	Salary ($)	Stock Awards ($)(1)	Option Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)(5)	All Other Compensation ($)(6)	Total ($)
Bradley J. Dodson							
Chief Executive Officer	2013	413,077	842,625	113,240	447,047	45,413	1,861,403
Frank C. Steininger (2)							
Senior Vice President, Chief Financial Officer and Treasurer	2013	—	—	—	—	—	—
Ron R. Green (3)							
Senior Vice President, North America	2013	429,134	1,203,750	—	253,435	286,147	2,172,466
Peter L. McCann (4)							
Senior Vice President, Australia	2013	358,638	481,500	—	193,291	15,326	1,048,755

(1) These columns represent the dollar amounts for the years shown of the aggregate grant date fair value of restricted stock awards, performance based awards and phantom stock awards and option awards, as applicable, granted in those years computed in accordance with FASB ASC Topic 718—Stock Compensation. Generally, the aggregate grant date fair value is the aggregate amount that Oil States expects to expense in its financial statements over the award's vesting schedule (generally four years) and, for performance based awards, is based upon the probable outcome of the applicable performance conditions. Pursuant to SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. These amounts reflect Oil States' future accounting expense for these awards and options, and do not necessarily correspond to the actual value that will be recognized by the named executive officers. All options awarded were priced at the date of the award. See Note 15 to Oil States' consolidated financial statements on Form 10-K for the year ended December 31, 2013 for additional detail regarding assumptions underlying the value of these awards. The performance based stock awards can potentially achieve a maximum number of shares equal to 200% of the target level of shares, depending on Oil States' performance.

(2) Mr. Steininger was not an employee of Oil States during 2013 and, accordingly, no amounts are reflected with respect to him in this table. See Named Executive Officers table in "Compensation Discussion and Analysis" for more information about Mr. Steininger's employment arrangements.

(3) Compensation reported for Mr. Green, other than stock awards and option awards, was made in Canadian dollars and is reflected in this table in U.S. dollars using the average exchange rate for each year. U.S. dollar to Canadian dollar exchange for 2013 was $0.93971. Mr. Green's stock awards are "Phantom Stock Awards."

(4) Compensation reported for Mr. McCann, other than stock awards and option awards, was made in Australian dollars and is reflected in this table in U.S. dollars using the average exchange rate for each year. U.S. dollar to Australian dollar exchange for 2013 was $0.89249.

(5) Amounts of "Non-Equity Incentive Plan Compensation" paid to each of the Named Executive Officers were made pursuant to Oil States' Annual Incentive Compensation Plan. For a description of this plan, see "Compensation Discussion and Analysis—Elements of Compensation—Annual Cash Incentive Compensation."

(6) The 2013 amount shown in "All Other Compensation" column reflects the following for each Named Executive Officer:

	Retirement Plan Match ($)(a)	Deferred Compensation Plan Match ($)(a)	Other ($)(b)	Total ($)
Bradley J. Dodson	14,872	28,533	2,008	45,413
Frank C. Steininger (c)	—	—	—	—
Ron R. Green (d)	9,206	36,441	240,509	286,156
Peter L. McCann (d)	15,326	—	—	15,326

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(a) Represents the matching contributions allocated by Oil States to Mr. Dodson, except Mr. Green, pursuant to the 401(k) Retirement Plan and the Deferred Compensation Plan as more fully described in "Compensation Discussion and Analysis—Retirement Plans", included herein. Mr. Green received the matching contributions in the Canadian Retirement Savings Plan and Canadian Non-Registered Savings Plan. Mr. McCann received a contribution to his Australian Superannuation fund as required by Australian law.

(b) The amounts shown in the "Other" column in the table above include club dues and the imputed income attributable to term life insurance benefits provided for Messrs. Dodson. Mr. Green's other compensation includes a $240,509 completion bonus paid in connection with his foreign assignment.

(c) See Named Executive Officers table in "Compensation Discussion and Analysis" for more information about Mr. Steininger's employment arrangements.

(d) The payments described above were converted to U.S. dollars using average exchange rates of $0.93971 for Canadian dollars and $0.89249 for Australian dollars.

Messrs. Dodson and Green are parties to Executive Agreements, which agreements are not considered employment agreements. For a description of these agreements, see "Compensation Discussion and Analysis—Executive and Change of Control Agreements." The compensation amounts described in the preceding table were determined as described under "Compensation Discussion and Analysis—Elements of Compensation." The material terms of the awards reported in the Grants of Plan Based Awards Table below are described in the "Compensation Discussion and Analysis—Elements of Compensation—Annual Cash Incentive Compensation" and "—Long-Term Incentives."

GRANTS OF PLAN BASED AWARDS

The following table provides information about equity and non-equity awards granted to Named Executive Officers in 2013, including the following: (1) the grant date; (2) the estimated future payouts under the non-equity incentive plan, which is discussed in "Compensation Discussion and Analysis—Elements of Compensation—Annual Cash Incentive Compensation", included herein; (3) the number of performance based awards pursuant to the Oil States' 2001 Equity Participation Plan; (4) the number of restricted stock and phantom stock awards pursuant to Oil States' 2001 Equity Participation Plan; (5) the number of stock option awards, which consist of the number of shares underlying stock options awarded, pursuant to Oil States' 2001 Equity Participation Plan; (6) the exercise price of the stock option awards, which reflects the NYSE Closing Price on grant date; and (7) the fair value of each equity award computed in accordance with FASB ASC Topic 718—Stock Compensation as of the grant date.

			Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards(2)			All Other Stock Awards: Number of Shares of Stock or Units (#)(3)	All Other Options Awards: Number of Securities Underlying Options (#)(3)	Exercise or Base Price of Stock and Options Awards ($/SH)	Grant Date Fair Value Of Stock and Option Awards ($)(4)
Name	Plan	Grant Date	Threshold ($)	Target ($)	Maximum ($)	Threshold ($)	Target ($)	Maximum ($)				
Bradley J. Dodson	AICP		—	302,250	604,500							
	2001 Plan	2/19/2013				—	5,000	10,000			80.25	401,250
	2001 Plan	2/19/2013							5,500		80.25	441,375
	2001 Plan	2/19/2013								4,000	80.25	113,240
Frank C. Steininger	—	—	—	—	—	—	—	—	—	—	—	—
Ron R. Green (5)	AICP		—	345,000	690,000	—						
	2001 Plan	2/19/2013							15,000	—	80.25	1,203,750
Peter L. McCann (6)	AICP		—	223,025	446,050							
	2001 Plan	2/19/2013				—			6,000		80.25	481,500

(1) The amounts shown in the column "Target" reflect the target level of bonus payable under Oil States' AICP (see discussion in "Compensation Discussion and Analysis—Elements of Compensation—Annual Cash Incentive Compensation", included herein) which is based on an executive's base salary paid during the year multiplied by the executive's bonus percentage. The base salary used in this table is the base salary in effect as of December 31, 2013; however, actual awards are calculated based on a participant's eligible AICP earnings paid in the year. The amount shown in the "Maximum" column represents 200% of the target amount. Performance results at or below the entry level percentage of performance targets established under the AICP will result in no payments being made under the AICP. The entry level percentage ranged from 75% to 85% in 2013 for EBITDA, depending on the business unit involved. If the performance results fall between the entry level and the target level, 0 – 100% of the target level bonus will be paid out proportionately to the distance such performance results fall between the two levels. If the performance results fall between the target level and the maximum level, 100—200% of the target level bonus will be paid out proportionately to the distance such performance results fall between the two levels.

(2) The amounts shown under "Estimated Future Payouts Under Equity Plan Awards include performance based awards as described at "Elements of Compensation—Long-Term Incentives" in this proxy statement. Target level of performance is based on Oil States' Cumulative ROI performance for the three-year period beginning January 1, 2013 to December 31, 2015 of 9.5% and the over-achieve performance level is based on an ROI of 13% for the same period.

(3) The amounts shown in "All Other Stock Awards" and "All Other Option Awards" columns for Mr. Dodson reflect the number of restricted stock awards and stock options, respectively, granted in 2013 pursuant to Oil States' 2001 Equity Participation Plan. See "Compensation Discussion and Analysis—Elements of Compensation—Long-Term Incentives", included herein. The amounts shown in this column for Mr. Green reflect the number of phantom stock awards granted in 2013 pursuant to the Canadian Long Term Incentive Plan. The amounts shown for Mr. McCann reflect the number of deferred stock awards granted in 2013 pursuant to Oil States' 2001 Equity Participation Plan.

(4) This column shows the full grant date fair value of restricted stock awards, performance based awards, phantom stock awards and stock options computed under FASB ASC Topic 718—Stock Compensation and granted to the Named Executive Officers during 2013. Generally, the full grant date fair value is the amount that Oil States would expense in its financial statements over the award or option vesting schedule and, for performance based awards, is based upon the probable outcome of the applicable performance conditions. Stock options granted in 2013 were valued at award date at a fair value of $28.31 per option.

(5) Mr. Green's AICP award amounts were made in Canadian dollars and are reflected in this table in U.S. dollars using the average exchange rate for 2013 of $0.94 U.S. dollar per Canadian dollar. Mr. Green's equity incentive plan award in 2013 consisted of 15,000 phantom share awards that are payable in cash at vesting date based on Oil States' stock price on the vesting date. Vesting will occur annually at a rate of 33⅓% per year on the first, second, and third anniversaries of the grant date.

(6) Mr. McCann's AICP award amounts were made in Australian dollars and are reflected in this table in U.S. dollars using the average exchange rate for 2013 of $0.89 U.S. dollar per Australian dollar. Mr. McCann's equity incentive plan award in 2013 consisted of 6,000 deferred stock awards. Vesting will occur annually at a rate of 25% per year on the first, second, third and fourth anniversaries of the grant date.

OUTSTANDING EQUITY AWARDS AT 2013 FISCAL YEAR END

The following table provides information on the holdings of stock options and stock awards by the Named Executive Officers as of December 31, 2013. This table includes unexercised and unvested option awards and unvested stock awards, including restricted stock awards, performance based awards and phantom stock awards. Each equity grant is shown separately for each Named Executive Officer. The vesting schedule for each grant is shown following this table, based on the option or stock award grant date or other factors, as discussed. Accelerated vesting provisions applicable to the outstanding awards are described below under "—Potential Payments Upon Termination or Change in Control." The market value of the stock awards is based on the closing market price of Oil States' common stock as of December 31, 2013, which was $101.72. The number of performance awards shown in the table below reflect a theoretical achievement level of performance assuming December 31, 2013 as the end of the performance period. The actual performance period for the 2012 awards will end on December 31, 2014. The actual performance period for the 2013 awards will end on December 31, 2015. For additional information about the option awards and stock awards, see the description of equity incentive compensation in "Compensation Discussion and Analysis", included herein.

	Option Awards				Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock that Have Not Vested (#)	Market Value of Shares or Units of Stock that Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Performance Shares, Units or Other Rights that Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Performance Shares, Units or Other Rights that Have Not Vested ($)
Bradley J. Dodson	15,000(1)		16.65	2/19/2015				
	21,700(2)		24.52	6/19/2015				
	7,500(3)	2,500(3)	37.67	2/19/2016				
	1,500(5)	1,500(5)	75.41	2/17/2021				
	1,250(8)	3,750(8)	84.63	2/16/2022				
		4,000(13)	80.25	2/19/2023				
					2,125(4)	216,155		
					3,750(6)	381,450		
					3,750(9)	381,450		
					5,500(14)	559,460		
							9,570(10)	973,460
							8,145(15)	828,509
Frank C. Steininger	—	—	—	—	—	—	—	—
Ron R. Green	30,000(1)		16.65	2/19/2015				
	24,375(3)	8,125(3)	37.67	2/19/2016				
					5,000(6)	508,600		
					6,700(11)	678,472		
					15,000(16)	1,525,800		
Peter L. McCann					864(7)	87,886		
					3,000(9)	305,160		
					2,250(12)	228,870		
					6,000(14)	610,320		

(1) Stock option award of 2/19/2009 that vests at the rate of 25% per year with vesting dates of 2/19/2010, 2/19/2011, 2/19/2012 and 2/19/2013.
(2) Stock option award of 6/19/2009 that vests 100% on 6/19/2012, assuming the executive's continued employment at that date.
(3) Stock option award of 2/19/2010 that vests at the rate of 25% per year, with vesting dates of 2/19/2011, 2/19/2012, 2/19/2013 and 2/19/2014.
(4) Restricted stock award of 2/19/2010 that vests at the rate of 25% per year, with vesting dates of 2/19/2011, 2/19/2012, 2/19/2013 and 2/19/2014.
(5) Stock option award of 2/17/2011 that vests at the rate of 25% per year, with vesting dates of 2/17/2012, 2/17/2013, 2/17/2014 and 2/17/2015.

(6) Restricted stock award of 2/17/2011 that vests at the rate of 25% per year, with vesting dates of 2/17/2012, 2/17/2013, 2/17/2014 and 2/17/2015.
(7) Restricted stock award of 05/17/2011 that vests at the rate of 25% per year, with vesting dates of 05/17/2012, 05/17/2013, 05/17/2014 and 05/17/2015.
(8) Stock option award of 2/16/2012 that vests at the rate of 25% per year, with vesting dates of 2/16/2013, 2/16/2014, 2/16/2015 and 2/16/2016.
(9) Restricted stock award of 2/16/2012 that vests at the rate of 25% per year, with vesting dates of 2/16/2013, 2/16/2014, 2/16/2015 and 2/16/2016.
(10) Performance based awards of 2/26/2012 that will vest based on Oil States ROIC performance in the three-year period from January 1, 2012 to December 31, 2014. The amount reported as of 12/31/2013 assumes the performance period ended on that date. Performance level achievement through 12/31/13 is 191% of target.
(11) Phantom stock award of 2/16/2012 payable in cash at vesting date based on Oil States stock price on that date that will vest 33.3% per year with vesting dates of 2/16/2013, 2/16/2014 and 2/16/2015.
(12) Deferred stock award of 06/22/2012 that vests at the rate of 25% per year, with vesting dates of 06/22/2013, 06/22/2014, 06/22/2015 and 06/22/2016.
(13) Stock option award of 2/19/2013 that vests at the rate of 25% per year, with vesting dates of 2/19/2014, 2/19/2015, 2/19/2016 and 2/19/2017.
(14) Restricted or Deferred stock award of 2/19/2013 that vests at the rate of 25% per year, with vesting dates of 2/19/2014, 2/19/2015, 2/19/2016 and 2/19/2017.
(15) Performance based awards of 2/19/2013 that will vest based on Oil States ROIC performance in the three-year period from January 1, 2013 to December 31, 2015. The amount reported as of 12/31/2012 assumes the performance period ended on that date. Performance level achievement through 12/31/13 is 163% of target.
(16) Phantom stock award of 2/19/2013 payable in cash at vesting date based on Oil States stock price on that date that will vest 33.3% per year with vesting dates of 2/19/2014, 2/19/2015 and 2/19/2016.

OPTIONS EXERCISED AND STOCK VESTED

The following table provides information for the Named Executive Officers on (1) stock option exercises during 2013, including the number of shares acquired upon exercise and the value realized and (2) the number of shares acquired upon the vesting of stock awards and the value realized, each before payment of any applicable withholding tax.

	Option Awards		Stock Awards(1)	
Name	Number of Shares Acquired on Exercise (#)	Pre-tax Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Pre-tax Value Realized on Vesting ($)
Bradley J. Dodson	19,100	1,207,410	6,500	518,281
Frank C. Steininger		—	—	—
Ron R. Green	30,000	1,951,766	2,500	197,950
Peter L. McCann	—	—	2,182	189,954

(1) Reflects shares received pursuant to restricted stock awards under the 2001 Equity Participation Plan for grants made in 2008 through 2011 to each Named Executive Officer.
(2) See Named Executive Officers table in “Compensation Discussion and Analysis” for more information about Mr. Steininger’s employment arrangements.

NONQUALIFIED DEFERRED COMPENSATION

Deferred Compensation Plan and Canadian Non-Registered Savings Plan

Oil States maintains the Deferred Compensation Plan, which is a nonqualified deferred compensation plan for U.S. citizens that permits our directors and eligible employees to elect to defer all or a part of their cash compensation (base and/or incentive pay) from us until the termination of their status as a director or employee or a change of control. In Canada, Oil States maintains a similar plan in which Mr. Green is a participant. See “Compensation Discussion and Analysis—Deferred Compensation Plan”, included herein, for details about the plans. Mr. McCann does not participate in a similar plan.

The investment alternatives currently available to an executive under the Deferred Compensation Plan are the same mutual funds available to all employees under Oil States’ 401(K) Retirement Plan. Mr. Steininger was not employed by Oil States during 2013 and, accordingly, did not participate in Oil States’ deferred compensation plan.

Detailed below is activity in the Deferred Compensation Plan for Mr. Dodson. Mr. Green is a Canadian citizen based in Edmonton, Canada and is not eligible to participate in the Deferred Compensation Plan; however, he does participate in a similar Canadian Non-Registered Savings Plan.

Name	Executive Contributions in Last Fiscal Year ($)(1)	Registrant Contribution in Last Fiscal Year ($)(2)	Aggregate Earnings (Loss) in Last Fiscal Year ($)(3)	Aggregate Withdrawals/ Distributions ($)(4)	Aggregate Balance At Last Fiscal Year End ($)
Bradley J. Dodson	103,071	29,237	113,265	(6,088)	609,602
Ron R. Green	46,381	36,441	65,238	—	532,374

(1) All contribution amounts for the last fiscal year reported in this table are also included in the “Salary” and “Non-Equity Incentive Plan Compensation” amounts reported in the Summary Compensation Table for 2013.

(2) Amounts reported in this column are also included in the “See All Other Compensation” column of the Summary Compensation Table for 2013.

(3) This column represents net unrealized appreciation, dividends and distributions from mutual fund investments for 2013 associated with investments held in the Deferred Compensation Plan for Messrs. Dodson and in the Canadian Non-Registered Savings Plan for Mr. Green.

(4) The Deferred Compensation Plan allows an annual “roll-over” of deferred compensation amounts into Oil States’ 401(k) Retirement Plan to the maximum extent permitted by U.S. Internal Revenue Service regulations.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE OF CONTROL

The table below reflects the amount of compensation to certain of the Named Executive Officers in the event of a qualified termination, which is defined as (i) an involuntary termination of the executive officer by Oil States other than for "Cause" or (ii) either an involuntary termination other than for "Cause" or a voluntary termination by the executive for "Good Reason," in each case, during a specified period of time after a corporate "Change of Control" (as defined in each Executive Agreement) of Oil States. See "Compensation Discussion and Analysis—Executive and Change of Control Agreements" herein for additional information; such Executive and Change of Control Agreements are referred to herein as "Executive Agreements". The scope and terms of compensation due to each Named Executive Officer upon voluntary terminations, early retirement, retirement, for Cause termination and in the event of disability or death of the executive are the same as for all salaried employees. The amounts shown in the table assume that such qualified termination was effective as of December 31, 2013 and, therefore, include compensation earned through such time and are estimates of the amounts which would be paid out to the executives upon their terminations. The actual amounts to be paid can only be determined at the time of such executive's separation from Oil States.

The separation of Civeo is not a change-in-control and therefore will not entitle executive officers of Oil States to any change-in-control benefits.

Executive and Change of Control Agreements

Pursuant to Messrs. Dodson's and Green's Executive Agreements, if either of them is terminated by Oil States following a Change of Control of Oil States (other than termination by Oil States for Cause, as defined in the agreement, or by reason of death or disability), or if either of them voluntarily terminate their employment for "Good Reason", as defined, in either case, in the agreement, during the 24-month period following a corporate Change of Control, then the affected Named Executive Officer is entitled to receive a lump sum severance payment of two times the sum of his base salary and the target annual bonus that may be earned by him pursuant to the AICP for the year of termination. If any of them are terminated by Oil States not for Cause other than during the 24-month period following a Change of Control, he is entitled to receive a lump sum severance payment of one times the sum of his base salary and the target annual bonus that may be earned by him pursuant to the AICP for the year of termination.

If a Named Executive Officer is terminated by Oil States not for Cause other than during the 24-month period following a corporate Change of Control, the Executive Agreements provide (i) for the cash lump sum severance payments described above, (ii) that all restrictions on restricted stock and phantom stock units will lapse and (iii) for continued health benefits for 12 months. Any vested, non-qualified stock options would expire after 3 months of the date of termination if not exercised prior to their expiration.

The Change of Control provision in the Executive Agreement is intended to encourage continued employment by Oil States of its executive officers and to allow such executive to be in a position to provide assessment and advice to the board of directors of Oil States regarding any proposed Change of Control without concern that such executive might be unduly distracted by the uncertainties and risks created by a proposed Change of Control. Unlike "single trigger" plans that pay out immediately upon a change of control, Oil States' agreement requires a "double trigger" (i.e. a change of control along with an involuntary loss of employment). If the qualified termination occurs during the 24-month period following a corporate Change of Control, the agreements provide for the cash lump sum severance payments described above. In addition, with respect to such a qualified termination, the agreements provide that all restricted stock, phantom stock units and options will become vested, that all restrictions on such awards will lapse and that outstanding stock options will remain exercisable for the remainder of their terms. The executive officer will also be entitled to (A) health benefits until the earlier of (i) 36 months and (ii) the date the executive begins receiving comparable benefits from a subsequent employer, (B) vesting of all contributions to our 401(k) plan and Deferred Compensation Plan to the extent not already vested and (C) outplacement services equal to a maximum of 15% of the executive's salary at the time of termination until the earliest to occur of (i) December 31 of the second calendar year following the year of termination and (ii) the date the executive accepts subsequent employment. Executive agreements entered into with Mr. Dodson entitle him to be made whole for any excise taxes incurred with respect to severance payments that are in excess of the limits set forth under the Internal Revenue Code. The Executive Agreement entered into with Mr. Green does not contain excise tax gross up protection.

To receive benefits under the Executive Agreement, the executive officer will be required to execute a release of all claims against Oil States.

Deferred Compensation Plan

Generally, each participant in the Deferred Compensation Plan will receive, at the participant's election, a lump sum distribution or installment payments upon a change of control or a termination of the participant's service with Oil States and its affiliates. For "Key Employees," as defined in IRS regulations, distributions of deferrals made after 2004 are delayed at least six months. Any other withdrawals by the participant will be made in good faith compliance with 409A limitations. See "Nonqualified Deferred Compensation" for information regarding the aggregate balance of each Named Executive Officer who participates in the Deferred Compensation Plan and "Compensation Discussion and Analysis—Deferred Compensation Plan" for additional information regarding payments under the Deferred Compensation Plan.

Equity Awards

Oil States' stock option agreements provide that, in the event of an employee's disability, retirement or death, outstanding unvested stock options will become fully vested and will be exercisable for a period of one year following the employee's date of termination due to disability (within the meaning of Section 22(e)(3) of the Internal Revenue Code, retirement (on or after attainment of age 65 or, with the Oil States Compensation Committee's express written consent, on or after the age of 55) or death. Oil States' restricted stock award agreements provide that restricted stock awards will become fully vested on (i) the date a Change of Control occurs or (ii) the termination of an employee's employment due to his death or a disability that entitles the employee to receive benefits under a long term disability plan of Oil States. Oil States' performance based award agreements provided that, if prior to the second anniversary of the grant date of the award, (A) a Change of Control occurs, or (B) the employee becomes disabled or dies, then the performance based award will vest upon the occurrence of such event at the "determined percentage." The "determined percentage" is the performance of vesting that would have occurred under the award as if the date of the applicable vesting event were the most recently completed fiscal quarter of Oil States. In addition, in the case of disability or death, the "determined percentage" shall be multiplied by a fraction representing the time of actual employment by the employee from the grant date of the award until the third anniversary thereof.

Qualification of Payments

Shown in the table below are potential payments upon the assumed (i) involuntary not for Cause termination of the Named Executive Officers other than during the 24-month period following a Change of Control, or (ii) involuntary not for Cause termination or termination by the Named Executive Officer for "Good Reason," in either case, during the 24-month period following a Change of Control of Oil States, occurring as of December 31, 2013. None of the named executive officers' potential payments as of December 31, 2013 would trigger a gross up payment for excise taxes that would be reimbursed under their Executive Agreement.

Executive benefits and Payments Upon Separation	Bradley J. Dodson		Frank C. Steininger (4)	
	Involuntary Not for Cause Termination without an Oil States Change of Control on 12/31/2013	Termination with an Oil States Change of Control on 12/31/2013	Involuntary Not for Cause Termination without an Oil States Change of Control on 12/31/2013	Termination with an Oil States Change of Control on 12/31/2013
Compensation:				
Cash Severance	$ 767,250	$ 2,146,594	$ —	$ —
Stock Options(1)	$ —	$ 349,558	$ —	$ —
Stock Awards(1)	$ 1,538,515	$ 3,340,485	$ —	$ —
Benefits & Perquisites:				
Health and Welfare Benefits(2)	$ 8,645	$ 17,256	$ —	$ —
Outplacement Assistance(3)	$ —	$ 69,750	$ —	$ —
Tax Gross Up	$ —	$ —	$ —	$ —

Executive benefits and Payments Upon Separation	Ron R. Green		Peter L. McCann	
	Involuntary Not for Cause Termination without an Oil States Change of Control on 12/31/2013	Termination with an Oil States Change of Control on 12/31/2013	Involuntary Not for Cause Termination without an Oil States Change of Control on 12/31/2013	Termination with an Oil States Change of Control on 12/31/2013
Compensation:				
Cash Severance	$ 805,000	$ 1,610,000	$ —	$ —
Stock Options(1)	$ —	$ 520,406	$ —	$ —
Stock Awards(1)	$ 508,600	$ 2,715,924	$ —	$ —
Benefits & Perquisites:				
Health and Welfare Benefits(2)	$ 4,565	$ 8,562	$ —	$ —
Outplacement Assistance(3)	$ —	$ 64,840	$ —	$ —
Tax Gross Up	$ —	$ —	$ —	$ —

(1) Reflects the value of unvested stock options, restricted stock awards, phantom stock awards, and performance based awards as of December 31, 2013 that would be accelerated as a result of the separation event based on Oil States' stock price of $101.72, which was the closing market price of Oil States' common stock as of December 31, 2013. Performance based awards have been quantified assuming that the performance period ended on December 31, 2013 and that the performance level achievement would have been 200% of target. The amounts reported in the "Stock Options" row would also be realized by the Named Executive Officers in the event of a Named Executive Officer's disability, retirement or death occurring on December 31, 2013. In addition, the amounts reported in the "Stock Awards" row would be realized by the Named Executive Officers in the event of the occurrence of a Change of Control (without the occurrence of a qualified termination) or upon the Named Executive Officer's death or disability, in each case, occurring on December 31, 2013.

(2) Reflects the estimated lump-sum present value of all future premiums which will be paid on behalf of the Named Executive Officer under Oil States' health and welfare benefit plans for the applicable continuation period specified in the Executive Agreements.

(3) Reflects the maximum amount of outplacement assistance that would be provided for the Named Executive Officer pursuant to the Executive Agreement.

(4) See Named Executive Officers table in "Compensation Discussion and Analysis" for more information about Mr. Steininger's employment arrangements; see also "Agreement with Our Chief Financial Officer" in "Compensation Discussion and Analysis" for a summary of the proposed severance protection arrangement with Mr. Steininger. It is anticipated that Mr. Steininger will enter into an Executive Agreement after the completion of the spin-off.

DIRECTOR COMPENSATION

Our non-employee directors will receive compensation for their services on the board of directors. Following the separation, we expect our director compensation programs and amounts will be structured similarly to those currently in place at Oil States.

Directors who are also our employees will not receive a retainer or fees for service on our board of directors or any committees. Mr. Dodson, a Director of Civeo and the Civeo's President and Chief Executive Officer, will not receive director compensation. Directors who are not employees will receive an annual retainer of $50,000 and fees of $2,000 for attendance at each board of directors or committee meeting. The non-employee director who serves as the Chairman of the Board will receive an additional annual retainer of $100,000, which is paid quarterly 50% in cash and 50% in fully vested shares of Civeo common stock, and each non-employee director who serves as the chairman of the Compensation Committee or the Nominating & Corporate Governance Committee will receive an additional annual retainer of $10,000. The chairman of the Audit Committee will receive an additional annual retainer of $17,500. Members of the Nominating & Corporate Governance Committee and the Compensation Committee, other than the Committee chairman, will receive an additional annual retainer of $5,000 and members of the Audit Committee, other than the Committee Chairs, will receive an additional annual retainer of $10,000. Newly elected non-employee directors will receive restricted stock awards of Civeo common stock valued at $125,000 after their initial election. Non-employee directors will receive additional restricted stock awards of Civeo common stock valued at $125,000 at each annual stockholders' meeting after which they continue to serve. The non-employee directors' restricted stock awards will be valued on the award date based on the closing stock price and vest on the earlier of one year from the date of grant or the next annual stockholders' meeting date following the date of grant.

Non-Employee directors will also be subject to Civeo's stock ownership and holding period guidelines pursuant to which they are expected to retain restricted stock award shares remaining, after payment of applicable taxes, valued at five times the annual retainer amount, or $250,000, until retirement or until leaving the board of directors. Once the ownership guideline is established for a director and communicated, the director has four years to attain the targeted level of ownership. All of our directors will be reimbursed for reasonable out-of-pocket expenses incurred in attending meetings of our board of directors or committees and for other reasonable expenses related to the performance of their duties as directors, including attendance at pertinent continuing education programs and training.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

As of the date of this information statement, all outstanding shares of our common stock are owned beneficially and of record by Oil States. After the spin-off, Oil States will not own any of our common stock. The following table sets forth information with respect to the anticipated beneficial ownership of our common stock by:

- each shareholder who we believe (based on the assumptions described below) will beneficially own more than 5% of Civeo's outstanding common stock;
- each person who is expected to serve as a director upon completion of the spin-off;
- each person who is expected to serve as an executive officer upon completion of the spin-off; and
- all persons who are expected to serve as directors or executive officers upon completion of the spin-off as a group.

Except as otherwise noted below, we based the share amounts shown on each person's beneficial ownership of Oil States common stock on April 30, 2014, and a distribution ratio of two shares of our common stock for each share of Oil States common stock held by such person.

To the extent persons who are directors or executive officers or who are expected to serve as directors or executive officers upon completion of the spin-off own Oil States common stock at the record date of the spin-off, they will participate in the distribution on the same terms as other holders of Oil States common stock.

Immediately following the spin-off, we expect to have approximately 23 stockholders of record and approximately 106,112,722 million shares of Civeo common stock outstanding, based on the number of registered stockholders of Oil States common stock on April 30, 2014. The actual number of shares of our common stock outstanding following the spin-off will be determined on May 21, 2014, the record date. As of April 30, 2014, Oil States had approximately 23 stockholders of record and approximately 53,054,661 million shares of Oil States common stock outstanding.

To our knowledge, except as indicated in the footnotes to this table or as provided by applicable community property laws, the persons named in the table have sole voting and investment power with respect to the shares of common stock indicated.

	Beneficial Ownership	
Name and Address of Beneficial Owners(1)	**Shares**	**Percentage(2)**
Jana Partners LLC(3) 767 Fifth Avenue, 8th Floor New York, NY 10153	12,241,760	11.5%
Capital World Investors(4) 333 South Hope Street Los Angeles, CA 90071	11,824,000	11.1%
FMR LLC(5) 82 Devonshire Street Boston, Massachusetts 02109	7,879,538	7.4%
BlackRock, Inc(6) 40 East 52nd Street New York, NY 10022	7,696,208	7.3%
Vanguard Group(7) 100 Vanguard Blvd Malvern, PA 19355	6,352,822	6.0%
Bradley J. Dodson(8)(9)	266,793	*
Frank C. Steininger(9)	—	*
Ron R. Green(8)	261,122	*
Peter McCann	9,364	*
Martin A. Lambert	67,766	*
Constance B. Moore	—	*
Richard A. Navarre	—	*
Gary L. Rosenthal	49,498	*
Douglas E. Swanson	102,188	*
Charles Szalkowski	—	*
All directors and executive officers as a group (16 persons)(8)	756,731	*

* Less than one percent.

(1) Unless otherwise indicated, the address of each beneficial owner is c/o Civeo Corporation, Three Allen Center, 333 Clay Street, Suite 4980, Houston, Texas 77002.

(2) Based on total shares outstanding of 106,112,722 as of April 30, 2014.

(3) Based on a Form 4 filed with the SEC pursuant to the Exchange Act on December 30, 2013.

(4) Based on a Schedule 13G (Amendment No. 1) filed with the SEC pursuant to the Exchange Act on February 13, 2014. The shares reported represent the aggregate beneficial interest owned by Capital World Investors. Capital World Investors may be deemed to have sole voting power and sole dispositive power with respect to 11,924,000 shares.

(5) Based on a Schedule 13G-A (Amendment No. 11) filed with the SEC pursuant to the Exchange Act on February 14, 2013, the shares reported represent the aggregated beneficial ownership by FMR LLC ("FMR") (together with its wholly owned subsidiaries). FMR may be deemed to have sole voting power with respect to 86,888 shares and sole dispositive power with respect to 7,879,538 shares. FMR has no shared voting or dispositive power with respect to any of the shares shown.

(6) Based on a Schedule 13G-A (Amendment No. 4) filed pursuant to the Exchange Act on January 30, 2014, the shares reported represent the aggregate beneficial ownership by BlackRock, Inc. and certain of its affiliates. BlackRock, Inc. may be deemed to have sole voting power and sole dispositive power with respect to 7,696,208 shares.

(7) Based on a Schedule 13G filed with the SEC pursuant to the Exchange Act on February 12, 2014. The shares reported represent the aggregated beneficial ownership by the Vanguard Group. The Vanguard Group may be deemed to have the sole voting power with respect to 68,954 shares and sole dispositive power with respect to 3,145,734 and shared dispositive power with respect to 61,354 shares.

(8) Includes shares that may be acquired within 60 days of April 30, 2014 through the exercise of options to purchase shares of our common stock as follows: Mr. Dodson—190,727 and Mr. Green—227,272.

(9) Does not include the restricted shares that Mr. Dodson and Mr. Steininger are expected to receive under the EPP upon completion of the spin-off.

ARRANGEMENTS BETWEEN OIL STATES AND OUR COMPANY

This section provides a summary description of agreements between Oil States and us relating to our restructuring transactions and our relationship with Oil States after the spin-off. This description of the agreements between Oil States and us is a summary and, with respect to each such agreement, is qualified by reference to the terms of the agreement, each of which will be filed as an exhibit to the registration statement of which this information statement is a part. We encourage you to read the full text of these agreements. We will enter into these agreements with Oil States prior to the completion of the spin-off; accordingly, we will enter into these agreements with Oil States in the context of our relationship as a wholly-owned subsidiary of Oil States. The terms of these agreements may be more or less favorable to us than if they had been negotiated with unaffiliated third parties.

The terms of the agreements described below have not yet been finalized. Changes, some of which may be material, may be made prior to our separation from Oil States. No changes may be made after the Spin-Off without our consent.

Separation and Distribution Agreement

The Separation and Distribution Agreement will govern the terms of the separation of the accommodations business from Oil States' other businesses. Generally, the Separation and Distribution Agreement will include Oil States' and our agreements relating to the restructuring steps to be taken to complete the separation, including the assets and rights to be transferred, liabilities to be assumed, contracts to be assigned and related matters. Subject to the receipt of required governmental and other consents and approvals, in order to accomplish the separation, the Separation and Distribution Agreement will provide for Oil States and us to transfer specified assets and liabilities between the companies that will operate the accommodations business after the distribution, on the one hand, and Oil States' remaining businesses, on the other hand. As a result of this transfer, we will own all assets exclusively related to the accommodations business and will assume all liabilities to the extent related to the accommodations business. Oil States will generally retain all other assets and liabilities, including assets and liabilities related to discontinued, non-accommodation businesses. The Separation and Distribution Agreement will require Oil States and us to endeavor to obtain consents, approvals and amendments required to novate or assign the assets and liabilities that are to be transferred pursuant to the Separation and Distribution Agreement as soon as reasonably practicable.

Unless otherwise provided in the Separation and Distribution Agreement or any of the related ancillary agreements, all assets will be transferred on an "as is, where is" basis. Generally, if the transfer of any assets or liabilities requires a consent that will not be obtained before the distribution, or if any assets or liabilities are transferred to the other party and should not have been so transferred, each party will agree to hold the assets or liabilities for the intended party's use and benefit (and at its expense) until they can be transferred to such intended party.

The Separation and Distribution Agreement will specify those conditions that must be satisfied or waived by Oil States prior to the distribution. In addition, Oil States will have the right to determine the date and terms of the distribution, including payment by us of a special dividend of $750.0 million to Oil States, and will have the right, at any time until completion of the spin-off, to determine to abandon or modify the distribution and to terminate the Separation and Distribution Agreement.

Transition Services Agreement

The Transition Services Agreement will set forth the terms on which Oil States will provide to us, and we will provide to Oil States, on a temporary basis, certain services or functions that the companies historically have shared. Transition services provided to us by Oil States may include administrative, payroll, legal, human resources, data processing, financial audit support, financial transaction support, and other support services, information technology systems and various other corporate services. Transition services provided to Oil States by us may include information technology systems, financial audit support, tax support and other corporate services. We expect the agreement will provide for the provision of specified transition services, generally for a period of up to nine months, with a possible extension of 1 month (an aggregate of 10 months) at a predetermined fee based on estimated cost to Oil States.

Tax Sharing Agreement

The Tax Sharing Agreement will govern the respective rights, responsibilities, and obligations of Oil States and us with respect to tax liabilities and benefits, tax attributes, the preparation and filing of tax returns, the control of audits and other tax proceedings, and other matters regarding taxes. The Tax Sharing Agreement will remain in effect until the parties agree in writing to its termination; however, notwithstanding such termination, the Tax Sharing Agreement will remain in effect with respect to any payments or indemnification due for all taxable periods prior to such termination during which the agreement was in effect.

In general, pursuant to the Tax Sharing Agreement:

- Civeo and Oil States will agree to cooperate in the preparation of tax returns and with regard to any audits related to Civeo's or Oil States' tax returns;
- the Tax Sharing Agreement will assign responsibilities for administrative matters, such as the filing of tax returns, payment of taxes due, retention of records and conduct of audits, examinations, or similar proceedings;
- with respect to any periods (or portions thereof) ending prior to the distribution, Oil States will pay any U.S. federal income taxes of the affiliated group of which Oil States is the common parent and, if Civeo (including any of its subsidiaries) is included in that affiliated group, Civeo will pay Oil States an amount equal to the amount of U.S. federal income tax Civeo would have paid had Civeo filed a separate consolidated U.S. federal income tax return, subject to certain adjustments. With respect to any periods (or portions thereof) beginning after the distribution, Civeo will be responsible for any U.S. federal income taxes of Civeo and its subsidiaries;
- with respect to any periods (or portions thereof) ending prior to the distribution, Oil States will pay any U.S. state or local income taxes that are determined on a consolidated, combined, or unitary basis and, if Civeo (including any of its subsidiaries) is included in such determination, Civeo will pay Oil States an amount equal to the amount of tax Civeo would have paid had Civeo filed a separate return for such income, subject to certain adjustments;
- with respect to any periods (or portions thereof) beginning after the distribution, Civeo will be responsible for any U.S. federal income taxes of Civeo and its subsidiaries;
- Oil States will be responsible for any U.S. federal, state, local, or foreign taxes due with respect to tax returns that include only Oil States and/or its subsidiaries (excluding Civeo and its subsidiaries), and Civeo will be responsible for any U.S. federal, state, local or foreign taxes due with respect to tax returns that include only Civeo and/or its subsidiaries;
- to the extent that any gain or income is recognized by Oil States (including its subsidiaries) in connection with the failure of the spin-off to qualify for tax-free treatment under Sections 355 and 368(a)(1)(D) of the Code, Civeo will indemnify Oil States for any taxes on such gain or income to the extent such failure is attributable to:
    - any inaccurate written covenant, representation, or warranty by Civeo made in connection with the Tax Sharing Agreement or any tax ruling requested or received from the IRS or opinions of Oil States' outside tax advisors;
    - any breach by Civeo of applicable representations, warranties, or covenants in the Tax Sharing Agreement; or
    - any other action taken by Civeo; and
    - Civeo will bear 50% of the amount of any gain or income that is recognized by Oil States (including its subsidiaries) in connection with the failure of the spin-off to qualify for tax-free treatment under Sections 355 and 368(a)(1)(D) of the Code, to the extent such failure is not attributable to the fault of either party.

Oil States has received a private letter ruling substantially to the effect that, for U.S. federal income tax purposes, (i) certain transactions to be effected in connection with the separation qualify as transactions under Sections 355 and/or 368(a) of the Code, and (ii) the distribution qualifies as a tax-free transaction under Sections 355 and 368(a)(1)(D) of the Code. In addition, Oil States will receive an opinion from its tax counsel, in form and substance acceptable to Oil States, regarding certain matters upon which the IRS will not rule. The opinion will rely on the private letter ruling as to matters covered by the private letter ruling.

Civeo will agree to certain restrictions that are intended to preserve the tax-free status of the contribution, distribution, and related transactions. During the two-year period following the spin-off, these covenants will restrict Civeo's ability to sell assets outside the ordinary course of business, to issue or sell its common stock or other securities (including securities convertible into its common stock), or to enter into any other corporate transaction that would cause Civeo to undergo either a 50% or greater change in the ownership of its voting stock or a 50% or greater change in the ownership (measured by value) of all classes of its stock. Civeo may take certain actions otherwise subject to these restrictions only if Oil States consents to the taking of such action or if Civeo obtains, and provides to Oil States, a private letter ruling from the IRS and/or an opinion from an independent law firm or accounting firm, in either case, acceptable to Oil States in its sole discretion, to the effect that such action would not jeopardize the tax-free status of the contribution, distribution, or related transactions.

Employee Matters Agreement

The Employee Matters Agreement will govern Oil States' and our compensation and employee benefit obligations with respect to the current and former employees of each company, and generally will allocate liabilities and responsibilities relating to employee compensation and benefit plans and programs and will provide for the treatment of outstanding Oil States equity and other compensation awards and programs.

The Employee Matters Agreement will generally provide that:

- Civeo will assume all liabilities and obligations relating to Civeo employees and former employees of the accommodations business;
- Civeo will assume all obligations pursuant to any collective bargaining, employment and other agreements between any Civeo employee and Oil States;
- Oil States' time-based equity and equity-based awards held by Civeo employees will be converted into similar awards with respect to Civeo common stock or cancelled and replaced with comparable awards under the EPP, with adjustments to the number of shares subject to the award and exercise price to preserve the pre spin-off value;
- Oil States' time-based equity and equity-based awards held by current and former Oil States employees or directors will remain outstanding with adjustments to the number of shares subject to the award and exercise price to preserve the pre spin-off value;
- Oil States' performance-based deferred stock awards will be cancelled with the holders thereof entitled to receive a number of time-based restricted shares of Civeo (in the case of Civeo employees) or Oil States (in the case of Oil States employees) to preserve the pre-spinoff value of the prior award, assuming settlement based upon the actual attainment of performance objectives to date as of Oil States' most recently-completed fiscal quarter;
- Account balances under Oil States' tax-qualified savings plan which relate to Civeo employees and former employees of the accommodations business will be transferred directly to the tax-qualified savings plan that Civeo will establish;
- Responsibility for amounts held by current Civeo employees and former employees of the accommodations business pursuant to Oil States' nonqualified deferred compensation plan will be transferred to a comparable plan of Civeo as soon as practicable following the spin-off, with the portion of assets held pursuant to the "rabbi" trust relating to Oil States' nonqualified deferred compensation plan being transferred contemporaneously; and

- Unless otherwise agreed by Oil States and Civeo, following the spin-off, Civeo employees will cease active participation under all benefit plans sponsored by Oil States and, to the extent Civeo has adopted such plans, will be covered under the corresponding benefit plans of Civeo. Civeo will recognize service with Oil States for all purposes of determining vesting, eligibility and benefit level under Civeo's benefit plans and will provide credit for all deductibles and other limitations under the Civeo benefit plans to the extent the Civeo employee and former accommodations business employee satisfied the obligation under the corresponding Oil States benefit plan.

Indemnification and Release Agreement

The Indemnification and Release Agreement will govern the treatment of all aspects relating to indemnification, insurance, litigation responsibility and management, and litigation document sharing and cooperation. Generally, the Indemnification and Release Agreement will provide for cross-indemnities principally designed to place financial responsibility for the obligations and liabilities of our business with us and financial responsibility for the obligations and liabilities of Oil States' business with Oil States. The Indemnification and Release Agreement will also establish procedures for handling claims subject to indemnification and related matters. Pursuant to the Indemnification and Release Agreement, we and Oil States will generally release the other party from all claims arising prior to the spin-off other than claims arising under the transaction agreements, including the indemnification provisions described above. The Indemnification and Release Agreement also provides that we will use our commercially reasonable efforts to remove Oil States as party to certain contracts. In the event that we are unable to remove Oil States as a party, we have agreed to indemnify Oil States for any liabilities relating to such contracts. Furthermore, until we remove Oil States as a party, we have agreed that, without the prior written consent of Oil States, we will not enter into any transaction that is reasonably likely to result in a violation of the financial covenants in our new revolving credit facility as in effect on the date of the spin-off without regard to any waivers or modifications. In addition, we have agreed not to enter into any transaction that results in any person or entity owning more than 50% of our outstanding economic or voting equity unless such person or entity has agreed to indemnify Oil States for any liability under such contracts.

OTHER RELATED PARTY TRANSACTIONS

In addition to the related party transactions described in "Arrangements Between Oil States and Our Company" above, this section discusses other transactions and relationships with related persons during the past three fiscal years. As a current subsidiary of Oil States, we engage in related party transactions with Oil States. Those transactions are described in more detail in Note 16 in the accompanying combined financial statements.

Policies and Procedures with Respect to Related Party Transactions and Conflicts of Interest

Prior to the spin-off, our board of directors will adopt procedures for approving related party transactions. We will review all relationships and transactions in which we and our directors and executive officers or their immediate family members are participants to determine whether such persons have a direct or indirect material interest. Our Corporate Secretary's office will be primarily responsible for the development and implementation of processes and controls to obtain information from the directors and executive officers with respect to related person transactions and for then determining, based on the facts and circumstances, whether we or a related person has a direct or indirect material interest in the transaction. As required under the rules of the SEC, transactions that are determined to be directly or indirectly material to us or a related person will be filed with the SEC when required, and disclosed in our proxy statement.

Our Business Conduct & Ethics Code will prohibit conflicts of interest. Any waivers of these guidelines must be approved by the Nominating & Corporate Governance Committee of our board of directors. Under the Business Conduct & Ethics Code, conflicts of interest occur when private or family interests interfere in any way, or even appear to interfere, with our interests. Our prohibition on conflicts of interest under the Business Conduct & Ethics Code will include related person transactions.

We will have multiple processes for reporting conflicts of interests, including related party transactions. Under the Business Conduct & Ethics Code, all directors and employees will be required to report any actual or apparent conflict of interest, or potential conflict of interest, to their supervisors. Any transaction involving related persons must be reported in writing by our division executives as part of their quarterly representation letter. This information will then reviewed by disinterested members of our Nominating & Corporate Governance Committee, our board of directors or our independent registered public accounting firm, as deemed appropriate, and discussed with management. As part of this review, the following factors will generally be considered:

- the nature of the related person's interest in the transaction;
- the material terms of the transaction, including, without limitation, the amount and type of the transaction;
- the importance of the transaction to the related person;
- the importance of the transaction to us;
- whether the transaction would impair the judgment of a director or executive officer to act in the best interest of our Company;
- whether the transaction might affect the status of a director as independent under the independence standards of the NYSE; and
- any other matters deemed appropriate with respect to the particular transaction.

Ultimately, all material related party transactions must be approved or ratified by the Nominating & Corporate Governance Committee of our board of directors. Any member of the Nominating & Corporate Governance Committee who is a related person with respect to a transaction will be recused from the review of the transaction.

In addition, we will annually distribute a questionnaire to our executive officers and members of our board of directors requesting certain information regarding, among other things, their immediate family members, employment and beneficial ownership interests. This information will then be reviewed for any conflicts of interest under the Business Conduct & Ethics Code.

We also will have other policies and procedures to prevent conflicts of interest, including related person transactions. For example, the charter of our Nominating & Governance Committee will require that the members of such committee assess the independence of the non-management directors at least annually, including a requirement that it determine whether or not any such directors have a material relationship with us, either directly or indirectly, as defined therein and as further described above under "Management—Director Independence."

To establish restrictions with regard to corporate participation in the political system as imposed by law, the following guidelines will be contained in our Business Conduct and Ethics Code:

- No funds, assets, or services of the Company will be used for political contributions, directly or indirectly, unless allowed by applicable foreign and U.S. law and approved in advance by the board of directors.

- Company contributions to support or oppose public referenda or similar ballot issues are only permitted with advance approval of the board of directors.

- Employees, if eligible under applicable foreign and U.S. law, may make political contributions through legally established Company sponsored and approved political action committees. Any such personal contribution is not a deductible expense for federal or other applicable income tax purposes and is not eligible for reimbursement by the Company as a business expense. To the extent permitted by law, the Company's resources may be used to establish and administer a political action committee or separate segregated fund. All proposed activities shall be submitted for the review of, and approval by, the board of directors prior to their implementation.

DESCRIPTION OF MATERIAL INDEBTEDNESS

In connection with the spin-off, we expect to enter into (i) a $650.0 million, 5-year revolving credit facility which is currently expected to be allocated as follows: (A) a $450.0 million senior secured revolving credit facility in favor of Civeo, as borrower, (B) a $100.0 million senior secured revolving credit facility in favor of certain of our Canadian subsidiaries, as borrowers, and (C) a $100.0 million senior secured revolving credit facility in favor of one of our Australian subsidiaries, as borrower and (ii) a $775.0 million, 5-year term loan facility in an amount to be determined up to $775.0 million in favor of Civeo. U.S. Dollar amounts outstanding under the credit facilities are expected to bear interest at a variable rate equal to LIBOR plus a margin of 1.75% to 2.75%, or a base rate plus 0.75% to 1.75%, in each case based on a ratio of our total leverage to EBITDA (as defined in the credit facilities). Canadian Dollar amounts outstanding under the credit facilities are expected to bear interest at a variable rate equal to CDOR plus a margin of 1.75% to 2.75%, or a base rate plus a margin of 0.75% to 1.75%, in each case based on a ratio of our total leverage to EBITDA (as defined in the credit facilities). Australian Dollar amounts outstanding under the credit facilities are expected to bear interest at a variable rate equal to BBSY plus a margin of 1.75% to 2.75%, based on our total leverage. We expect to pay certain customary fees with respect to the indebtedness. We anticipate that, upon closing of the spin-off, our U.S. term loan facility will be fully drawn and that we will have no borrowings outstanding under our credit facilities.

We expect that the credit facility will contain customary affirmative and negative covenants that, among other things, limit or restrict (i) subsidiary indebtedness, liens and fundamental changes to be determined, (ii) asset sales, (iii) margin stock, (iv) specified acquisitions, (v) restrictive agreements, (vi) transactions with affiliates and (vii) investments and other restricted payments, including dividends and other distributions.

DESCRIPTION OF CAPITAL STOCK

The following is a description of the material terms of our capital stock as to be provided in our amended and restated certificate of incorporation and amended and restated bylaws. We also refer you to our amended and restated certificate of incorporation and amended and restated bylaws, copies of which are filed as exhibits to the registration statement of which this information statement forms a part.

Authorized Capitalization

Following completion of the spin-off, our authorized capital stock will consist of (i) 550,000,000 shares of common stock, par value $0.01 per share, of which we expect 106,112,722 shares will be issued and outstanding, based on the number of shares of Oil States common stock expected to be outstanding as of the record date, and (ii) 50,000,000 shares of preferred stock, par value $0.01 per share, of which no shares will be issued and outstanding.

Common Stock

Except as provided by law or in a preferred stock designation, holders of common stock are entitled to one vote for each share held of record on all matters submitted to a vote of the stockholders, will have the exclusive right to vote for the election of directors and do not have cumulative voting rights. Except as otherwise required by law, holders of common stock are not entitled to vote on any amendment to the amended and restated certificate of incorporation (including any certificate of designations relating to any series of preferred stock) that relates solely to the terms of any outstanding series of preferred stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to the amended and restated certificate of incorporation (including any certificate of designations relating to any series of preferred stock) or pursuant to the DGCL. Subject to prior rights and preferences that may be applicable to any outstanding shares or series of preferred stock, holders of common stock are entitled to receive ratably in proportion to the shares of common stock held by them such dividends (payable in cash, stock or otherwise), if any, as may be declared from time to time by our board of directors out of funds legally available for dividend payments. All outstanding shares of common stock are fully paid and non-assessable, and the shares of common stock to be issued in connection with the-spin off will be fully paid and non-assessable. The holders of common stock have no preferences or rights of conversion, exchange, pre-emption or other subscription rights. There are no redemption or sinking fund provisions applicable to the common stock. In the event of any voluntary or involuntary liquidation, dissolution or winding-up of our affairs, holders of common stock will be entitled to share ratably in our assets in proportion to the shares of common stock held by then that are remaining after payment or provision for payment of all of our debts and obligations and after distribution in full of preferential amounts to be distributed to holders of outstanding shares of preferred stock, if any.

Preferred Stock

Our amended and restated certificate of incorporation authorizes our board of directors, subject to any limitations prescribed by law, without further stockholder approval, to establish and to issue from time to time one or more classes or series of preferred stock, par value $0.01 per share, covering up to an aggregate of 50,000,000 shares of preferred stock. Each class or series of preferred stock will cover the number of shares and will have the powers, preferences, rights, qualifications, limitations and restrictions determined by the board of directors, which may include, among others, dividend rights, liquidation preferences, voting rights, conversion rights, preemptive rights and redemption rights. Except as provided by law or in a preferred stock designation, the holders of preferred stock will not be entitled to vote at or receive notice of any meeting of stockholders.

Anti-Takeover Effects of Provisions of Our Amended and Restated Certificate of Incorporation, our Amended and Restated Bylaws and Delaware Law

Some provisions of Delaware law, our amended and restated certificate of incorporation and our amended and restated bylaws contain provisions that could make the following transactions more difficult: acquisitions of us by means of a tender offer, a proxy contest or otherwise; or removal of our incumbent officers and directors. These provisions may also have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish or could deter transactions that stockholders may otherwise consider to be in their best interest or in our best interests, including transactions that might result in a premium over the market price for our shares.

These provisions are expected to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with us. We believe that the benefits of increased protection and our potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us outweigh the disadvantages of discouraging these proposals because, among other things, negotiation of these proposals could result in an improvement of their terms.

Delaware Law

We are subject to Section 203 of the DGCL, which prohibits a Delaware corporation, including those whose securities are listed for trading on the NYSE, from engaging in any business combination with any interested stockholder for a period of three years following the date that the stockholder became an interested stockholder, unless:

- the transaction is approved by the board of directors before the date the interested stockholder attained that status;
- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced; or
- on or after such time the business combination is approved by the board of directors and authorized at a meeting of stockholders by at least two-thirds of the outstanding voting stock that is not owned by the interested stockholder.

Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws

Provisions of our amended and restated certificate of incorporation and amended and restated bylaws may delay or discourage transactions involving an actual or potential change in control or change in our management, including transactions in which stockholders might otherwise receive a premium for their shares, or transactions that our stockholders might otherwise deem to be in their best interests. Therefore, these provisions could adversely affect the price of our common stock.

Among other things, our amended and restated certificate of incorporation and amended and restated bylaws:

- provide that, upon completion of the spin-off, our directors will be divided into three classes serving staggered three-year terms, with only one class being elected each year by our stockholders. This classified board may discourage a third party from making a tender offer or otherwise attempting to obtain control of us, because it generally makes it more difficult for stockholders to replace a majority of our directors;
- provide that our directors may only be removed for cause by the affirmative vote of the holders of a majority of the voting power of the shares of common stock generally entitled to vote in the election of directors, voting together as a single class;
- establish advance notice procedures with regard to stockholder proposals relating to the nomination of candidates for election as directors or new business to be brought before meetings of our stockholders. These procedures provide that notice of stockholder proposals must be timely given in writing to our corporate secretary prior to the meeting at which the action is to be taken. Generally, to be timely, notice must be received at our principal executive offices not later than 120 days prior to the first anniversary date of the annual meeting for the preceding year. Our amended and restated bylaws specify the requirements as to form and content of all stockholders' notices. These requirements may preclude stockholders from bringing matters before the stockholders at an annual or special meeting;
- provide our board of directors the ability to authorize undesignated preferred stock. This ability makes it possible for our board of directors to issue, without stockholder approval, preferred stock with voting or other rights or preferences that could impede the success of any attempt to change control of us. These and other provisions may have the effect of deferring hostile takeovers or delaying changes in control or management of our company;
- provide that the authorized number of directors may be changed only by resolution of the board of directors;

- provide that all vacancies, including newly created directorships, may, except as otherwise required by law or, if applicable, the rights of holders of a series of preferred stock, be filled by the affirmative vote of a majority of directors then in office, even if less than a quorum;
- provide that any action required or permitted to be taken by the stockholders must be effected at a duly called annual or special meeting of stockholders and may not be effected by any consent in writing in lieu of a meeting of such stockholders, subject to the rights of the holders of any series of preferred stock with respect to such series;
- provide that special meetings of our stockholders may only be called by the board of directors or the chairman of the board; and
- provide that our certificate of incorporation and bylaws can be amended or repealed at any regular or special meeting of stockholders or by the board of directors, including the requirement that any amendment by the stockholders at a meeting be upon the affirmative vote of at least 66 2/3% of the shares of common stock generally entitled to vote in the election of directors.

Forum Selection

Our amended and restated certificate of incorporation provides that unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for:

- Any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees or agents to us or our stockholders;
- any action asserting a claim against us arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our bylaws; or
- any action asserting a claim against us that is governed by the internal affairs doctrine, in each such case subject to such Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein.

Our amended and restated certificate of incorporation also provides that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of and to have consented to this forum selection provision. However, it is possible that a court could find our forum selection provision to be inapplicable or unenforceable.

Limitation of Liability and Indemnification Matters

Our amended and restated certificate of incorporation limits the liability of our directors for monetary damages for breach of their fiduciary duty as directors, except for liability that cannot be eliminated under the DGCL. Delaware law provides that directors of a company will not be personally liable for monetary damages for breach of their fiduciary duty as directors, except for liabilities:

- for any breach of their duty of loyalty to us or our stockholders;
- for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- for unlawful payment of dividend or unlawful stock repurchase or redemption, as provided under Section 174 of the DGCL; or

- for any transaction from which the director derived an improper personal benefit.

Any amendment, repeal or modification of these provisions will be prospective only and would not affect any limitation on liability of a director for acts or omissions that occurred prior to any such amendment, repeal or modification.

Our amended and restated certificate of incorporation and amended and restated bylaws also provide that we will indemnify our directors and officers to the fullest extent permitted by Delaware law. Our amended and restated certificate of incorporation and amended and restated bylaws also permit us to purchase insurance on behalf of any officer, director, employee or other agent for any liability arising out of that person's actions as our officer, director, employee or agent, regardless of whether Delaware law would permit indemnification. We intend to enter into indemnification agreements with each of our current and future directors and officers. These agreements will require us to indemnify these individuals to the fullest extent permitted under Delaware law against liability that may arise by reason of their service to us, and to advance expenses incurred as a result of any proceeding against them as to which they could be indemnified. We believe that the limitation of liability provision in our amended and restated certificate of incorporation and the indemnification agreements will facilitate our ability to continue to attract and retain qualified individuals to serve as directors and officers.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A.

Listing

We have been approved to list our common stock on the NYSE under the symbol "CVEO".

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a Registration Statement on Form 10 for the shares of common stock that Oil States stockholders will receive in the distribution. This information statement does not contain all of the information contained in the Form 10 and the exhibits to the Form 10. We have omitted some items in accordance with the rules and regulations of the SEC. For additional information relating to us and the spin-off, we refer you to the Form 10 and its exhibits, which are on file at the offices of the SEC. Statements contained in this information statement about the contents of any contract or other document referred to may not be complete, and in each instance, if we have filed the contract or document as an exhibit to the Form 10, we refer you to the copy of the contract or other documents so filed. We qualify each statement in all respects by the relevant reference.

You may inspect and copy the Form 10 and exhibits that we have filed with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at (800) SEC-0330 for further information on the Public Reference Room. In addition, the SEC maintains an Internet site at *www.sec.gov*, from which you can electronically access the Form 10, including its exhibits.

We maintain an Internet site at *www.civeo.com*. We do not incorporate our Internet site, or the information contained on that site or connected to that site, into the information statement or our Registration Statement on Form 10.

As a result of the distribution, we will be required to comply with the full informational requirements of the Exchange Act. We will fulfill those obligations with respect to these requirements by filing periodic reports and other information with the SEC.

We plan to make available free of charge on our website, at *www.civeo.com*, all materials that we file electronically with the SEC, including our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, Section 16 reports and amendments to these reports as soon as reasonably practicable after such materials are electronically filed with, or furnished to, the SEC. You also can obtain information about us at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

You should rely only on the information contained in this information statement or to which we have referred you. We have not authorized any person to provide you with different information or to make any representation not contained in this information statement.

ACCOMMODATIONS BUSINESS OF OIL STATES INTERNATIONAL, INC.

INDEX TO FINANCIAL STATEMENTS, SUPPLEMENTARY DATA AND SCHEDULES

ACCOMMODATIONS BUSINESS OF OIL STATES INTERNATIONAL, INC.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Oil States International, Inc.:

We have audited the accompanying combined balance sheets of the Accommodations Business of Oil States International, Inc. (the "Accommodations Business") as of December 31, 2013 and 2012, and the related combined statements of income, comprehensive income, changes in net investment, and cash flows for each of the three years in the period ended December 31, 2013. These financial statements are the responsibility of Oil States International, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Accommodations Business's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined financial position of the Accommodations Business of Oil States International, Inc. at December 31, 2013 and 2012, and the combined results of its operations and its cash flows for each of the three years in the period ended December 31, 2013, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Houston, Texas
March 18, 2014

ACCOMMODATIONS BUSINESS OF OIL STATES INTERNATIONAL, INC.

COMBINED STATEMENTS OF INCOME
(In thousands)

	Year Ended December 31,		
	2013	**2012**	**2011**
Revenues:			
Service and other	$ 1,016,769	$ 1,069,439	$ 848,786
Product	24,335	39,436	15,915
	1,041,104	1,108,875	864,701
Costs and expenses:			
Service and other costs	530,575	517,746	444,138
Product costs	19,040	34,612	12,222
Selling, general and administrative expenses	69,590	64,206	54,374
Depreciation and amortization expense	167,213	139,047	110,708
Other operating (income) expense	(4,770)	335	1,100
	781,648	755,946	622,542
Operating income	259,456	352,929	242,159
Interest expense to affiliates	(18,933)	(20,456)	(15,251)
Interest expense to third-parties, net of capitalized interest	(6,029)	(7,415)	(6,491)
Interest income from third-parties	2,332	1,712	1,724
Loss on extinguishment of debt	(1,207)	-	-
Other income	3,749	3,438	2,400
Income before income taxes	239,368	330,208	224,541
Income tax provision	(56,056)	(84,266)	(55,110)
Net income	$ 183,312	$ 245,942	$ 169,431
Less: Net income attributable to noncontrolling interests	1,436	1,221	926
Net income attributable to Accommodations Business of Oil States International, Inc.	$ 181,876	$ 244,721	$ 168,505

ACCOMMODATIONS BUSINESS OF OIL STATES INTERNATIONAL, INC.

COMBINED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)

	Year Ended December 31,		
	2013	**2012**	**2011**
Net income	$ 183,312	$ 245,942	$ 169,431
Other comprehensive income:			
Foreign currency translation adjustment	(167,712)	16,919	3,216
Total other comprehensive income	(167,712)	16,919	3,216
Comprehensive income	15,600	262,861	172,647
Comprehensive income attributable to noncontrolling interest	(1,345)	(1,238)	(905)
Comprehensive income attributable to Accommodations Business of Oil States International, Inc.	$ 14,255	$ 261,623	$ 171,742

ACCOMMODATIONS BUSINESS OF OIL STATES INTERNATIONAL, INC.

COMBINED BALANCE SHEETS
(In thousands)

	December 31,	
	2013	**2012**
ASSETS		
Current assets:		
Cash	$ 224,128	$ 161,396
Accounts receivable, net	177,845	208,581
Inventories	29,815	19,654
Prepaid expenses and other current assets	11,769	7,336
Total current assets	443,557	396,967
Property, plant and equipment, net	1,325,867	1,317,532
Goodwill, net	261,056	295,132
Other intangible assets, net	75,675	97,569
Other noncurrent assets	20,895	25,725
Total assets	$ 2,127,050	$ 2,132,925
LIABILITIES AND NET INVESTMENT		
Current liabilities:		
Accounts payable	$ 45,376	$ 56,697
Accrued liabilities	26,874	52,704
Income taxes	6,574	21,190
Current portion of long-term debt and capitalized leases	-	10,092
Deferred revenue	19,571	10,919
Other current liabilities	2,470	287
Total current liabilities	100,865	151,889
Long-term debt to affiliates	335,171	358,316
Long-term debt to third-parties	-	123,497
Deferred income taxes	79,739	75,044
Other noncurrent liabilities	18,530	12,534
Total liabilities	534,305	721,280
Net investment:		
Oil States International, Inc. net investment	1,651,013	1,302,664
Accumulated other comprehensive income (loss)	(59,979)	107,733
Total Oil States International, Inc. net investment	1,591,034	1,410,397
Noncontrolling interest	1,711	1,248
Total net investment	1,592,745	1,411,645
Total liabilities and net investment	$ 2,127,050	$ 2,132,925

ACCOMMODATIONS BUSINESS OF OIL STATES INTERNATIONAL, INC.

COMBINED STATEMENT OF CHANGES IN NET INVESTMENT
(In thousands)

	Oil States Net Investment	Accumulated Other Comprehensive Income (Loss)	Total Oil States Net Investment	Noncontrolling Interest	Total Net Investment
Balance, December 31, 2010	$ 872,225	$ 87,598	$ 959,823	$ 860	$ 960,683
Net income	168,505		168,505	926	169,431
Currency translation adjustment		3,216	3,216	(20)	3,196
Dividends paid				(859)	(859)
Distributions to Oil States International, Inc.	(9,355)		(9,355)		(9,355)
Balance, December 31, 2011	$ 1,031,375	$ 90,814	$ 1,122,189	$ 907	$ 1,123,096
Net income	244,721		244,721	1,221	245,942
Currency translation adjustment		16,919	16,919	17	16,936
Dividends paid				(897)	(897)
Net transfers from Oil States International, Inc.	26,568		26,568		26,568
Balance, December 31, 2012	$ 1,302,664	$ 107,733	$ 1,410,397	$ 1,248	$ 1,411,645
Net income	181,876		181,876	1,436	183,312
Currency translation adjustment		(167,712)	(167,712)	(91)	(167,803)
Dividends paid				(882)	(882)
Net transfers from Oil States International, Inc.	166,473		166,473		166,473
Balance, December 31, 2013	$ 1,651,013	$ (59,979)	$ 1,591,034	$ 1,711	$ 1,592,745

ACCOMMODATIONS BUSINESS OF OIL STATES INTERNATIONAL, INC.

COMBINED STATEMENTS OF CASH FLOWS

(In thousands)

	Year Ended December 31,		
	2013	**2012**	**2011**
Cash flows from operating activities:			
Net income	$ 183,312	$ 245,942	$ 169,431
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	167,213	139,047	110,708
Deferred income tax provision	11,607	13,812	18,371
Non-cash compensation charge	4,894	3,258	2,322
Gains on disposals of assets	(2,395)	(3,315)	(2,428)
Provision for losses on accounts receivable	2,099	129	1,492
Fair value adjustment of contingent consideration	(3,448)	1,260	(409)
Other, net	506	(500)	(919)
Changes in operating assets and liabilities:			
Accounts receivable	12,554	(12,096)	(65,309)
Inventories	(11,885)	10,963	(14,679)
Accounts payable and accrued liabilities	(28,257)	27,188	33,465
Taxes payable	(24,921)	28,316	(253)
Other current assets and liabilities, net	26,099	(21,341)	31,671
Net cash flows provided by operating activities	337,378	432,663	283,463
Cash flows from investing activities:			
Capital expenditures, including capitalized interest	(291,694)	(314,047)	(348,504)
Acquisitions of businesses, net of cash acquired	—	—	(2,200)
Proceeds from disposition of property, plant and equipment	7,488	8,346	3,996
Net cash flows used in investing activities	(284,206)	(305,701)	(346,708)
Cash flows from financing activities:			
Revolving credit borrowings and (repayments), net	(47,901)	3,814	(38,060)
Term loan repayments	(82,762)	(10,047)	(4,972)
Borrowings of long-term debt from Oil States	—	—	131,957
Contributions from (distributions to) Oil States	160,998	15,267	(17,246)
Debt and capital lease repayments	—	(4,075)	(1,984)
Payment of financing costs	—	(3,442)	(259)
Net cash flows provided by financing activities	30,335	1,517	69,436
Effect of exchange rate changes on cash	(20,775)	843	(11,469)
Net increase (decrease) in cash	62,732	129,322	(5,278)
Cash, beginning of year	161,396	32,074	37,352
Cash, end of year	$ 224,128	$ 161,396	$ 32,074

NOTES TO COMBINED FINANCIAL STATEMENTS

1. Spin-off, Description of Business and Basis of Presentation

Spin-off

On July 30, 2013, Oil States International, Inc. ("Oil States") announced that its board of directors had unanimously approved pursuing a plan to separate its Accommodations Segment ("Accommodations") into a standalone, publicly traded company, SpinCo ("SpinCo"), generally through a spin-off that is expected to be completed in accordance with a separation and distribution agreement between Oil States and SpinCo (the "Spin-Off"). The Spin-Off will be tax free to the stockholders, Oil States and SpinCo. Oil States intends to distribute, on a pro rata basis, shares of SpinCo common stock to the Oil States stockholders as of the record date for the Spin-Off. Upon completion of the Spin-Off, Oil States and SpinCo will each be independent and have separate public ownership, boards of directors and management. The Spin-Off is subject to final approval by Oil States' board of directors, which approval is subject to, among other things, receipt of a private letter ruling from the Internal Revenue Service and an opinion of tax counsel, in each case with respect to the tax-free nature of the Spin-Off. SpinCo was incorporated in Delaware as a wholly owned subsidiary of Oil States on October 8, 2013.

Unless otherwise stated or the context otherwise indicates, all references in these combined financial statements to "us," "our" or "we" mean the Accommodations Segment. All subsidiaries and equity method investments not contributed by Oil States to SpinCo will remain with Oil States and, together with Oil States, are referred to as "Oil States".

Description of the Business

We are one of North America's and Australia's largest integrated providers of accommodations services for people working in remote locations. Our scalable modular facilities provide temporary and long-term work force accommodations where traditional infrastructure is not accessible or cost effective. Once facilities are deployed in the field, we also provide catering and food services, housekeeping, laundry, facility management, water and wastewater treatment, power generation, communications and redeployment logistics. Our accommodations support workforces in the Canadian oil sands and in a variety of oil and natural gas drilling, mining and related natural resource applications as well as disaster relief efforts, primarily in Canada, Australia and the United States. Accommodations operates in three principal reportable business segments – Canadian, Australian and U.S.

Basis of Presentation

These combined financial statements have been prepared on a stand-alone basis and are derived from the consolidated financial statements and accounting records of Oil States. The combined financial statements reflect our financial position, results of operations and cash flows as we were historically managed, in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The combined financial statements include certain assets and liabilities that have historically been held at the Oil States corporate level but are specifically identifiable or otherwise attributable to us.

All intercompany transactions between the combined operations have been eliminated. All affiliate transactions between Accommodations and Oil States have been included in these combined financial statements. The total net effect of the settlement of these affiliate transactions is reflected in the combined balance sheets as "Net Investment of Oil States International, Inc."

Our combined financial statements include expense allocations for: (1) certain corporate functions historically provided by Oil States, including, but not limited to finance, legal, risk management, tax, treasury, information technology, human resources, and certain other shared services; (2) certain employee benefits and incentives; and (3) share-based compensation. These expenses have been allocated to us on the basis of direct usage when identifiable, with the remainder allocated based on estimated time spent by Oil States personnel, a pro-rata basis of headcount or other relevant measures of Accommodations and Oil States and its subsidiaries. Both Accommodations and Oil States consider the basis on which the expenses have been allocated to be a reasonable reflection of the utilization of services provided to or the benefit received by us during the periods presented. The allocations may not, however, reflect the expense we would have incurred as an independent, publicly traded company for the periods presented. Actual costs that may have been incurred if we had been a stand-alone company would depend on a number of factors, including the chosen organizational structure, which functions were outsourced or performed by employees and strategic decisions made in areas such as information technology and infrastructure. Following the Spin-Off, Accommodations will perform these functions using its own resources or purchased services. For an interim period, however, some of these functions will continue to be provided by Oil States under a Transition Services Agreement, which are planned to extend for a period of 6 to 12 months.

We record noncontrolling interest in our combined financial statements to recognize the minority ownership interest in our combined subsidiaries. Noncontrolling interest in the earnings and losses of subsidiaries represent the share of net income or loss allocated to these subsidiaries.

2. Summary of Significant Accounting Policies

Cash

Accommodations considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Fair Value of Financial Instruments

Accommodations' financial instruments consist of cash, investments, receivables, payables, and debt instruments. Accommodations believes that the carrying values of these instruments, other than our long-term debt to affiliates, on the combined balance sheets approximate their fair values.

The fair values of our long-term debt with affiliates are estimated based on analysis of similar instruments (Level 2 fair value measurements). The carrying values and fair values of this debt are as follows for the periods indicated (in thousands):

	December 31, 2013		December 31, 2012	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term debt to affiliates	$ 335,171	$ 361,264	$ 358,316	$ 380,296

Inventories

Inventories consist of work in process, raw materials and supplies and materials for the construction and operation of remote accommodation facilities. Inventories also include food, raw materials, labor, subcontractor charges, manufacturing overhead and catering and other supplies needed for operation of our facilities. Inventories are carried at the lower of cost or market. The cost of inventories is determined on a standard cost, average cost or specific-identification method.

Property, Plant, and Equipment

Property, plant, and equipment are stated at cost or at estimated fair market value at acquisition date if acquired in a business combination, and depreciation is computed, for assets owned or recorded under capital lease, using the straight-line method, after allowing for salvage value where applicable, over the estimated useful lives of the assets. Leasehold improvements are capitalized and amortized over the lesser of the life of the lease or the estimated useful life of the asset.

Expenditures for repairs and maintenance are charged to expense when incurred. Expenditures for major renewals and betterments, which extend the useful lives of existing equipment, are capitalized and depreciated. Upon retirement or disposition of property and equipment, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in the combined statements of income.

Asset Retirement Obligations

We recognize initial estimated asset retirement obligations (ARO) related to properties as liabilities, with an associated increase in property and equipment for the asset's estimated retirement cost. Accretion expense is recognized over the estimated productive life of the related assets. If the fair value of the estimated ARO changes, an adjustment is recorded to both the ARO and the capitalized asset retirement cost. Revisions in estimated liabilities can result from changes in estimated inflation rates, changes in service and equipment costs and changes in the estimated timing of settling the ARO. Accommodations relieves ARO liabilities when the related obligations are settled. At December 31, 2013 and 2012, $6.1 million and $5.5 million, respectively, of ARO was included in the Balance Sheet in "Other noncurrent liabilities." The ARO liability reflects the estimated present value of the amount of asset removal and site reclamation costs related to the retirement of Accommodations' assets. Total expense related to the ARO was $0.3 million in 2013 and 2012. There was no accretion expense related to the ARO in 2011. Accommodations utilizes current retirement costs to estimate the expected cash outflows for retirement obligations. Accommodations estimates the ultimate productive life of the properties and a risk-adjusted discount rate in order to determine the current present value of the obligation.

Goodwill and Intangible Assets

Goodwill represents the excess of the purchase price paid for acquired businesses over the allocated fair value of the related net assets after impairments, if applicable.

We evaluate goodwill for impairment annually and when an event occurs or circumstances change to suggest that the carrying amount may not be recoverable. All three of our reporting units have goodwill. In accordance with current accounting standards, we are given the option to test for impairment of our goodwill by first performing a qualitative assessment to determine whether it is more likely than not (that is, likelihood of more than 50 percent) that the fair value of a reporting unit is less than its carrying amount, including goodwill. If it is determined that it is more likely than not that the fair value of a reporting unit is greater than its carrying amount, then performing the currently prescribed two-step impairment test is unnecessary. In developing a qualitative assessment to meet the "more-likely-than-not" threshold, we assessed separately and different relevant events and circumstances. Current accounting standards also give us the option to bypass the qualitative assessment for any reporting unit in any period and proceed directly to performing the first step of the two-step goodwill impairment test. In 2013, Accommodations chose to bypass the qualitative assessment and perform the two-step impairment test. In performing the two-step impairment test, we compare reporting unit's carrying amount, including goodwill, to the implied fair value (IFV) of the reporting unit. The IFV of the reporting unit is estimated using an analysis of trading multiples of comparable companies to ours. We also utilize discounted projected cash flows and acquisition multiples analyses in certain circumstances. We discount our projected cash flows using a long-term weighted average cost of capital based on our estimate of investment returns that would be required by a market participant. If the carrying amount of the reporting unit exceeds its fair value, goodwill is considered impaired, and a second step is performed to determine the amount of impairment, if any. We conduct our annual impairment test as of December of each year. In 2011, 2012 and 2013, our goodwill impairment tests indicated that the fair value of each of our reporting units is greater than its carrying amount.

For intangible assets that we amortize, we review the useful life of the intangible asset and evaluate each reporting period whether events and circumstances warrant a revision to the remaining useful life. We evaluate the remaining useful life of an intangible asset that is not being amortized each reporting period to determine whether events and circumstances continue to support an indefinite useful life. We are required to evaluate our indefinite-lived intangible assets for impairment annually and when an event occurs or circumstances change to suggest the carrying amount may not be recoverable. In performing the impairment test, we compare the fair value of the indefinite-lived intangible asset with its carrying amount with the measurement of the impairment based on the excess of the carrying value over its fair value.

See Note 7 – Goodwill and Other Intangible Assets.

Impairment of Long-Lived Assets

In compliance with current accounting standards regarding the accounting for the impairment or disposal of long-lived assets at the asset group level, the recoverability of the carrying values of long-lived assets, including finite-lived intangible assets, is assessed at a minimum annually, or whenever, in management's judgment, events or changes in circumstances indicate that the carrying value of such asset groups may not be recoverable based on estimated future cash flows. If this assessment indicates that the carrying values will not be recoverable, as determined based on undiscounted cash flows over the remaining useful lives, an impairment loss is recognized. The impairment loss equals the excess of the carrying value over the fair value of the asset group. The fair value of the asset group is based on prices of similar assets, if available, or discounted cash flows. Based on Accommodations' review, the carrying values of its asset groups are recoverable, and no impairment losses have been recorded for the periods presented.

Foreign Currency and Other Comprehensive Income

Gains and losses resulting from combined balance sheet translation of foreign operations where a foreign currency is the functional currency are included as a separate component of accumulated other comprehensive income within the net investment account representing substantially all of the balances within accumulated other comprehensive income. Remeasurements of intercompany loans denominated in a different currency than the functional currency of the entity that are of a long-term investment nature are recognized as other comprehensive income within the net investment account. Gains and losses resulting from combined balance sheet remeasurements of assets and liabilities denominated in a different currency than the functional currency, other than intercompany loans that are of a long-term investment nature, are included in the combined statements of income as incurred.

Foreign Exchange Risk

A significant portion of revenues, earnings and net investments in foreign affiliates are exposed to changes in foreign currency exchange rates. We seek to manage our foreign exchange risk in part through operational means, including managing expected local currency revenues in relation to local currency costs and local currency assets in relation to local currency liabilities. We have not entered into any foreign currency forward contracts.

Interest Capitalization

Interest costs for the construction of certain long-term assets are capitalized and amortized over the related assets' estimated useful lives. For the years ended December 31, 2013, 2012, and 2011, $0.8 million, $3.5 million and $5.1 million were capitalized, respectively.

Revenue and Cost Recognition

Accommodations derives the majority of its revenue from lodging and related ancillary services. In each of Accommodations' operating segments, revenue is recognized in the period in which services are provided pursuant to the terms of Accommodations' contractual relationships with its customers. In some contracts, rates may vary over the contract term. In these cases, revenue may be deferred and recognized on a straight-line basis over the contract term. Revenue from the sale of products, not accounted for utilizing the percentage-of-completion method, is recognized when delivery to and acceptance by the customer has occurred, when title and all significant risks of ownership have passed to the customer, collectability is reasonably assured and pricing is fixed and determinable. Our product sales terms do not include significant post-delivery obligations. For significant projects, revenues are recognized under the percentage-of-completion method, measured by the percentage of costs incurred to date compared to estimated total costs for each contract (cost-to-cost method). Billings on such contracts in excess of costs incurred and estimated profits are classified as deferred revenue. Costs incurred and estimated profits in excess of billings on percentage-of-completion contracts are recognized as unbilled receivables. Management believes this method is the most appropriate measure of progress on large contracts. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Factors that may affect future project costs and margins include weather, production efficiencies, availability and costs of labor, materials and subcomponents. These factors can significantly impact the accuracy of Accommodations' estimates and materially impact Accommodations' future reported earnings. Revenues exclude taxes assessed based on revenues such as sales or value added taxes.

Cost of services includes labor, food, utility costs, cleaning supplies, and other costs of operating the accommodations facilities of Accommodations. Cost of goods sold includes all direct material and labor costs and those costs related to contract performance, such as indirect labor, supplies, tools and repairs. Selling, general, and administrative costs are charged to expense as incurred.

Income Taxes

Accommodations' operations are subject to United States federal, state and local, and foreign income taxes. In the U.S., Accommodations' operations have historically been included in Oil States' income tax returns. In preparing its combined financial statements, Accommodations has determined its tax provision on a separate return, stand-alone basis.

Because portions of Accommodations' operations are included in Oil States' tax returns, payments to certain tax authorities are made by Oil States, and not by Accommodations. With the exception of certain dedicated foreign entities, we do not maintain taxes payable to/from our Parent and we are deemed to settle the annual current tax balances immediately with the legal tax-paying entities in the respective jurisdictions. These settlements are reflected as changes in the Oil States International, Inc. net investment account.

We determine the provision for income taxes using the asset and liability approach. Under this approach, deferred income taxes represent the expected future tax consequences of temporary differences between the carrying amounts and tax bases of assets and liabilities.

Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized. In assessing the need for a valuation allowance, we look to the future reversal of existing taxable temporary differences, taxable income in carryback years, the feasibility of tax planning strategies and estimated future taxable income. The valuation allowance can be affected by changes to tax laws, changes to statutory tax rates and changes to future taxable income estimates.

We recognize tax benefits from uncertain tax positions only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the combined financial statements from such positions are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement.

Receivables and Concentration of Credit Risk

Based on the nature of its customer base, Accommodations does not believe that it has any significant concentrations of credit risk other than its concentration in the worldwide oil and gas and Australian mining industries. Accommodations evaluates the credit-worthiness of its significant, new and existing customers' financial condition and, generally, Accommodations does not require significant collateral from its customers.

Allowances for Doubtful Accounts

Accommodations maintains allowances for doubtful accounts for estimated losses resulting from the inability of Accommodations' customers to make required payments. If a trade receivable is deemed to be uncollectible, such receivable is charged-off against the allowance for doubtful accounts. Accommodations considers the following factors when determining if collection of revenue is reasonably assured: customer credit-worthiness, past transaction history with the customer, current economic industry trends, customer solvency and changes in customer payment terms. If Accommodations has no previous experience with the customer, Accommodations typically obtains reports from various credit organizations to ensure that the customer has a history of paying its creditors. Accommodations may also request financial information, including combined financial statements or other documents to ensure that the customer has the means of making payment. If these factors do not indicate collection is reasonably assured, Accommodations would require a prepayment or other arrangement to support revenue recognition and recording of a trade receivable. If the financial condition of Accommodations' customers were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required.

Stock-Based Compensation

Oil States sponsors the equity participation plan in which certain employees of Accommodations participate. Current accounting standards regarding share-based payments require companies to measure the cost of employee services received in exchange for an award of equity instruments (typically stock options) based on the grant-date fair value of the award. The fair value is estimated using option-pricing models. The resulting cost is recognized over the period during which an employee is required to provide service in exchange for the awards, usually the vesting period. During 2013 and 2012, Oil States also granted phantom shares under the newly created Canadian Long-Term Incentive Plan, which provides for the granting of units of phantom shares to key Canadian employees of Accommodations. These awards vest in equal annual installments and are accounted for as a liability based on the fair value of Oil States stock price. Participants granted units of phantom shares are entitled to a lump sum cash payment equal to the fair market value of a share of Oil States' common stock on the vesting date.

Canadian Retirement Savings Plan

Accommodations offers a defined contribution retirement plan to its Canadian employees. In Canada, Accommodations contributes, on a matched basis, an amount up to 5% of each Canadian based, salaried employee's earnings (base salary plus annual incentive compensation) to the legislated maximum for a Deferred Profit Sharing Plan (DPSP – Maximum for 2013 - $12,135). DPSP is a form of defined contribution retirement savings plan governed by Canadian Federal Tax legislation which provides for deferral of tax on deposit and investment return until removed from the plan to support retirement income. Employer contributions vest upon the completion of two years of service. Employee contributions are required in order to be eligible for the DPSP employer matching. Maximum employer matching (5% noted above) is attained with (6%) employee contribution which would go into a Group Registered Retirement Savings Plan (GRRSP). The two plans work in tandem. Contributions to the "Retirement Savings Plan" for Canadian employees are subject to the annual maximum total registered savings limit of $23,820 in 2013 as set out in the Canadian Tax Act.

Australian Retirement Savings Plan

Our Australian affiliate contributes to various defined contribution plans for its employee's in accordance with legislation governing the calculation of the Superannuation Guarantee Surcharge ("SGC"). SGC is contributed by the employer at a rate of 9% of the base salary of an employee, capped at the legislated maximum contribution base which is indexed annually.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Our Australian affiliate makes no investment decisions on behalf of the employee and has no obligations other than to remit the defined contributions to the plan selected by each individual employee.

Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

U.S. Retirement Savings Plan

Oil States offers a defined contribution 401(k) retirement plan to substantially all of the U.S. employees of Accommodations. Participants may contribute from 1% to 75% of their base and cash incentive compensation (subject to Internal Revenue Service limitations), and Oil States makes matching contributions under this plan on the first 6% of the participant's compensation (100% match of the first 4% employee contribution and 50% match on the next 2% contribution). Oil States matching contributions vest at a rate of 20% per year for each of the employee's first five years of service and then are immediately vested thereafter.

Guarantees

Substantially all of Accommodations' Canadian and U.S. subsidiaries are guarantors under the Oil States Credit facility. All of Accommodations' Australian subsidiaries are guarantors under Accommodations' Australian credit facility. See Note 8.

Some of our products are sold with a warranty, generally 12 months. Parts and labor are covered under the terms of the warranty agreement. Warranty provisions are estimated based upon historical experience by product, configuration and geographic region. Our total liability related to warranties was $0.2 million and less than $0.1 million at December 31, 2013 and 2012, respectively.

During the ordinary course of business, Accommodations also provides standby letters of credit or other guarantee instruments to certain parties as required for certain transactions initiated by either Accommodations or its subsidiaries. As of December 31, 2013, the maximum potential amount of future payments that Accommodations could be required to make under these guarantee agreements (letters of credit) was approximately $4.9 million. Accommodations has not recorded any liability in connection with these guarantee arrangements. Accommodations does not believe, based on historical experience and information currently available, that it is likely that any amounts will be required to be paid under these guarantee arrangements.

Use of Estimates

The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States requires the use of estimates and assumptions by management in determining the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of a few such estimates include potential future adjustments as a result of contingent consideration arrangements pursuant to business combinations and other contractual agreements, revenue and income recognized on the percentage-of-completion method, estimates of the amount and timing of costs to be incurred for asset retirement obligations, any valuation allowance recorded on net deferred tax assets, warranty and allowance for doubtful accounts. Actual results could materially differ from those estimates.

Accounting for Contingencies

We have contingent liabilities and future claims for which we have made estimates of the amount of the eventual cost to liquidate these liabilities or claims. These liabilities and claims sometimes involve threatened or actual litigation where damages have been quantified and we have made an assessment of our exposure and recorded a provision in our accounts to cover an expected loss. Other claims or liabilities have been estimated based on their fair value or our experience in these matters and, when appropriate, the advice of outside counsel or other outside experts. Upon the ultimate resolution of these uncertainties, our future reported financial results will be impacted by the difference between our estimates and the actual amounts paid to settle a liability. Examples of areas where we have made important estimates of future liabilities include future consideration due sellers as a result of the terms of a business combination, litigation, taxes, interest, insurance claims, warranty claims and contract claims and obligations.

Subsequent Events

In accordance with authoritative guidance, Accommodations evaluates all events and transactions that occur after the combined balance sheet date, but before combined financial statements are issued for possible recognition or disclosure. In connection with preparation of the combined financial statements, the Company evaluated subsequent events after the balance sheet date of December 31, 2013 through March 18, 2014, the date these combined financial statements were issued.

3. Details of Selected Combined Balance Sheet Accounts

Additional information regarding selected combined balance sheet accounts at December 31, 2013 and 2012 is presented below (in thousands):

	2013	2012
Accounts receivable, net:		
Trade	$ 128,781	$ 144,425
Unbilled revenue	47,004	61,584
Other	5,716	3,690
Total accounts receivable	181,501	209,699
Allowance for doubtful accounts	(3,656)	(1,118)
	$ 177,845	$ 208,581

	2013	2012
Inventories:		
Finished goods and purchased products	$ 3,574	$ 4,558
Work in process	14,328	7,150
Raw materials	11,913	7,946
Total inventories	$ 29,815	$ 19,654

	Estimated Useful Life	2013	2012
Property, plant and equipment, net:			
Land		$ 49,384	$ 41,450
Accommodations assets	3-15 years	1,535,407	1,481,830
Buildings and leasehold improvements	3-20 years	45,538	44,849
Machinery and equipment	4-15 years	12,259	10,316
Office furniture and equipment	3-7 years	28,755	23,311
Vehicles	3-5 years	20,197	17,395
Construction in progress		129,587	111,952
Total property, plant and equipment		1,821,127	1,731,103
Accumulated depreciation		(495,260)	(413,571)
		$ 1,325,867	$ 1,317,532

	2013	2012
Accrued liabilities:		
Accrued compensation	$ 21,988	$ 26,891
Accrued taxes, other than income taxes	1,940	2,103
Accrued interest	1,560	22,436
Other	1,386	1,274
	$ 26,874	$ 52,704

Depreciation expense was $157.0 million, $128.2 million and $99.9 million for the years ended December 31, 2013, 2012 and 2011, respectively.

4. Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board (the FASB), which are adopted by Accommodations as of the specified effective date. Unless otherwise discussed, management believes that the impact of recently issued standards, which are not yet effective, will not have a material impact on Accommodations' combined financial statements upon adoption.

5. Acquisitions and Supplemental Combined Cash Flow Information

On November 1, 2011, we purchased an open camp accommodations facility located in Carrizo Springs, Texas for total consideration of $2.2 million. The fair value of assets acquired including intangibles was $2.2 million. This facility provides accommodations support to customers working in the Eagle Ford Shale oil and gas basin in Texas. The operations of the Carrizo Springs facility have been included in our U.S. segment since the acquisition date.

Supplemental Combined Cash Flow Information

Cash paid during the years ended December 31, 2013, 2012 and 2011 for interest and income taxes was as follows (in thousands):

	2013	2012	2011
Interest (net of amounts capitalized)	$ 43,610	$ 23,239	$ 8,590
Income taxes, net of refunds	65,875	42,138	37,011
Non-cash investing activities:			
Assets acquired through lease incentives	$ —	$ —	$ 1,897

6. Mountain West Contingent Consideration

On December 20, 2010, we acquired all of the operating assets of Mountain West Oilfield Service and Supplies, Inc. and Ufford Leasing LLC (Mountain West) for total consideration of $47.1 million including estimated contingent consideration of $4.0 million. Headquartered in Vernal, Utah, with operations in the Rockies and the Bakken Shale region, Mountain West provides remote site workforce accommodations to the oil and gas industry. Mountain West has been included in the U.S. segment since the acquisition date. In December 2010, Accommodations recorded a $4.0 million liability representing the estimated fair value of the contingent consideration expected to be payable to the sellers of Mountain West on the third anniversary of the acquisition date. The contingent consideration was based on achieving a level of earnings as defined in the acquisition agreement. Defined earnings were to be adjusted prospectively for the amount of capital expenditures made in the former Mountain West business. Accommodations periodically reviewed the estimated liability for contingent consideration based on historical and forecasted earnings and capital spending based on the three-year earnout period. The total liability for this contingent consideration as of December 31, 2012 and 2011 was $4.0 million and $3.6 million, respectively. During the first quarter of 2013, the liability for the estimated contingent consideration recorded in connection with this transaction was adjusted to its estimated fair value of zero considering deteriorating market conditions for accommodations in the U.S. The earn out provision of the Mountain West acquisition expired in 2013.

7. Goodwill and Other Intangible Assets

Accommodations does not amortize goodwill but tests for impairment using a fair value approach, at the “reporting unit” level. A reporting unit is the operating segment, or a business one level below that operating segment (the “component” level) if discrete financial information is prepared and regularly reviewed by management at the component level. Accommodations has three reporting units with goodwill as of December 31, 2013 and 2012. Accommodations recognizes an impairment loss for any amount by which the carrying amount of a reporting unit’s goodwill exceeds the reporting unit’s IFV of goodwill. If our initial qualitative assessment of potential goodwill impairment indicates that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill, Accommodations uses, as appropriate in the current circumstance, comparative market multiples, discounted cash flow calculations and acquisition comparables to establish the reporting unit’s fair value (a Level 3 fair value measurement). As of December 31, 2013, no provision for impairment of goodwill was required.

Accommodations amortizes the cost of other intangibles over their estimated useful lives unless such lives are deemed indefinite. Amortizable intangible assets are reviewed for impairment if there are indicators of impairment based on undiscounted cash flows and, if impaired, written down to fair value based on either discounted cash flows or appraised values. Intangible assets with indefinite lives are tested for impairment annually by comparing the fair value of the indefinite-lived intangible asset to its carrying value with the measurement of the impairment based on the excess of the carrying value over its fair value. As of December 31, 2013, no provision for impairment of other intangible assets was required.

Changes in the carrying amount of goodwill for the years ended December 31, 2013 and 2012 are as follows (in thousands):

	Canadian	Australian	U.S.	Total
Balance as of December 31, 2011	$ 50,885	$ 223,805	$ 16,632	$ 291,322
Foreign currency translation and other changes	709	3,101	--	3,810
Balance as of December 31, 2012	51,594	226,906	16,632	295,132
Foreign currency translation and other changes	(2,109)	(31,967)	--	(34,076)
Balance as of December 31, 2013	$ 49,485	$ 194,939	$ 16,632	$ 261,056

The following table presents the total amount of intangibles assigned and the total accumulated amortization for major intangible asset classes as of December 31, 2013 and 2012 (in thousands):

	As of December 31,			
	2013		2012	
Other Intangible Assets	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Amortizable intangible assets:				
Customer relationships	$ 50,980	$ 14,875	$ 57,494	$ 11,191
Contracts/Agreements	43,836	13,151	51,025	10,205
Noncompete agreements	817	539	824	397
Total amortizable intangible assets	$ 95,633	$ 28,565	$ 109,343	$ 21,793
Indefinite-lived intangible assets not subject to amortization:				
Brand names	8,570	—	9,976	—
Licenses	37	—	43	—
Total indefinite-lived intangible assets	8,607	—	10,019	—
Total other intangible assets	$ 104,240	$ 28,565	$ 119,362	$ 21,793

The weighted average remaining amortization period for all intangible assets, other than goodwill and indefinite- lived intangibles, was 6.3 years as of December 31, 2013 and 7.3 years as of December 31, 2012. Total amortization expense is expected to be $9.5 million in each of 2014 and 2015, $9.4 million in 2016 and $9.3 million in each of 2017 and 2018. Amortization expense was $10.2 million, $10.9 million and $10.8 million in the years ended December 31, 2013, 2012 and 2011, respectively.

8. Long-term Debt

As of December 31, 2013 and 2012, long-term debt consisted of the following (in thousands):

	2013	2012
Canadian revolving credit facility, which matures on December 10, 2015, with available commitments up to $250 million; secured by substantially all of Oil States' and our U.S. and Canadian assets; commitment fee on unused portion was 0.375% per annum in 2013 and 2012; variable interest rate payable monthly based on the Canadian prime rate or Bankers Acceptance discount rate plus applicable percentage; no borrowings were outstanding during 2013; weighted average rate was 4.3% for 2012	$ —	$ —
Canadian term loan, which was repaid in full in 2013, original principal of $100 million; weighted average rate was 3.3% for 2013 and 3.4% for 2012	—	85,786
Australian revolving credit facility, which matures December 10, 2015, with available commitments up to A$300 million; secured by substantially all of our Australian assets; commitment fee on unused portion was 0.375% per annum in 2013 and 2012; variable interest rate payable monthly based on the Australian prime rate plus applicable percentage; weighted average rate was 5.1% for 2013 and 5.4% for 2012	—	47,803
Affiliate debt with Oil States	335,171	358,316
Total debt	335,171	491,905
Less: Current portion	—	10,092
Total long-term debt	$ 335,171	$ 481,813

Scheduled maturities of combined long-term debt as of December 31, 2013, are as follows (in thousands):

2014	$ —
2015	—
2016	—
2017	—
2018	—
Thereafter	335,171
	$ 335,171

Credit Facilities

Accommodations is a party to a credit facility agreement together with Oil States that has separate Canadian borrowing limits that serve as debt financing for the Canadian operations of Accommodations ("Oil States Credit Facility") as described below. Additionally, Accommodations has a separate Australian credit facility ("The MAC Group Credit Facility") also described below that is used exclusively to support our Australian operations. It is expected that Accommodations will replace some or all of these facilities in connection with the consummation of any Spin-off transaction.

On December 10, 2010, Oil States replaced its existing $500 million bank credit facility with $1.05 billion in senior credit facilities governed by the Amended and Restated Credit Agreement. The new Oil States credit facilities totaled $1.05 billion of available commitments consisting of revolving borrowings, up to $750 million, and term borrowings, of $300 million. Oil States and Accommodations borrowed all of the term commitment ($200 million by Oil States and $100 million by Accommodations) in connection with the acquisition of The MAC. Under these senior secured revolving credit facilities with a group of banks, up to $350 million is available in the form of loans denominated in Canadian dollars and may be made to the Oil States' principal Canadian operating subsidiaries, i.e. Accommodations. The facilities mature on December 10, 2015. The December 31, 2013 principal balance of the term loans is repayable at a rate of 2.5% per quarter of the aggregate principal amount until maturity on December 10, 2015 when the remaining principal is due. Amounts borrowed under these facilities bear interest, at Accommodations' election, at either:

- a variable rate equal to LIBOR (or, in the case of Canadian dollar denominated loans, the Bankers' Acceptance discount rate) plus a margin ranging from 2.0% to 3.0%; or
- an alternate base rate equal to the higher of the bank's prime rate and the federal funds effective rate (or, in the case of Canadian dollar denominated loans, the Canadian Prime Rate).

Commitment fees ranging from 0.375% to 0.50% per year are paid on the undrawn portion of the facilities, depending upon our leverage ratio.

The Canadian portion of the credit facilities are guaranteed by all of Oil States' active foreign subsidiaries. The credit facilities are secured by a first priority lien on all Oil States' inventory, accounts receivable and other material tangible and intangible assets, as well as those of Oil States' active subsidiaries, including Accommodations. However, no more than 65% of the voting stock of any foreign subsidiary is required to be pledged if the pledge of any greater percentage would result in adverse tax consequences.

The Oil States Credit Agreement contains customary financial covenants and restrictions applicable to Oil States. As of December 31, 2013, Oil States was in compliance with all debt covenants. The credit facilities also contain negative covenants that limit Oil States' or Accommodations' ability to borrow additional funds, encumber assets, sell assets and enter into other significant transactions.

Under Oil States' credit facilities, the occurrence of specified change of control events involving their shareholders would constitute an event of default that would permit the banks to, among other things, accelerate the maturity of the facilities and cause them to become immediately due and payable in full.

As of December 31, 2013, we had no outstanding balance under these facilities and an additional $4.9 million of outstanding letters of credit, leaving $249.1 million available to be drawn under the facilities by Accommodations.

On September 18, 2012, Accommodations' Australian accommodations subsidiary, The MAC Services Group Pty Limited (The MAC), entered into a A$300 million revolving loan facility governed by a Syndicated Facility Agreement ("The MAC Group Facility Agreement"), between The MAC, J.P. Morgan Australia Limited, as Australian agent and security trustee, JPMorgan Chase Bank, N.A., as U.S. agent, and the lenders party thereto, which is guaranteed by Oil States and The MAC's subsidiaries. The maturity date of The MAC Group Facility Agreement is December 10, 2015. Under the terms of the MAC Group Facility Agreement, loans bear interest for a particular interest period at a rate per annum equal to the sum of the average interest rate paid by banks for loans of the equivalent period and an applicable percentage ranging from 2.00% to 3.00% based upon the Australian Borrower's leverage ratio. The MAC Group Facility Agreement contains representations, warranties and covenants that are customary for similar credit arrangements, including, among other things, covenants relating to financial reporting and notification, payment of obligations, and notification of certain events. The MAC Group Facility Agreement has customary financial covenants and restrictions. As of December 31, 2013, we were in compliance with our Australian debt covenants. As of December 31, 2013, we had no outstanding balance under the Australian credit facility leaving A$300 million available to be drawn under this facility.

Affiliate Debt with Oil States

On December 9, 2010 Accommodations entered into an affiliate term loan agreement with Oil States with a principal amount of C$227 million. The loan matures on December 31, 2020 and bears interest equal to LIBOR plus 3.75%, which is payable annually. The outstanding principal amount can be prepaid at any time without penalty. Upon completion of the spin off transaction this affiliate term loan is expected to be a contribution to the equity of Accommodations by Oil States.

On June 27, 2011 Accommodations entered into an affiliate term loan agreement with Oil States with a principal amount of C$130 million. The loan matures on June 1, 2021 and bears interest at a fixed rate of 7.25%. The outstanding principal amount can be prepaid at any time without penalty. Upon completion of the spin off transaction this affiliate term loan is expected to be a contribution to the equity of Accommodations by Oil States.

9. Retirement Plans

Accommodations sponsors defined contribution plans. Participation in these plans is available to substantially all employees. Accommodations recognized expense of $18.6 million, $17.0 million and $11.5 million, respectively, related to matching contributions under its various defined contribution plans during the years ended December 31, 2013, 2012 and 2011, respectively.

10. Income Taxes

Pre-tax income (loss) for the years ended December 31, 2013, 2012 and 2011 consisted of the following (in thousands):

	2013	2012	2011
US operations	$ (2,054)	$ 29,894	$ 17,570
Foreign operations	241,422	300,314	206,971
Total	$ 239,368	$ 330,208	$ 224,541

The components of the income tax provision for the years ended December 31, 2013, 2012 and 2011 consisted of the following (in thousands):

	2013	2012	2011
Current:			
Federal	$ (7,525)	$ 8,495	$ 2,750
State	11	698	435
Foreign	51,962	61,261	33,554
	$ 44,448	$ 70,454	$ 36,739
Deferred:			
Federal	$ 6,787	$ 4,262	$ 3,952
Foreign	4,820	9,550	14,419
	$ 11,607	$ 13,812	$ 18,371
Total Provision	$ 56,055	$ 84,266	$ 55,110

The provision for taxes differs from an amount computed at U.S. statutory rates as follows for the years ended December 31, 2013, 2010 and 2011 consisted (in thousands)

	2013	2012	2011
Federal tax expense at statutory rates	$ 83,778	$ 115,571	$ 78,589
Effect of foreign income tax, net	(27,051)	(31,200)	(26,403)
Other nondeductible expenses	(482)	(492)	3,045
State tax expense, net of federal benefits	11	698	435
Domestic manufacturing deduction	(92)	(80)	(20)
Uncertain tax positions adjustments, net	17	17	(888)
Other, net	(125)	(248)	352
Net income tax provision	$ 56,056	$ 84,266	$ 55,110

The significant items giving rise to the deferred tax assets and liabilities as of December 31, 2013 and 2012 are as follows (in thousands):

	2013	2012
Deferred tax assets:		
Allowance for doubtful accounts	$ 572	$ 557
Allowance for inventory reserves	15	-
Employee benefits	667	644
Deductible goodwill and other intangibles	6,977	7,775
Other reserves	3,384	3,342
Depreciation	683	683
Deferred revenue $1,152	5,251	1,152
Other	834	837
Deferred tax asset	$ 18,383	$ 14,990
Deferred tax liabilities:		
Depreciation	$ (78,518)	$ (67,558)
Intangibles	(6,032)	(6,686)
Accrued liabilities	(3,161)	(2,899)
Other	(2,650)	(1,988)
Deferred tax liability	(90,361)	(79,131)
Net deferred tax liability	$ (71,978)	$ (64,141)

Reclassifications of Accommodations' deferred tax balance based on net current items and net non-current items as of December 31, 2013 and 2012 are as follows (in thousands):

	2013	2012
Current deferred tax asset	$ 306	$ 345
Long-term deferred tax liability	(72,284)	(64,486)
Net deferred tax liability	$ (71,978)	$ (64,141)

Our primary deferred tax assets at December 31, 2013, were related to deductible goodwill and other intangibles.

Our income tax provision for the year ended December 31, 2013 totaled $56.1 million, or 23.4% of pretax income, compared to $84.3 million, or 25.5% of pretax income, for the year ended December 31, 2012.

Appropriate U.S. and foreign income taxes have been provided for earnings of foreign subsidiary companies that are expected to be remitted in the near future. The cumulative amount of undistributed earnings of foreign subsidiaries that Accommodations intends to permanently reinvest, and upon which foreign taxes have been accrued or paid but no deferred US income taxes have been provided is $1,027 million at December 31, 2013, the majority of which has been generated in Canada. Upon distribution of these earnings in the form of dividends or otherwise, Accommodations may be subject to US income taxes (subject to adjustment for foreign tax credits) and foreign withholding taxes. It is not practical, however, to estimate the amount of taxes that may be payable on the eventual remittance of these earnings after consideration of available foreign tax credits.

Accommodations files tax returns in the jurisdictions in which they are required. All of these returns are subject to examination or audit and possible adjustment as a result of assessments by taxing authorities. Accommodations believes that it has recorded sufficient tax liabilities and does not expect the resolution of any examination or audit of its tax returns would have a material adverse effect on its operating results, financial condition or liquidity.

Our Canadian federal tax returns subsequent to 2008 are subject to audit by the Canada Revenue Agency. Our Australian subsidiary's federal tax returns subsequent to 2007 are subject to audit by the Australian Taxation Office.

We account for uncertain tax positions using a recognition threshold and a measurement attribute for the combined financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The amount recognized is measured as the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate settlement.

The total amount of unrecognized tax benefits as of December 31, 2013 and 2012 were $0.7 million. The unrecognized tax benefits, if recognized, would affect the effective tax rate. Accommodations accrues interest and penalties related to unrecognized tax benefits as a component of the Company's provision for income taxes. As of December 31, 2013 and 2012, Accommodations had accrued $0.3 million and $0.3 million, respectively, of interest expense and penalties.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows (in thousands):

	2013	2012	2011
Balance as of January 1st	$ 679	$ 679	$ 1,078
Additions for tax positions of prior years	--	--	
Reductions for tax positions of prior years			(399)
Lapse of the applicable statute of limitations			
Balance as of December 31st	$ 679	$ 679	$ 679

It is reasonably possible that the amount of unrecognized tax benefits will change during the next twelve months due to the closing of the statute of limitations and that change, if it were to occur, could have a favorable or unfavorable impact on our results of operation.

11. Commitments and Contingencies

Accommodations leases a portion of its equipment, office space, computer equipment, automobiles and trucks under leases which expire at various dates.

Minimum future operating lease obligations in effect at December 31, 2013, were as follows (in thousands):

	Operating Leases
2014	$ 5,992
2015	5,579
2016	4,785
2017	4,525
2018	3,623
Thereafter	18,729
Total	$ 43,233

Rental expense under operating leases was $7.1 million, $5.3 million and $5.1 million for the years ended December 31, 2013, 2012 and 2011, respectively.

Accommodations is a party to various pending or threatened claims, lawsuits and administrative proceedings seeking damages or other remedies concerning its commercial operations, products, employees and other matters, including warranty and product liability claims as a result of its products or operations. In certain cases, Accommodations is entitled to indemnification from the sellers of businesses. Although Accommodations can give no assurance about the outcome of pending legal and administrative proceedings and the effect such outcomes may have on it, management believes that any ultimate liability resulting from the outcome of such proceedings, to the extent not otherwise provided for or covered by insurance, will not have a material adverse effect on its combined financial position, results of operations or liquidity.

12. Accumulated Other Comprehensive Income (Loss)

Accumulated other comprehensive income decreased from $107.7 million at December 31, 2012 to a loss of $60.0 million at December 31, 2013, a net change of $167.7 million, as a result of decreases in the Canadian and Australian dollar exchange rates compared to the U.S. dollar. The Canadian dollar was valued at an exchange rate of U.S. $0.94 at December 31, 2013 compared to U.S. $1.01 at December 31, 2012, a decrease of 6%. The Australian dollar was valued at an exchange rate of U.S. $0.89 at December 31, 2013 compared to U.S. $1.04 at December 31, 2012, a decrease of 14%. Excluding intercompany balances, our Canadian dollar and Australian dollar functional currency net assets total approximately C$574 million and A$957 million, respectively, at December 31, 2013.

13. Stock-Based Compensation

Certain employees of Accommodations participate in Oil States' Equity Participation Plan. The expense associated with these employees of Accommodations is reflected in the historical combined income statements of Accommodations. The expense associated with the allocation of stock compensation expense for Accommodations' employees is included as a component of the Oil States International, Inc. net investment account.

Current accounting standards require companies to measure the cost of employee services received in exchange for an award of equity instruments (typically stock options) based on the grant-date fair value of the award. The fair value is estimated using option-pricing models. The resulting cost is recognized over the period during which an employee is required to provide service in exchange for the awards, usually the vesting period.

Stock-based compensation pre-tax expense recognized by Accommodations in the years ended December 31, 2013, 2012 and 2011 totaled $6.4 million, $3.3 million and $2.3 million, respectively.

Stock Options

The fair value of each option grant is estimated on the date of grant using a Black-Scholes option pricing model that uses the assumptions noted in the following table. The risk-free interest rate is based on the U.S. Treasury yield curve in effect for the expected term of the option at the time of grant. The dividend yield on Oil States' common stock is assumed to be zero since they do not pay dividends and have no current plans to do so in the future. The expected market price volatility of Oil States' common stock is based on an estimate made by them that considers the historical and implied volatility of its common stock as well as a peer group of companies over a time period equal to the expected term of the option. The expected life of the options awarded in 2013, 2012 and 2011 was based on a formula considering the vesting period, term of the options awarded and past experience.

	2013	2012	2011
Risk-free weighted interest rate	0.6%	0.6%	1.7%
Expected life (in years)	4.1	4.1	4.1
Expected volatility	44%	57%	55%

The following table presents the changes in stock options outstanding and related information for Accommodations' employees for each of the three years ended December 31, 2013, 2012 and 2011:

	Options	Weighted Average Exercise Price Per Share	Weighted Average Contractual Life (Years)	Aggregate Intrinsic Value (thousands)
Outstanding Options at December 31, 2010	421,250	$ 29.87	3.4	$ 14,414
Granted	80,250	75.41		
Exercised	(70,625)	30.29		
Forfeited/Expired	(29,125)	48.16		
Outstanding Options at December 31, 2011	401,750	37.57	3.5	15,588
Granted	5,000	84.63		
Exercised	(127,000)	31.81		
Forfeited	(1,750)	80.68		
Outstanding Options at December 31, 2012	278,000	40.78	3.0	8,839
Granted	7,500	80.25		
Exercised	(160,626)	38.59		
Forfeited	(7,250)	68.55		
Outstanding Options at December 31, 2013	117,624	44.56	3.6	6,723
Exercisable Options at December 31, 2011	153,750	29.45	2.2	7,215
Exercisable Options at December 31, 2012	132,938	33.40	2.1	5,110
Exercisable Options at December 31, 2013	58,625	29.05	1.8	4,261

The weighted average fair values of options granted to Accommodations' employees during 2013, 2012 and 2011 were $28.31, $37.43 and $33.27 per share, respectively. All options awarded in 2013 had a term of ten years and were granted with exercise prices at the grant date closing market price. The total intrinsic value of options exercised by Accommodations' employees during 2013, 2012 and 2011 were $8.2 million, $6.2 million and $3.2 million, respectively. Oil States received all cash from option exercises during 2013, 2012 and 2011. The tax benefits realized for the tax deduction from stock options exercised during 2013, 2012 and 2011 totaled $0.6 million, $0.2 million and $0.2 million, respectively.

The following table summarizes information for outstanding stock options of Accommodations' employees at December 31, 2013:

	Options Outstanding			Options Exercisable	
Range of Exercise Prices	Number Outstanding as of 12/31/2013	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number Exercisable as of 12/31/2013	Weighted Average Exercise Price
$16.65 - $16.65	30,000	1.14	$ 16.65	30,000	$ 16.65
$37.67 - $37.67	51,000	2.12	$ 37.67	25,375	$ 37.67
$75.41 - $84.63	36,624	7.52	$ 77.31	3,250	$ 76.12
$16.65 - $84.63	117,624	3.55	$ 44.56	58,625	$ 29.05

Restricted Stock Awards

The following table presents the changes of restricted stock awards and related information for Accommodations' employees for 2013:

	Number of Awards	Weighted Average Grant Date Fair Value Per Share
Nonvested shares at January 1, 2013	40,645	$ 75.09
Granted	26,200	$ 80.25
Vested	(12,674)	$ 71.68
Forfeited	(750)	$ 84.63
Nonvested shares at December 31, 2013	53,421	$ 78.30

During 2013, Oil States granted restricted stock awards to Accommodations' employees totaling 26,200 shares valued at a total of $2.1 million. All of the restricted stock awards granted to Accommodations' employees vest in four equal annual installments beginning in February 2014. During 2013, Oil States also granted 70,500 units of phantom shares under the newly created Canadian Long-Term Incentive Plan, which provides for the granting of units of phantom shares to key Canadian employees of Accommodations. These awards vest in three equal annual installments beginning in February 2014 and are accounted for as a liability based on the market price of Oil States shares. Participants granted units of phantom shares are entitled to a lump sum cash payment equal to the fair market value of a share of Oil States' common stock on the vesting date. At December 31, 2013, the balance of the liability for the phantom shares was $3.4 million. A total of 19,800 and 26,104 shares of restricted stock were awarded to Accommodations' employees in 2012 and 2011, respectively, with aggregate values of $1.6 million and $2.0 million, respectively.

The weighted average grant date fair value per share for restricted stock awards granted in 2013, 2012 and 2011 was $80.25, $81.35 and $74.81, respectively. The total fair value of restricted stock awards vested in 2013, 2012 and 2011 was $1.0, $0.8 million and $0.4 million, respectively. As of December 31, 2013, there was $4.2 million of total compensation cost related to nonvested stock awards not yet recognized, which is expected to be recognized over a weighted average period of 2.4 years.

14. Segment and Related Information

In accordance with current accounting standards regarding disclosures about segments of an enterprise and related information, Accommodations has identified the following reportable segments: Canadian, Australian and U.S., which represent our strategic focus on work force accommodations.

Financial information for our segment for each of the three years ended December 31, 2013, 2012 and 2011, is summarized in the following table in thousands. The accounting policies of the segment are the same as those described in the summary of significant accounting policies.

	Revenues from unaffiliated customers	Depreciation and amortization	Operating income (loss)	Capital expenditures	Total assets
2013					
Canadian	$ 710,538	$ 85,180	$ 190,801	$ 155,556	$ 997,542
Australian	255,457	64,691	75,197	75,935	894,227
U.S. and other.	75,109	17,488	(1,865)	61,989	234,049
Stand-alone adjustments and eliminations	-	(146)	(4,677)	(1,786)	1,232
Accommodations Business of Oil States International, Inc.	$ 1,041,104	$ 167,213	$ 259,456	$ 291,694	$ 2,127,050
2012					
Canadian	$ 717,160	$ 71,203	$ 226,403	$ 106,835	$ 954,295
Australian	276,214	55,443	99,213	145,766	992,665
U.S. and other.	115,501	12,402	31,358	63,184	178,229
Stand-alone adjustments and eliminations	-	(1)	(4,045)	(1,738)	3,706
Accommodations Business of Oil States International, Inc.	$ 1,108,875	$ 139,047	$ 352,929	$ 314,047	$ 2,128,895
2011					
Canadian	$ 579,857	$ 54,281	$ 162,323	$ 173,194	$ 765,842
Australian	197,095	43,913	63,211	154,080	881,155
U.S. and other	87,749	12,511	19,554	21,230	143,101
Stand-alone adjustments and eliminations	-	3	(2,929)	-	9,796
Accommodations Business of Oil States International, Inc.	$ 864,701	$ 110,708	$ 242,159	$ 348,504	$ 1,799,894

Financial information by geographic segment for each of the three years ended December 31, 2013, 2012 and 2011, is summarized below in thousands. Revenues in the United States include export sales. Revenues are attributable to countries based on the location of the entity selling the products or performing the services. Long-lived assets are attributable to countries based on the physical location of the entity and its operating assets and do not include intercompany balances.

	Canada	Australia	United States and Other	Total
2013				
Revenues from unaffiliated customers	$ 710,538	$ 255,457	$ 75,109	$ 1,041,104
Long-lived assets	664,466	810,645	198,594	1,673,705
2012				
Revenues from unaffiliated customers	$ 717,160	$ 276,214	$ 115,501	$ 1,108,875
Long-lived assets	634,616	932,155	158,729	1,725,500
2011				
Revenues from unaffiliated customers	$ 579,550	$ 197,095	$ 88,056	$ 864,701
Long-lived assets	592,003	827,271	109,677	1,528,951

Imperial Oil accounted for more than 10% of Accommodations' revenues in the years ended December 31, 2013, 2012 and 2011. BHP Billiton Mitsubishi Alliance accounted for more than 10% of Accommodations' revenues in the years ended December 31, 2013 and 2011. Suncor Energy Oil Sands LP accounted for more than 10% of Accommodations' revenues in the year ended December 31, 2011.

15. Asset Retirement Obligations

Asset retirement obligations at December 31 were (in thousands):

	2013	2012
Asset retirement obligations	$ 6,095	$ 5,518
Asset retirement obligations due within one year*	—	—
Long-term asset retirement obligations	$ 6,095	$ 5,518

* Classified as a current liability on the combined balance sheets, under the caption "Other accruals."

Asset Retirement Obligations

We record the fair value of a liability for an asset retirement obligation when it is incurred (typically when the asset is installed). When the liability is initially recorded, we capitalize the associated asset retirement cost by increasing the carrying amount of the related properties, plants and equipment. Over time, the liability increases for the change in its present value, while the capitalized cost depreciates over the useful life of the related asset.

We have asset removal obligations that we are required to perform under law or contract once an asset is permanently taken out of service. Most of these obligations are not expected to be paid until several years in the future and will be funded from general company resources at the time of removal.

During 2013 and 2012, our overall asset retirement obligation changed as follows (in thousands):

	2013	2012
Balance at January 1	$ 5,518	$ 4,615
Accretion of discount	350	305
New obligations	566	—
Changes in estimates of existing obligations	34	491
Foreign currency translation	(373)	107
Balance at December 31	$ 6,095	$ 5,518

16. Parent Company Investment

The combined financial statements have been prepared on a stand-alone basis and are derived from the consolidated financial statements and accounting records of Oil States

All intercompany transactions between the combined operations have been eliminated. All affiliate transactions between Accommodations and Oil States have been included in these combined financial statements. The total net effect of the settlement of these affiliate transactions is reflected in the combined balance sheets as "Net Investment of Oil States International, Inc."

Parent Company Services Provided and Corporate Allocations

Historically, Oil States has provided services to and funded certain expenditures of Accommodations. The most significant of these services and expenditures were: (1) funding expenditures to settle domestic accounts payable; (2) funding and processing of domestic payroll; (3) share-based compensation; and (4) certain transaction-related expenditures. The combined financial statements of Accommodations reflect these expenditures. During the years ended December 31, 2013, 2012 and 2011, $130.2 million, $88.9 million and $41.0 million, respectively, of expenditures for services received from Oil States or funding for expenditures provided by Oil States were included in the combined financial statements.

The combined statements of income also include general corporate expense allocations, which include costs incurred by Oil States for certain corporate functions such as executive management, finance, information technology, tax, internal audit, risk management, legal, human resources and treasury. During the years ended December 31, 2013, 2012 and 2011, we were allocated $6.1 million, $5.0 million and $3.9 million, respectively, in respect of these corporate expenses which are included within selling, general and administrative expenses in the combined statements of income. These expenses have been allocated to us on the basis of direct usage when identifiable, with the remainder allocated based on estimated time spent by Oil States personnel, a pro rata basis of operating income, headcount or other relevant measures of Accommodations and Oil States and its other subsidiaries.

The service charges and corporate expense allocations have been determined on a basis that we consider to be a reasonable reflection of the utilization of services provided or the benefit received by us during the periods presented. The allocations may not, however, reflect the expense we would have incurred as an independent, publicly traded company for the periods presented. Actual costs that may have been incurred if we had been a stand-alone company would depend on a number of factors, including the chosen organizational structure, what functions were outsourced or performed by employees and strategic decisions made in areas such as information technology and infrastructure.

Oil States Net Investment

Net transfers to Oil States are included within Oil States net investment on the combined statements of net investment. The components of the change in Oil States net investment for the years ended December 31, 2013, 2012 and 2011 are as follows (in thousands):

	2013	2012	2011
Cash transfers and general financing activities	$ 29,098	$ (75,457)	$ (58,768)
Services received or funding for expenditures	130,159	88,877	40,993
Corporate allocations, including income tax provision[(1)]	7,216	13,148	8,420
Cash transfers for acquisitions	-	-	-
Net Increase (decrease) in Oil States net investment	$ 166,473	$ 26,568	$ (9,355)

(1) Corporate allocations includes the general corporate expense allocations of $6.1 million, $5.0 million and $3.9 million for the years ended December 31, 2013, 2012 and 2011, respectively, the impact of the income tax provision, the allocation of corporate insurance premiums, and the attribution of certain assets and liabilities that have historically been held at the Oil States corporate level, but which are specifically identifiable or otherwise allocable to us. The attributed assets and liabilities are included in Accommodations' combined balance sheets.

Cash in the presented combined balance sheets primarily represents cash held locally by entities included in Accommodations' combined financial statements. Transfers of cash to and from Oil States' are reflected as a component of Oil States net investment on the combined balance sheets. All significant intercompany transactions between Accommodations and Oil States have been included in these combined financial statements. The total net effect of the settlement of these intercompany transactions is reflected in the combined statements of cash flow as a financing activity and in the combined balance sheets as Oil States net investment.

17. Valuation Allowances

Activity in the valuation accounts was as follows (in thousands):

	Balance at Beginning of Period	Charged to Costs and Expenses	Deductions (net of recoveries)	Translation and Other, Net	Balance at End of Period
Year Ended December 31, 2013:					
Allowance for doubtful accounts receivable	$ 1,118	$ 2,628	$ (7)	$ (83)	$ 3,656
Year Ended December 31, 2012:					
Allowance for doubtful accounts receivable	$ 1,604	$ 174	$ (665)	$ 5	$ 1,118
Year Ended December 31, 2011:					
Allowance for doubtful accounts receivable	$ 1,793	$ 1,492	$ (1,630)	$ (51)	$ 1,604

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Oil States International, Inc.:

We have audited the accompanying balance sheet of OIS Accommodations SpinCo Inc. (SpinCo) as of December 31, 2013 and the statements of changes in stockholder's equity and cash flows. These financial statements are the responsibility of SpinCo's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of SpinCo's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SpinCo's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of OIS Accommodations SpinCo Inc. at December 31, 2013 and its cash flows for the period from October 8, 2013 (date of inception) to December 31, 2013, in conformity with U.S. generally accepted accounting principles**.**

/s/ Ernst & Young LLP

Houston, Texas
March 18, 2014

OIS ACCOMMODATIONS SPINCO INC.
BALANCE SHEET
DECEMBER 31, 2013

ASSETS	
Current assets:	
Cash	$ 10
Total assets	$ 10
STOCKHOLDER'S EQUITY	
Common stock, par value $.01, 1,000 shares authorized, issued and outstanding	$ 10
Total stockholder's equity	$ 10

The accompanying notes are an integral part of these financial statements.

OIS ACCOMMODATIONS SPINCO INC.
STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY
For the Period from October 8, 2013 (date of inception) to December 31, 2013

	Common stock		
	Shares	**Amount**	**Total**
Balance, October 8, 2013	-	$ -	$ -
Issuance of common stock	1,000	10	10
Balance, December 31, 2013	1,000	$ 10	$ 10

The accompanying notes are an integral part of these financial statements.

OIS ACCOMMODATIONS SPINCO INC.
STATEMENT OF CASH FLOWS
For the Period from October 8, 2013 (date of inception) to December 31, 2013

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from collection of related party note receivable	$ 10
Net cash provided by financing activities	10
Net change in cash	10
Cash at the beginning of the period	-
Cash at the end of the period	$ 10
Non-cash activity:	
Issuance of stock for note receivable	$ 10

The accompanying notes are an integral part of these financial statements.

1. **Organization, Operations and Basis of Presentation**

OIS Accommodations SpinCo Inc. ("SpinCo") is a Delaware corporation formed on October 8, 2013 to operate the accommodations business of Oil States International, Inc. (Oil States), which provides remote site accommodations, logistics and facility management services to the global natural resource industry, with operations primarily focused in Canada, Australia and the United States. In connection with its formation, SpinCo issued 1,000 shares of its common stock, representing a 100% interest, to Oil States for total consideration of $10 in the form of a promissory note. See Note 3.

Oil States intends to distribute, on a pro rata, basis, shares of SpinCo common stock to the Oil States stockholders to be completed in accordance with a separation and distribution agreement between Oil States and SpinCo. (the "Spin-off."). The separation and distribution agreement will govern the terms of the separation of the accommodations business from Oil States' other businesses. The separation and distribution agreement will provide for Oil States and SpinCo to transfer specified assets and liabilities between the companies that will operate the accommodations business after the distribution. As a result of this transfer, SpinCo will own all assets and liabilities primary related to the accommodations business.

Subsequent to the spin-off, SpinCo will immediately begin to operate the accommodations business and begin to incur costs as a result of becoming an independent, publicly traded company. Accordingly, these financial statements are not indicative of our future performance and do not reflect what SpinCo's results of operations, financial position and cash flows would have been had SpinCo operated the accommodations business and operated as an independent, publicly traded company during the period from October 8, 2013 (date of inception) to December 31, 2013.

Other than the settlement of the note receivable from Oil States described below, there have been no other transactions involving SpinCo as of December 31, 2013.

2. **Summary of Significant Accounting Principles**

Our significant accounting policies are summarized below.

Basis of accounting

The financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP").

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent liabilities in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash

Cash includes demand deposits with financial institutions.

Fair value of financial instruments

The fair value of financial instruments, which primarily include cash are carried at amounts that approximate their fair value due to the short-term nature of these amounts.

Commitments and contingencies

Loss contingencies, including claims and legal actions arising in the ordinary course of business, are recorded as liabilities when the likelihood of loss is probable and an amount or range of loss can be reasonably estimated. We are not aware of any litigation or other contingencies that would have an adverse impact on our financial statements.

3. **Note Receivable from Parent**

On October 8, 2013, in connection with the initial capitalization of SpinCo, Oil States International, Inc. issued SpinCo a promissory note for the principal sum of $10 in exchange for 1,000 shares of SpinCo common stock. The promissory note is accounted for at cost, which approximates its fair value, had an annual interest rate of 2.75% and was due on demand. This note was paid in full by Oil States on October 14, 2013.

4. **Subsequent Events**

We evaluated subsequent events through March 18, 2014; the date the financial statements were available to be issued.