

Bristow Group Inc  
Form DEF 14A  
June 15, 2012  
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**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934

Filed by the Registrant ☐

Filed by a Party other than the Registrant ☐

Check the appropriate box:

- ☐ Preliminary Proxy Statement
- ☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- ☐ Definitive Proxy Statement
- ☐ Definitive Additional Materials
- ☐ Soliciting Material Pursuant to §240.14a-12

Bristow Group Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- ☐ No fee required.
- ☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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**BRISTOW GROUP INC.**

**2103 CITY WEST BLVD., 4TH FLOOR**

**HOUSTON, TEXAS 77042**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

The Annual Meeting of Stockholders of Bristow Group Inc. (the Company) will be held at the Norris Conference Center, 803 Town & Country Boulevard, Houston, Texas 77024 on August 1, 2012, at 8:00 a.m. for the following purposes:

1. To elect as directors the nominees named in this proxy statement to serve until the next Annual Meeting of the Stockholders and until their successors are chosen and have qualified;
2. To approve on an advisory basis the Company's executive compensation;
3. To consider and act upon a proposal to approve and ratify the selection of KPMG LLP as the Company's independent auditors for the fiscal year ending March 31, 2013; and
4. To transact such other business as may properly come before the meeting and any postponements or adjournments thereof.

Our Board of Directors has fixed the close of business on June 8, 2012, as the record date for determination of stockholders entitled to notice of and to vote at the meeting.

We are furnishing proxy materials to our stockholders using the U.S. Securities and Exchange Commission (SEC) rule that allows companies to furnish their proxy materials over the Internet. As a result, on June 18, 2012, we are mailing to many of our stockholders a Notice of Internet Availability of Proxy Materials (E-Proxy Notice) instead of a paper copy of this Proxy Statement and our Fiscal Year 2012 Annual Report. The E-Proxy Notice contains instructions on how to access our 2012 Proxy Statement and Fiscal Year 2012 Annual Report over the Internet. The E-Proxy Notice also provides instructions on how you can request a paper copy of proxy materials, including this Proxy Statement, our Fiscal Year 2012 Annual Report and a form of proxy card. All stockholders who do not receive an E-Proxy Notice, including the stockholders who have previously requested to receive paper copies of proxy materials, will receive a paper copy of the proxy materials by mail unless these stockholders have previously requested delivery of proxy materials electronically. If you received your annual materials via e-mail in accordance with your previous request, the e-mail contains voting instructions and links to the Proxy Statement and Annual Report on the Internet.

YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, WE HOPE YOU WILL VOTE AS SOON AS POSSIBLE. YOU MAY VOTE BY PROXY OVER THE INTERNET, OR, IF YOU RECEIVED PAPER COPIES OF THE PROXY MATERIALS BY MAIL, YOU CAN VOTE BY MAIL, TELEPHONE OR INTERNET BY FOLLOWING THE INSTRUCTIONS ON THE PROXY CARD.

By Order of the Board of Directors

Randall A. Stafford

*Senior Vice President and General Counsel,*

*Corporate Secretary*

Houston, Texas

June 18, 2012

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### **I. GENERAL INFORMATION**

#### **Why did I receive this Proxy Statement?**

The Board of Directors of Bristow Group Inc. (the Company or we, us or our ) is soliciting proxies to be voted at the Annual Meeting of Stockholders ( Annual Meeting ) to be held on August 1, 2012, and at any adjournment of the Annual Meeting. When the Company asks for your proxy, we must provide you with a proxy statement that contains certain information specified by law. This proxy statement and the related proxy card were made available to stockholders on approximately June 18, 2012. All proxies in the form provided by the Company that are properly executed and returned to us prior to the Annual Meeting will be voted at the Annual Meeting, and any adjournments thereof, as specified by the stockholders in the proxy or, if not specified, as set forth in this proxy statement.

#### **What will the stockholders vote on at the Annual Meeting?**

The stockholders will vote on the following:

election of the nominees named in this proxy statement as directors;

advisory approval of executive compensation; and

approval and ratification of the Company's independent auditors.

#### **Will there be any other items of business on the agenda?**

We do not expect that any other items of business will be considered because the deadlines for stockholder proposals and nominations have already passed. Nonetheless, in case there is an unforeseen need, the accompanying proxy gives discretionary authority to the persons named on the proxy with respect to any other matters that might be brought before the meeting. Those persons intend to vote that proxy in accordance with their best judgment.

#### **Who is entitled to vote?**

Stockholders as of the close of business on June 8, 2012 (the Record Date ) may vote at the Annual Meeting. You have one vote for each share of common stock you held on the Record Date. As of the Record Date, we had 35,742,119 shares of common stock outstanding.

#### **How many votes are required for the approval of each item?**

The nominees for director receiving a plurality of the votes cast will be elected. Abstentions and instructions to withhold authority to vote for one or more of the nominees and broker nonvotes (as defined below) will result in those nominees receiving fewer votes but will not count as votes against a nominee.

The approval the Company's executive compensation, on a non-binding advisory basis, requires the affirmative vote of a majority of votes cast on this proposal. Abstentions and broker nonvotes will not count either for or against the proposal.

The approval of KPMG LLP ( KPMG ) as the Company's independent auditors for the fiscal year ending March 31, 2013 will be ratified if the votes cast for the proposal exceed the votes cast against the proposal. Abstentions and broker nonvotes will not count either for or against the proposal.

#### **What are Broker Nonvotes ?**

If your shares are held by a broker, the broker will ask you how you want your shares to be voted. If you give the broker instructions, your shares must be voted as you direct. If you do not give instructions, one of two things can happen depending on the type of proposal. For some proposals, including the approval and ratification of the Company's independent auditors, the broker may vote your shares at its discretion. But

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for other proposals, including the election of directors and the advisory approval of executive compensation, the broker may not vote your shares at all. When that happens, it is called a broker nonvote. Broker nonvotes are counted in determining the presence of a quorum at the Annual Meeting, but they are not counted for purposes of calculating the votes cast on particular matters considered at the Annual Meeting.



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### **Will my broker vote my shares for me on the election of Directors?**

Your broker will **not** be able to vote your shares with respect to the election of directors if you have not provided directions to your broker. Therefore, it is very important that you vote your shares for all proposals *including the election of directors*.

### **Why did I receive a notice in the mail regarding Internet availability of the proxy materials instead of a paper copy of the proxy materials?**

We are using the SEC rule that allows companies to furnish their proxy materials over the Internet. As a result, we are mailing to many of our shareholders an E-Proxy Notice about the Internet availability of the proxy materials instead of a paper copy of the proxy materials. All shareholders receiving the E-Proxy Notice will have the ability to access the proxy materials over the Internet and may request to receive a paper copy of the proxy materials by mail. Instructions on how to access the proxy materials over the Internet or to request a paper copy may be found in the E-Proxy Notice. In addition, the E-Proxy Notice contains instructions on how you may request to access proxy materials in printed form by mail or electronically on an ongoing basis.

### **How can I access the proxy materials over the Internet?**

Your E-Proxy Notice about the Internet availability of the proxy materials or proxy card will contain instructions on how to:

View our proxy materials for the Annual Meeting on the Internet; and

Instruct us to send our future proxy materials to you electronically by e-mail.

Our proxy materials are also available on our website at [www.bristowgroup.com](http://www.bristowgroup.com).

Your E-Proxy Notice or proxy card will contain instructions on how you may request to access proxy materials electronically on an ongoing basis. Choosing to access your future proxy materials electronically will reduce the costs of printing and distributing our proxy materials. If you choose to access future proxy materials electronically, you will receive an e-mail with instructions containing a link to the website where our proxy materials are available and a link to the proxy voting website. Your election to access proxy materials by e-mail will remain in effect until terminated by you.

### **How do I vote by proxy?**

If you are a stockholder of record, you may vote your proxy by marking your proxy card to reflect your vote, signing and dating each proxy card you receive and returning each proxy card in the enclosed self-addressed envelope. The shares represented by your proxy will be voted according to the instructions you give on your proxy card. In addition, you may vote your shares by telephone or via the Internet by following the instructions provided on the E-Proxy Notice or proxy card.

### **How do I revoke my proxy?**

You have the right to revoke your proxy at any time before the meeting by notifying our Secretary in writing or by delivering a later-dated proxy. If you are a stockholder of record, you may also revoke your proxy by voting in person at the meeting.

### **How do I vote in person?**

If you are a stockholder of record, you may vote your shares in person at the meeting. However, we encourage you to vote by proxy card, even if you plan to attend the meeting.

### **How do I submit a stockholder proposal or nominate a director for the 2013 Annual Meeting?**

Rule 14a-8(e) under the Securities Exchange Act of 1934 provides that, if a stockholder wishes to have a proposal considered for inclusion in next year's proxy statement, he or she must submit the proposal in writing so that we receive it by February 18, 2013, which is the 120<sup>th</sup> calendar

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day before the anniversary of the date of this proxy statement. However, if the date of next year's Annual

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Meeting is more than 30 days from the first anniversary of this year's Annual Meeting, notice is required a reasonable period of time before we print and mail our proxy materials. We will notify you of this deadline in a Quarterly Report on Form 10-Q or in another communication to you. Proposals should be addressed to our Secretary, 2103 City West Blvd., 4th Floor, Houston, Texas 77042. In addition, our bylaws provide that any stockholder wishing to nominate a candidate for director or to propose any other business at next year's Annual Meeting must give us written notice not earlier than the close of business on April 3, 2013, and not later than the close of business on May 3, 2013, which are the 120th day prior to and the 90th day prior to the first anniversary of this year's Annual Meeting. However, if the date of the Annual Meeting is more than 30 days before or more than 60 days after such anniversary date, notice is required not earlier than 120 days prior to the Annual Meeting and not later than the later of 90 days prior to the Annual Meeting or the 10th day after publicly disclosing the meeting date.

Our bylaws require that a nominee for election as a director must deliver to our Secretary a written questionnaire with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is being made, together with specified written representations concerning voting agreements, arrangements with parties other than the Company and compliance with the nationality and director tenure provisions of our bylaws and other governance matters, as set forth in our bylaws.

In addition, stockholders seeking to submit a nomination or proposal for consideration at a meeting of stockholders are required to provide additional detailed information with respect to their record and beneficial ownership of the Company's stock, as well as information regarding the nominees or other business the stockholder proposes to bring before a meeting of the stockholders. Copies of the bylaws are available to stockholders free of charge upon request to our Secretary.

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**II. CORPORATE GOVERNANCE**

**Corporate Governance Guidelines**

Our Board of Directors (or, our Board) has adopted Corporate Governance Guidelines that govern the structure and functioning of our Board and set out our Board's policies on a number of governance issues. A copy of our Corporate Governance Guidelines is posted on our website, [www.bristowgroup.com](http://www.bristowgroup.com), under the Governance caption.

**Director Independence**

Our Corporate Governance Guidelines require that a substantial majority of our Board consist of independent directors. In general, the Corporate Governance Guidelines require that an independent director must have no material relationship with the Company, directly or indirectly, except as a director. Our Board determines independence on the basis of the standards specified by the New York Stock Exchange (the NYSE) and other facts and circumstances our Board considers relevant.

Our Board has reviewed any business transactions and charitable relationships between the Company and each director standing for election to determine compliance with the categorical standards described above and to evaluate whether there are any other facts or circumstances that might impair the independence of a director. In making this determination, our Board considered that directors Mathew Masters and Stephen A. King are directors and executive officers of Caledonia Investments plc (Caledonia) and were designated by Caledonia to our Board pursuant to a Master Agreement dated December 12, 1996 among the Company, a predecessor in interest to Caledonia and certain other persons in connection with our acquisition of 49% of and other substantial interests in Bristow Aviation Holdings Limited. According to a Form 13D/A filed on June 26, 2008 with the SEC, as updated based on developments known to the Company and confirmed with the Company's transfer agent, Caledonia is the direct beneficial owner of 2,395,042 shares of our common stock. Our Board determined that Messrs. Masters and King do not have a material relationship with the Company due to their affiliation with Caledonia because, consistent with principles in NYSE listing standards, our Board does not view ownership of even a significant amount of stock, by itself, as a bar to an independence finding. Further, Messrs. Masters and King disclaim beneficial ownership of the common stock owned by Caledonia. Based on its review, our Board has determined that Ms. Gobillot and Messrs. Amonett, Cannon, Flick, Godden, King, Knudson, Masters and Stover are independent.

**Term of Office; Mandatory Retirement**

All of our directors stand for election at each Annual Meeting.

Under our Corporate Governance Guidelines:

directors will resign from our Board effective at the Annual Meeting of Stockholders following their seventy-second birthday, unless two-thirds of the members of our Board (with no independent director dissenting) determine otherwise;

employee directors will resign from our Board when they retire, resign or otherwise cease to be employed by the Company; and

a non-employee director who retires or changes his or her principal job responsibilities will offer to resign from our Board and the Governance and Nominating Committee of our Board will assess the situation and recommend to the full Board whether to accept the resignation.

**Executive Sessions**

The Company's Corporate Governance Guidelines provide that, at least twice a year, at regularly scheduled meetings, the Company's non-management directors shall meet in executive session without any management participation. In addition, if any of the non-management directors are not independent under the applicable rules of the NYSE, then independent directors will meet separately at least once a year. Normally, the Chairman of the Board will preside at executive sessions, but, if the roles of Chairman and Chief Executive Officer are combined, the non-management directors will select another director to serve as Lead Director to preside at such sessions. If an additional meeting of independent non-management directors is necessary, and the Chairman of the Board is not independent, then one of the independent non-management directors will be selected as Lead Director to preside at that meeting. In either case, the Lead Director of any such meeting will

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be, in rotation, the current Chairman of one of the committees of our Board required to be composed solely of independent directors, in the following order: Audit, Compensation, and Governance and Nominating Committees.

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### **Code of Ethics and Business Conduct**

Our Board has adopted a Code of Business Integrity for directors and employees (our Code ). Our Code applies to all directors and employees, including the chief executive officer, the chief financial officer, and all senior financial officers. Our Code covers topics including, but not limited to, conflicts of interest, insider trading, competition and fair dealing, discrimination and harassment, confidentiality, compliance procedures and employee complaint procedures. Our Code is posted on our website, [www.bristowgroup.com](http://www.bristowgroup.com), under the About Us - Values - Code of Business Integrity caption.

The Governance and Nominating Committee will review any issues under our Code involving an executive officer or director and will report its findings to the full Board. Our Board does not envision that any waivers of our Code will be granted, but, should a waiver be granted for an executive officer or director, it will also be promptly disclosed.

### **Director Selection**

Our Board has adopted criteria for the selection of directors that describe the qualifications the Governance and Nominating Committee must evaluate and consider with respect to director candidates. Such criteria include (i) experience serving as chief executive officer or other senior corporate executive, (ii) international business experience, (iii) energy, oil service or aviation company experience and (iv) finance, accounting or banking experience. These criteria are included in the Corporate Governance Guidelines which are posted on our website. Although our Board does not have a formal diversity policy, the Nominating and Corporate Governance Committee, when assessing the qualifications of prospective nominees to our Board, takes into account the Board's desire to have an appropriate mix of backgrounds and skills. Each nominee's personal and professional integrity, experience, skills, ability and willingness to devote the time and effort necessary to be an effective board member, and commitment to acting in the best interests of the Company and our stockholders, are also factors. Our Board does not select director nominees on the basis of race, color, gender, national origin, citizenship, marital status or religious affiliation.

The Governance and Nominating Committee believes that each of the nominees for director has attributes that are important to an effective board, including integrity and demonstrated high ethical standards, sound judgment, analytical skills, the ability to engage management and each other in a constructive and collaborative fashion and the commitment to devote significant time and energy to service on our Board and its committees. In addition, when considering each of the nominees for director, the committee reviewed their overall level of expertise and experience in their respective professions, which is described in the director biographies herein. The Governance and Nominating Committee found that each of the nominees has the skills and experience that is particularly relevant to the Company's business, as outlined below:

- Mr. Amonett executive leadership experience and legal expertise;
- Mr. Cannon operations management, aviation, international business and executive management experience;
- Mr. Chiles extensive experience in public company leadership in a growth environment and oilfield service and international business experience;
- Mr. Flick finance and treasury expertise and international banking and business experience;
- Ms. Gobillot aviation, merger integration and legal experience;
- Mr. Godden aviation operations and training, technology, pension fund management and international business experience;
- Mr. King financial services, international business and banking experience;
- Mr. Knudson executive leadership, aviation, energy and international business experience;
- Mr. Masters finance, executive leadership and international business experience; and
- Mr. Stover international energy exploration and production, executive leadership and operations management experience.

The Governance and Nominating Committee proposes nominees for director and acts pursuant to its charter, which is posted on our website, [www.bristowgroup.com](http://www.bristowgroup.com), under the Governance caption. It is the policy of the Governance and Nominating Committee to consider director candidates recommended by our employees, directors, stockholders, and others, including search firms.

The Governance and Nominating Committee has sole authority to retain and terminate any search firm used to identify candidates for director and has sole authority to approve the search firm's fees and other retention terms.

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If a stockholder wishes to recommend a director for nomination, he or she should follow the procedures set forth below for nominations to be made directly by a stockholder. In addition, the stockholder should provide such other information as such stockholder may deem relevant to the Governance and Nominating Committee's evaluation. All recommendations, regardless of the source of identification, are evaluated on the same basis as candidates recommended by our directors, chief executive officer, other executive officers, third-party search firms or other sources.

Our bylaws permit stockholders to nominate directors for election at an annual stockholders meeting regardless of whether such nominee is submitted to and evaluated by the Governance and Nominating Committee. To nominate a director using this process, the stockholder must follow procedures set forth in our bylaws. Those procedures require a stockholder wishing to nominate a candidate for director at next year's Annual Meeting to give us written notice not earlier than the close of business on the 120th day prior to the anniversary date of the immediately preceding Annual Meeting and not later than the close of business on the 90th day prior to the anniversary date of the immediately preceding Annual Meeting. However, if the date of the Annual Meeting is more than 30 days before or more than 60 days after such anniversary date, notice is required not earlier than 120 days prior to the Annual Meeting and not later than the later of 90 days prior to the Annual Meeting or the 10th day after we publicly disclose the meeting date. The notice to the Secretary must include the following:

The nominee's name, age and business and residence addresses;

The nominee's principal occupation or employment;

The class and number of our shares, if any, owned by the nominee;

The name and address of the stockholder as they appear on our books;

The class and number of our shares owned by the stockholder as of the record date for the Annual Meeting (if this date has been announced) and as of the date of the notice;

A representation that the stockholder intends to appear in person or by proxy at the meeting to nominate the candidate specified in the notice;

A description of all arrangements or understandings between the stockholder and the nominee; and

Any other information regarding the nominee or stockholder that would be required to be included in a proxy statement relating to the election of directors, including the specific experience, qualifications, attributes or skills that led the stockholder to believe that the person should serve as a director.

In addition, our bylaws require that a nominee for election or reelection must deliver to the Secretary a written questionnaire with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is being made and make certain representations and agreements.

Our bylaws provide that at least two-thirds of the Board of Directors must be citizens of the United States within the meaning of the Federal Aviation Act. Our bylaws provide that a person that is not a citizen of the United States is not eligible for nomination or election as a director if such person's election, together with the election of any incumbent directors that are not U.S. Citizens and are candidates for election as Directors at the same time, would cause less than two-thirds of the Company's directors to be citizens of the United States.

## **Board Leadership Structure**

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Pursuant to our Corporate Governance Guidelines, our Board may combine the roles of the Chairman with that of the chief executive officer if it determines that this provides the most effective leadership model. Our Board also recognizes that it may be desirable to assign these roles to different persons from time to time to ensure that our Board remains independent and responsive to stockholder interests. If our Board combines the role of the Chairman with that of the chief executive officer, then our Board will also select a Non-Executive Chairman/Lead Director to schedule and chair executive sessions of our Board and to perform such other functions as are assigned to such Non-Executive Chairman/Lead Director by the Board on the recommendation of the Governance and Nominating Committee.



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Our Board's current belief is that the functions performed by the Chairman and the chief executive officer should continue to be performed by separate individuals, and it will reevaluate its view on such leadership structure periodically.

### **Risk Oversight**

The Company has historically placed a high level of importance on addressing, pre-empting and managing those matters which may present a significant risk to the Company. Our Board has oversight responsibility of the processes established to report and monitor material risks applicable to us. Our Board has delegated to management the responsibility to manage risk and bring to the attention of our Board the most material risks to our Company. The Board is updated regularly on tax and accounting matters, litigation status, governmental and corporate compliance regulations and programs, quality controls, safety performance and operational and financial issues. Our Board frequently discusses these matters in detail in order to adequately assess and determine the Company's potential vulnerability and consider appropriate risk management strategies where necessary.

In accordance with the charter of the Audit Committee, the Audit Committee meets periodically with management to review our major financial risk exposures and the steps management has taken to monitor and control such exposures. The Audit Committee reports to our Board at each regularly scheduled meeting.

### **Director Attendance**

Our Board held seven meetings during the past fiscal year. During this period, no incumbent director attended fewer than 75% of the aggregate of (i) the total number of meetings of our Board during the period in which he was a director and (ii) the total number of meetings held by all committees on which he served during the period in which he was a director.

It is our policy that each director of the Company is expected to be present at each Annual Meeting of Stockholders, absent circumstances that prevent attendance. We facilitate director attendance at the Annual Meetings of Stockholders by scheduling such meetings in conjunction with regular meetings of directors.

### **Communication with Directors**

Our Board maintains a process for stockholders and interested parties to communicate directly with our Board.

All communications should be delivered in writing addressed to our Secretary at 2103 City West Blvd., 4th Floor, Houston, Texas 77042. The correspondence should be addressed to the appropriate party, namely: Bristow Group Inc. Board, Bristow Group Inc. Governance and Nominating Committee, Bristow Group Inc. Audit Committee, Bristow Group Inc. Compensation Committee or the individual director designated by full name or position as it appears in the Company's most recent proxy statement. We also maintain policies for stockholders and other interested parties to communicate with the Lead Director of executive sessions or with the non-management directors as a group. Such communications should be delivered in writing to: Lead Director or Non-Management Directors of Bristow Group Inc., as the case may be, c/o Secretary, 2103 City West Blvd., 4th Floor, Houston, Texas 77042. Communications so addressed and clearly marked as "Stockholder Communications" will be forwarded by our Secretary unopened to, as the case may be, the Chairman of our Board or the then-serving Lead Director (being the independent director scheduled to preside at the next meeting of the non-management or independent directors).

All communications must be accompanied by the following information:

If the person submitting the communication is a security holder, a statement of the type and amount of the securities of the Company that the person holds; or, if the person is not a shareholder, a statement regarding the nature of the person's interest in the Company; and

The address, telephone number and e-mail address, if any, of the person submitting the communication.

For more detail, refer to our Company Policy for Communications with our Board posted on our website, [www.bristowgroup.com](http://www.bristowgroup.com), under the Governance caption.



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Our Board has the following committees, the membership of which as of the Record Date is set forth below. The charters of our Audit, Compensation and Governance and Nominating Committees are posted on our website, [www.bristowgroup.com](http://www.bristowgroup.com), under the Governance caption and are available free of charge on request to our Secretary at 2103 City West Blvd., 4th Floor, Houston, Texas 77042.

<b>Name of Committee and Members</b>	<b>Number of Meetings in Fiscal Year 2012</b>
<b>AUDIT(1)</b>	<b>4</b>
Ken C. Tamblyn	
Thomas N. Amonett	
Stephen J. Cannon	
Michael A. Flick	
Ian A. Godden	
Stephen A. King	
<b>COMPENSATION(1)</b>	<b>5</b>
Michael A. Flick	
Thomas N. Amonett	
Lori A. Gobillot	
Mathew Masters	
Bruce H. Stover	
<b>GOVERNANCE AND NOMINATING(1)</b>	<b>3</b>
Thomas C. Knudson	
Stephen J. Cannon	
Ian A. Godden	

(1) As of May 18, 2012, all members of the Audit, Compensation and Governance and Nominating Committees were independent as defined by the applicable NYSE rules.

**Audit Committee**

The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the Company's independent auditors. The Audit Committee also monitors the integrity of the Company's financial statements and the independence and performance of the Company's auditors and reviews the Company's financial reporting processes. The Audit Committee reviews and reports to our Board the scope and results of audits by the Company's independent auditors and the Company's internal auditing staff and reviews the audit and other professional services rendered by the independent auditors. It also reviews with the independent auditors the adequacy of the Company's system of internal controls. It reviews transactions between the Company and the Company's directors and officers, the Company's policies regarding those transactions and compliance with the Company's business ethics and conflict of interest policies.

Our Board requires that all members of the Audit Committee meet the financial literacy standard required under the NYSE rules and that at least one member qualifies as having accounting or related financial management expertise under the NYSE rules. In addition, the SEC has adopted rules requiring that the Company disclose whether or not the Company's Audit Committee has an audit committee financial expert as a member. An audit committee financial expert is defined as a person who, based on his or her experience, has all of the following attributes:

an understanding of generally accepted accounting principles and financial statements;

an ability to assess the general application of such principles in connection with accounting for estimates, accruals and reserves;

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experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and level of complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities;

an understanding of internal controls and procedures for financial reporting; and

an understanding of audit committee functions.

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The person is to further have acquired such attributes through one or more of the following:

education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor or experience in one or more positions that involve the performance of similar functions;

experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions; and

experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing or evaluation of financial statements or other relevant experience.

Our Board has reviewed the criteria set by the SEC and determined that all six members meet the financial literacy standards required by NYSE rules and that all six members qualify under NYSE rules as having accounting or related financial management expertise. Our Board has also determined that each of Mr. King and Mr. Tamblyn qualifies as an audit committee financial expert.

## **Compensation Committee**

The Compensation Committee, among other matters:

approves the compensation of the Chief Executive Officer and all other executive officers;

evaluates the performance of the Chief Executive Officer against approved performance goals and other objectives and reports its findings to our Board;

reviews and approves changes in certain employee benefits and incentive compensation plans which affect executive officer compensation;

reviews and makes recommendations with respect to changes in equity-based plans and director compensation; and

prepares a report to be included in the Company's annual proxy statement.

Awards under equity based plans are considered and approved by a subcommittee of the Compensation Committee which consists entirely of non-employee directors, as defined by Rule 16b-3 under the Securities and Exchange Act of 1934, as amended, all of whom satisfy the requirements of an outside director for purposes of Section 162(m) of the Internal Revenue Code.

## **Governance and Nominating Committee**

The Governance and Nominating Committee assists our Board in:

identifying individuals qualified to become members of our Board consistent with criteria approved by our Board;

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recommending to our Board the director nominees to fill vacancies and to stand for election at the next annual meeting of stockholders;

developing and recommending to our Board the corporate governance principles to be applicable to the Company;

recommending committee assignments for directors to our Board; and

overseeing an annual review of our Board's performance.

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### **IV. ELECTION OF THE NOMINEES AS DIRECTORS**

Our Board currently contains eleven directors. The term of office of all of our present directors will expire no later than the day of the Annual Meeting upon the election of their successors. In light of Mr. Tamblyn's decision not to stand for re-election to the Board, the Board adopted a resolution fixing the size of the Board at ten directors, effective upon the completion of Mr. Tamblyn's term on the day of the Annual Meeting. Our Board has fixed the number of directors to be elected at the Annual Meeting at ten. The directors elected at the Annual Meeting will serve until their respective successors are elected and qualified or until their earlier death, resignation or removal.

Unless authority to do so is withheld by the stockholder, each proxy executed and returned by a stockholder will be voted for the election of the nominees hereinafter named. Directors having beneficial ownership derived from presently existing voting power of approximately 6.7% of our common stock as of the Record Date have indicated that they intend to vote for the election of all nominees hereinafter named. If any nominee withdraws or for any reason is unable to serve as a director, the persons named in the accompanying proxy either will vote for such other person as our Board may nominate or, if our Board does not so nominate such other person, will not vote for anyone to replace the nominee. Except as described below, our management knows of no reason that would cause any nominee hereinafter named to be unable to serve as a director or to refuse to accept nomination or election.

The nominees for director receiving a plurality of the votes cast will be elected. The proxyholder named in the accompanying proxy card will vote FOR each of the nominees named herein unless otherwise directed therein. Abstentions, instructions to withhold authority to vote for one or more of the nominees and broker nonvotes will result in those nominees receiving fewer votes, but will not be counted as a vote AGAINST the nominee.

**Our Board recommends that stockholders vote FOR the election to our Board of each of the nominees named below.**

#### **Information Concerning Nominees**

Our present Board proposes for election the following ten nominees for director. Each of the nominees named below is currently a director of the Company and each was elected at the Annual Meeting of Stockholders held on August 3, 2011, with the exception of Ms. Gobillot and Mr. Masters. Ms. Gobillot was recommended to our Nominating and Governance Committee by one of our non-employee directors. Mr. Masters was designated by Caledonia to our Board and appointed as Director upon the resignation of Mr. May in November 2011. See "Other Matters - Transactions with Related Persons" for additional information.

*Thomas N. Amonett*, age 68, a resident of Houston, Texas, joined our Board in February 2006. Mr. Amonett has served as President, Chief Executive Officer and a director of Champion Technologies, Inc. since 1999. Champion Technologies, Inc. is an international provider of specialty chemicals and related services primarily to the oilfield production sector. Mr. Amonett serves as a director of Hercules Offshore Inc., where he serves as Chairman of the Corporate Governance and Special Governance Committees, and as a director of Orion Marine Group, where he serves as Chairman of the Audit Committee and the Nominating and Governance Committee. His previous directorships include TODCO from 2003 to July 2007 when TODCO was acquired by Hercules Offshore Inc. and Stelmar Shipping Ltd. from 2002 to 2005. He has served as a member of our Compensation Committee since August 2006 and our Audit Committee since February 2006.

*Stephen J. Cannon*, age 58, a resident of Southlake, Texas, joined our Board in 2002. Mr. Cannon served as the President and CEO of TSG Technical Services, Inc., a privately owned international government service provider from September 2007 until June 2009. He was the President and Chief Executive Officer of DynCorp International LLC, a technology company with annual revenues in excess of \$2 billion from February 2005 to July 2006 and President from January 2000 to February 2005. Mr. Cannon worked at DynCorp for approximately 25 years and served in a variety of other capacities, including General Manager of its technical service subsidiary and Vice President of its aerospace technology subsidiary. He has served as a member of our Audit Committee since 2002 and has served on our Governance and Nominating Committee since 2004.

*William E. Chiles*, age 63, a resident of Houston, Texas, became the President and Chief Executive Officer of our Company effective July 15, 2004. Mr. Chiles also served as interim Chief Financial Officer from December 2005 until February 2006 and from June 2010 to October 2010 following the resignations of two prior Chief Financial Officers. Mr. Chiles has been a member of our Board since 2004. Prior to his employment by the Company, Mr. Chiles was employed by Grey Wolf, Inc., an onshore oil and gas drilling company traded on the American Stock Exchange, from March 2003 until June 21, 2004 as Executive Vice President and Chief Operating Officer. Mr. Chiles served as Vice President of Business Development at ENSCO International Incorporated, an offshore oil and gas drilling company listed on the New York Stock Exchange, from August 2002 until March 2003. From August





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1997 until its merger into an ENSCO International affiliate in August 2002, Mr. Chiles served as President and Chief Executive Officer of Chiles Offshore, Inc. Mr. Chiles serves as a director of, and is Chairman of the Compensation Committee of, Basic Energy Services, Inc., a contractor for land based oil and gas services. He is also a member of Basic Energy's Audit Committee. He served as a member of our Executive Committee from 2004 to August 2007 when it was discontinued.

*Michael A. Flick*, age 63, a resident of Navarre, Florida, joined our Board in February 2006. Mr. Flick began his career in commercial banking in 1970 at First National Bank, which subsequently became a wholly owned subsidiary of First Commerce Corporation, whose shares were traded on the NASDAQ. Mr. Flick held a variety of positions at First Commerce Corporation, including Chief Financial Officer and Chief Credit Policy Officer, and retired in 1998 as the Executive Vice President and Chief Administrative Officer. He served as a director and Chairman of the Audit Committee of Community Coffee Company, a privately held company, from 1998 until June 2009. He currently serves as a director and member of the Audit Committee and the Compensation Committee of Gulf Island Fabrication, Inc. He also serves as a director and member of the Investment Committee of the University of New Orleans Foundation and as a member of the board and the Finance Committee of the Catholic Foundation of New Orleans. He also served as Chairman of the Foundation's Audit Committee until July 1, 2009. Mr. Flick serves on our Audit Committee and is Chairman of our Compensation Committee.

*Lori A. Gobillot*, age 50, a resident of Houston, Texas, joined our Board in May 2012. Ms. Gobillot currently serves as an independent consultant. Ms. Gobillot served as Vice President, Integration Management at United Air Lines, Inc. from June 2010 to January 2012 where she managed the company's merger integration planning and implementation efforts following the merger with Continental Airlines. Prior to the merger, Ms. Gobillot served as Staff Vice President, Assistant General Counsel and Assistant Secretary of Continental Airlines since 2006. Before joining Continental Airlines, Ms. Gobillot was an attorney with the law firm of Vinson & Elkins. Prior to attending law school, Ms. Gobillot worked in real estate development with Trammell Crow Company and as a consultant with Arthur Andersen. Ms. Gobillot has served on our Compensation Committee since May 2012.

*Ian A. Godden*, age 58, a resident of England, joined our Board in January 2010. Mr. Godden has served as Chairman of Farnborough International Limited, the subsidiary that runs Farnborough Air Show since October 2009. He was Chairman of AIDIS Group Ltd., the trade organization that represents the civil aerospace, defense and security industries in the United Kingdom, from 2007 to 2011. Mr. Godden is currently Chairman of and formerly served as Senior Independent Non-Executive Director of KBC Advanced Technologies since 2008. Mr. Godden has served as a director of E2V Technologies PLC since 2003 and was the founder of Glenmore Energy Inc. in 2004 and is currently its Chairman. Mr. Godden worked in various consulting organizations, including as the U.K. Managing Partner of Roland Berger Strategy Consultants from 2000 to 2004 and U.K. Managing Partner of Booz Allen and Hamilton from 1996 to 1998. Mr. Godden began his career in 1974 working for BP as a design engineer for offshore platforms and processing equipment in the North Sea, Middle East and Gulf of Mexico. Mr. Godden has served on our Audit and Governance and Nominating Committees since January 2010.

*Stephen A. King*(1), age 51, a resident of England, joined our Board in January 2011. Mr. King currently serves as the Finance Director of Caledonia, a position he has held since December 2009. From December 2002 to March 2009, Mr. King was Group Finance Director for De La Rue plc, the largest global printer of banknotes and commercial paper for central banks. Mr. King joined Midlands Electricity plc, an international power distribution and generation group which later became GPU International Inc. (USA) in January 1997. He served there as Group Finance Director until December 2002. Previously, Mr. King held senior financial positions in several companies, including Seaboard plc, a regional electric company, and Lucas Industries plc, an international automotive and aerospace engineering group. Mr. King began his career as an accountant for Coopers & Lybrand (now PricewaterhouseCoopers LLP). Since 2005, Mr. King has also served as a non-executive director of Weir Group plc, a global engineering company specializing in the oil, gas and minerals sectors, and TT Electronics plc, an international specialty sensors and solutions manufacturer for the automotive and aerospace market. Mr. King has served on our Audit Committee since January 2011.

*Thomas C. Knudson*, age 66, a resident of Houston, Texas, joined our Board in June 2004. Mr. Knudson has been Chairman of our Board since August 2006. Mr. Knudson has been president of Tom Knudson Interests since its formation on January 14, 2004. Tom Knudson Interests provides consulting services in energy, sustainable development, and leadership. Following seven years of active duty as a U.S. Naval aviator and an aerospace engineer, he joined Continental Oil Company (Conoco) in May 1975 and retired in 2004 from Conoco's successor, ConocoPhillips, as senior vice president of human resources, government affairs and communications. Mr. Knudson served as a member of ConocoPhillips' management committee. His diverse career at Conoco and ConocoPhillips included engineering, operations, business development, and commercial assignments. He was the founding chairman of the Business Council for Sustainable Development in both the United States and the United Kingdom. Mr. Knudson served as a director and Chairman of the Governance, Nominating and Compensation Committee of NATCO Group, Inc., a leading provider of wellhead process equipment, systems and services used in the production of oil and gas from April 2005 to November 2009. He is



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also a director and member of the Compensation Committee of MDU Resources Group Inc. MDU Resources operates in three core lines of business: energy, construction materials and utility resources. The businesses include natural gas and oil production, natural gas pipelines and energy services, construction materials and contracting, construction services, and electric and natural gas utilities. He was also a director of Williams Partners L.P. from November 2005 to September 2007 where he served on the Audit and Conflicts Committees. Mr. Knudson is Chairman of and has served on our Governance and Nominating Committee since 2004 and served on our Compensation Committee from 2004 to August 2006. He served on our Executive Committee from August 2006 to August 2007.

*Mathew Masters*(1), age 38, a resident of England, joined our Board in November 2011. Mr. Masters currently serves as an Associate Director of Caledonia, a position he has held since April 2008. He began his career with Caledonia as Investment Executive in April 2006. From February 2000 to April 2006, Mr. Masters was a Corporate Finance Senior Manager for Grant Thornton, a UK based accounting and consulting firm. From January 1995 to December 1999, Mr. Masters was an Audit Manager for Grant Thornton. Mr. Masters currently serves as a non-executive director and as Chairman of the audit committee of Celerant Consulting Investments Limited, a consulting company with operations in Europe and the United States, as a non-executive director of Tribal Group plc, an educational software and services company listed on the London Stock Exchange, and as a non-executive director of Satellite Information Services Limited, a technology services company. Since 2006, Mr. Masters has also served as a Director of Celona Technologies Limited, a technology company. Mr. Masters has served on our Compensation Committee since November 2011.

*Bruce H. Stover*, age 63, a resident of Oklahoma City, Oklahoma, joined our Board in January 2010. Mr. Stover was formerly the Executive Vice President, Operations and Business Development, of Endeavour International Corporation, a position he had held since 2003. From 1999 to 2003, Mr. Stover was Senior Vice President, Worldwide Business Development for Anadarko Petroleum Corporation. Mr. Stover joined Anadarko in 1980 as Chief Engineer and in 1989, he was named President and General Manager for Anadarko Algeria Corporation where he led the company's start-up operations in Algeria. In 1993, he was named Vice President, Acquisitions and in 1997, he became Vice President, Worldwide Business Development. Mr. Stover began his career as an engineer with Amoco Production Company in 1972. Mr. Stover has served on our Compensation Committee since January 2010.

- (1) Stephen A. King and Mathew Masters, directors and executive officers of Caledonia, were designated by Caledonia for election to our Board pursuant to a Master Agreement dated December 12, 1996 among the Company, a predecessor in interest to Caledonia and certain other persons in connection with our acquisition of 49% and other substantial interests in Bristow Aviation Holdings Limited. The Master Agreement provides that so long as Caledonia owns (1) at least 1,000,000 shares of common stock of the Company or (2) at least 49% of the total outstanding ordinary shares of Bristow Aviation Holdings Limited, Caledonia will have the right to designate two persons for nomination to our Board and to replace any directors so nominated. According to the records of the Company's transfer agent, Caledonia is the direct beneficial owner of 2,395,042 shares of our common stock.

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**V. ADVISORY APPROVAL OF EXECUTIVE COMPENSATION**

Our Board recognizes the interest the Company's stockholders have in the compensation of the Company's named executive officers. In recognition of that interest and in accordance with the requirements of SEC rules and the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, this proposal, commonly known as a "say on pay" proposal, provides the Company's stockholders with the opportunity to cast an advisory vote on the compensation of the Company's named executive officers, as disclosed in this proxy statement pursuant to the SEC's compensation disclosure rules, including the discussion of the Company's compensation program and philosophy and the compensation tables beginning on page 19 of this proxy statement. This advisory vote is intended to give the Company's stockholders an opportunity to provide an overall assessment of the compensation of the Company's named executive officers rather than focus on any specific item of compensation. As described in the Compensation Discussion and Analysis included in this proxy statement, the Company has adopted an executive compensation program that reflects the Company's philosophy that executive compensation should be structured so as to align each executive's interests with the interests of the Company's stockholders.

As an advisory vote, the stockholders' vote on this proposal is not binding on our Board or the Company and our Board could, if it concluded it was in the Company's best interests to do so, choose not to follow or implement the outcome of the advisory vote. However, the Company expects that the Compensation Committee of our Board will review voting results on this proposal and give consideration to the outcome when making future executive compensation decisions for the Company's named executive officers.

Approval, on an advisory basis, of the Company's executive compensation requires the affirmative vote of holders of at least a majority of the votes cast at the Annual Meeting in person or by proxy. All duly submitted and unrevoked proxies will be voted for the proposal, except where a contrary vote is indicated or authorization to vote is withheld.

**Recommendation**

**Our Board unanimously recommends that stockholders approve, on an advisory basis, the compensation of the Company's named executive officers by voting FOR the approval of the following resolution:**

RESOLVED, that the compensation of the Company's named executive officers, as disclosed in the Company's proxy statement relating to the 2012 annual meeting of stockholders pursuant to the executive compensation disclosure rules promulgated by the SEC, is hereby approved.

**Vote Required**

The approval of this proposal requires the affirmative vote of a majority of votes cast on this proposal. Abstentions and broker nonvotes will not count either for or against the proposal.

**Table of Contents****VI. EXECUTIVE OFFICERS OF THE REGISTRANT**

Under our bylaws, our Board elects our executive officers annually. Each executive officer remains in office until that officer ceases to be an officer or his or her successor is elected. There are no family relationships among any of our executive officers. At June 8, 2012, our executive officers were as follows:

<b>Name</b>	<b>Age</b>	<b>Position Held with Registrant</b>
William E. Chiles	63	President, Chief Executive Officer and Director
Jeremy Akel	43	Senior Vice President, Operations
Jonathan E. Baliff	48	Senior Vice President, Chief Financial Officer
Mark B. Duncan	50	Senior Vice President, Commercial
Randall A. Stafford	56	Senior Vice President and General Counsel, Corporate Secretary
Hilary S. Ware	55	Senior Vice President, Administration
Brian J. Allman	39	Vice President, Controller and Chief Accounting Officer
Joseph A. Baj	54	Vice President and Treasurer
L. Don Miller	49	Vice President, Strategy and Structured Transactions
Margaret Montaigne	55	Vice President, Sales and Marketing

*Mr. Chiles* became the President and Chief Executive Officer of our Company effective July 15, 2004. Mr. Chiles also served as interim Chief Financial Officer from December 2005 until February 2006 and from June 2010 to October 2010 following the resignations of two prior Chief Financial Officers. Mr. Chiles has been a member of our Board since 2004. Prior to his employment by the Company, Mr. Chiles was employed by Grey Wolf, Inc., an onshore oil and gas drilling company traded on the American Stock Exchange, from March 2003 until June 21, 2004 as Executive Vice President and Chief Operating Officer. Mr. Chiles served as Vice President of Business Development at ENSCO International Incorporated, an offshore oil and gas drilling company listed on the New York Stock Exchange, from August 2002 until March 2003. From August 1997 until its merger into an ENSCO International affiliate in August 2002, Mr. Chiles served as President and Chief Executive Officer of Chiles Offshore, Inc. Mr. Chiles serves as a director of, and is Chairman of the Compensation Committee of, Basic Energy Services, Inc., a contractor for land based oil and gas services. He is also a member of Basic Energy's Audit Committee. He served as a member of our Executive Committee from 2004 to August 2007 when it was discontinued.

*Mr. Akel* was appointed as Senior Vice President, Operations in January 2012. Before that he served as the Director of the Other International Business Unit at the Company since January 2010, where he was responsible for all operations within that business unit. Prior to that position, Mr. Akel held various other positions at the Company including Director of the Latin America Business Unit from April 2008 to January 2010, Director of the South/Latin American Business Units from July 2006 to April 2008, and Manager International Strategy from July 2004 to July 2006. Prior to joining the Company, Mr. Akel was Vice President, Aviation Business Consulting for Morten Beyer & Agnew, an international aviation consulting firm, from February 2002 to January 2004. From February 2001 to January 2002, Mr. Akel served as Senior Manager, Business Consulting, Aviation Industry Practice for Anderson, LLP, an international business consulting firm. From February 1997 to December 2000, Mr. Akel served in several management positions at Tidewater Marine International, Inc., an international provider of marine support services to the offshore energy industry. Mr. Akel began his career in 1991 as an Aerospace Engineer at the National Transportation Safety Board.

*Mr. Baliff* joined us as Senior Vice President and Chief Financial Officer in October 2010. Prior to joining Bristow, Mr. Baliff had been the Executive Vice President, Strategy at NRG Energy since May 2008, where he led the development and implementation of NRG's corporate strategy, as well as acquisitions and business alliances. Prior to joining NRG, Mr. Baliff was Managing Director in Credit Suisse's Global Energy Group, where he advised energy companies on merger and acquisition assignments and project and corporate financings since 1996. Mr. Baliff started his business career at Standard and Poor's and then JP Morgan's Natural Resources Group. Mr. Baliff served on active duty in the U.S. Air Force for eight years from 1985 to 1993 in numerous assignments flying the F-4G Phantom including the first combat missions during the first Gulf War. Mr. Baliff retired with the rank of Captain.

*Mr. Duncan* was promoted to the position of Senior Vice President, Commercial in December 2009. He joined us in January 2005 as Vice President, Global Business Development. He was promoted to Senior Vice President, Global Business Development effective January 1, 2006 and to Senior Vice President, Western Hemisphere in April 2008. Prior to joining the Company, Mr. Duncan worked at ABB Lummus Global Inc. from 2002 to 2005. At ABB, Mr. Duncan served as Commercial Director in the Deepwater Floating Production Systems division, based in Houston, Texas. From 1985 to 2002, Mr. Duncan worked for the Halliburton/Brown & Root Group, mostly in the subsea sector where he filled various positions working in the North Sea, Brazil and several other international areas, ultimately holding the position of Senior Global Vice President Commercial for the Subsea 7 entity.



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*Mr. Stafford* joined us in May 2006 as Vice President and General Counsel, Corporate Secretary and was promoted to Senior Vice President in November 2010. Prior to joining the Company, Mr. Stafford was Vice President, General Counsel and Corporate Secretary of TODCO from January 2003 to May 2006.

*Ms. Ware* was promoted to Senior Vice President, Administration in December 2009. She joined us in August 2007 as Vice President of Global Human Resources. Prior to joining the Company, Ms. Ware was Vice President, Human Resources for BHP Billiton Petroleum from 2006 to 2007. Prior to joining BHP Billiton, Ms. Ware was Vice President Human Resources, Worldwide for Hanover Compressor Company from 2002 to 2006. Prior to 2002, Ms. Ware served for 20 years in a variety of roles as a human resources professional with BP. Ms. Ware's duties and responsibilities at BHP Billiton and Hanover included management and oversight of all Human Resource activities and personnel at those companies.

*Mr. Allman* joined us in March 2006 as Director of Financial Reporting. In August 2007 he was promoted to Corporate Controller and was subsequently elected Chief Accounting Officer in April 2009 and Vice President, Chief Accounting Officer in November 2010. From September 2002 to March 2006, Mr. Allman worked as Financial Reporting Manager for Nabors Industries Ltd., a drilling and well servicing company. A Certified Public Accountant, Mr. Allman previously worked in public accounting as an Audit Manager with KPMG LLP after beginning his career with Arthur Andersen LLP.

*Mr. Baj* joined us in July 2005 as Assistant Treasurer. In November 2005, Mr. Baj was promoted to Vice President, Treasurer and Secretary. In May 2006, Mr. Baj resigned his position as Secretary upon Mr. Stafford joining the Company.

*Mr. Miller* was appointed Vice President, Strategy and Structural Transactions in November 2010. From January 2008 to November 2010, he worked as an independent consultant assisting companies in capital markets and in a financial advisory capacity. He served as the post bankruptcy CEO and President of Enron North America Corp. and Enron Power Marketing Inc. from December 2001 to December 2007.

*Ms. Montaigne* joined the Company in February 2012 as Vice President, Sales and Marketing. Prior to joining the Company, Ms. Montaigne was Senior Director, Deepwater Solutions, at Halliburton, where she led the strategic initiative to increase Halliburton's global market share in that segment. From 2007 to 2010, she was Vice President of the Exxon Mobil Account for Halliburton, where she managed this top 10 strategic global account. Prior to that, Ms. Montaigne held various positions at Landmark Graphics, including US Region General Manager, Managing Partner for the Shell Account, Vice President of Data and Applications Management, Marketing Director for GrandBasin and The Americas. From 1979 to 1990, she was a geologist with ENSTAR Petroleum and RPI.

**Table of Contents****VII. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT****Holdings of Principal Stockholders**

The following table shows certain information with respect to beneficial ownership of our common stock by any person known by us to be the beneficial owner of more than five percent of any class of our voting securities:

Name and Address of Beneficial Owner	Amount	Title	Percent
	Beneficially	Of	
Name and Address of Beneficial Owner	Owned	Class	Of Class(1)
BlackRock, Inc. 40 East 52 <sup>nd</sup> Street  New York, NY 10022	2,968,549(2)	Common	8.3%
Franklin Resources, Inc. One Parker Plaza, 9th Floor  Fort Lee, NJ 07024	2,730,485(3)	Common	7.6%
Dimensional Fund Advisors LP Palisades West, Building One  6300 Bee Cave Road  Austin, TX 78746	2,724,292(4)	Common	7.6%
Caledonia Investments plc Cayzer House, 30 Buckingham Gate  London, England SW1 E6NN	2,395,042(5)	Common	6.7%
The Vanguard Group Inc. 100 Vanguard Malvern, PA 19355	1,925,038(6)	Common	5.4%
Allianz Global Investors Capital LLC 600 West Broadway  San Diego, CA 92101, and NFJ Investment Group LLC 2100 Ross Avenue, Suite 700  Dallas, TX 75201	1,842,500(7)	Common	5.2%

(1) Percentage of the 35,755,317 shares of common stock of the Company outstanding as of March 31, 2012.

(2) According to Schedule 13G/A filed on February 10, 2012 with the Securities and Exchange Commission, on behalf of BlackRock, Inc., BlackRock, Inc. has sole dispositive power and sole voting power with respect to all of such shares. The Schedule 13G/A states that various persons have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of such shares of common stock, and no one person's interest in such shares of common stock is more than five percent of the total outstanding common



shares.

- (3) According to a Schedule 13G/A filed on February 7, 2012 with the Securities and Exchange Commission, the shares listed are beneficially owned by one or more open or closed-end investment companies or other managed accounts that are investment management clients of investment managers that are direct and indirect investment advisory subsidiaries (the "Investment Management Subsidiaries") of Franklin Resources, Inc. ("FRI"). Investment management contracts grant to such Investment Management Subsidiaries all investment and/or voting power over the securities owned by advisory clients of the Investment Management Subsidiaries. Therefore, the Investment Management Subsidiaries may be deemed to be beneficial owners of such shares. Franklin Advisory Services, LLC, has sole voting power with respect to 2,638,805 shares of common stock and sole dispositive power with respect to 2,725,605 shares of common stock. Additionally, the Schedule 13G/A discloses that Charles B. Johnson and Rupert H. Johnson, Jr., as principal shareholders of FRI, may be deemed to be the beneficial owners of the shares of common stock held by the Investment Management Subsidiaries. FRI, the principal shareholders and the Investment Management Subsidiaries disclaim any pecuniary interest in such shares.

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- (4) According to a Schedule 13G/A filed on February 14, 2012 with the Securities and Exchange Commission, Dimensional Fund Advisors LP ( Dimensional ) has shared dispositive power with respect to and, may beneficially own, all such shares of common stock. Dimensional has shared voting power with respect to 2,664,444 of such shares. Dimensional Fund Advisors LP, an investment adviser registered under Section 203 of the Investment Advisors Act of 1940, furnishes investment advice to four investment companies registered under the Investment Company Act of 1940, and serves as investment manager to certain other commingled group trusts and separate accounts (such investment companies, trusts and accounts, collectively referred to as the Funds ). In certain cases, subsidiaries of Dimensional Fund Advisors LP may act as an adviser or sub-adviser to certain Funds. In its role as investment advisor, sub-adviser and/or manager, neither Dimensional Fund Advisors LP or its subsidiaries (collectively, Dimensional ) possess voting and/or investment power over the securities of the Issuer that are owned by the Funds, and may be deemed to be the beneficial owner of the shares of the Issuer held by the Funds. However, all of such shares of common stock reported above are owned by the Funds. Dimensional disclaims beneficial ownership of all such shares.
- (5) According to a Form 13D/A filed on June 26, 2008 with the Securities and Exchange Commission (and updated based on developments known to the Company and confirmed with the Company's transfer agent) by (i) Caledonia Investments plc ( Caledonia ) as the direct beneficial owner of all of such shares of common stock and (ii) The Cayzer Trust Company Limited ( Cayzer Trust ) as an indirect beneficial owner of all of such shares of common stock given its direct holdings of the securities of Caledonia. Caledonia and Cayzer Trust claim shared voting and dispositive power over such shares of common stock.
- (6) According to a Schedule 13G filed on February 9, 2012 with the Securities and Exchange Commission, The Vanguard Group Inc ( Vanguard ) has sole voting power with respect to 55,074 of such shares, sole dispositive power with respect to 1,869,964 of such shares and shared dispositive power with respect to 55,074 of such shares.
- (7) According to a Form 13G filed on February 13, 2012 with the Securities and Exchange Commission, Allianz Global Investors Capital LLC ( AGIC ) may be deemed to be the beneficial owner of these shares held by NFJ Investment Group LLC ( NFJ ), its wholly owned subsidiary. NFJ has sole dispositive and voting powers with respect to these shares. The securities reported are held by investment advisory clients or discretionary accounts of which AGIC and/or NFJ is the investment adviser. Investment advisory contracts grant to each of AGIC or NFJ voting and/or investment power over the securities held by each of their respective clients or in accounts that each of them manages. As a result, each may be deemed to beneficially own the securities held by its clients or accounts within the meaning of Rule 13d-3 under the Act. Because AGIC is the parent holding company of NFJ, AGIC may be deemed to beneficially own the securities held by NFJ's clients or accounts. Each of AGIC and NFJ disclaim beneficial ownership of these shares.

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### Holdings of Directors, Nominees and Executive Officers

The following table shows, as of the Record Date, certain information with respect to beneficial ownership of our common stock by (i) each director or nominee, (ii) each of the executive officers named in the Summary Compensation Table on page 29 of this proxy statement (excluding Mr. Burman who left the employ of the Company prior to the record date), and (iii) all of our directors, nominees and executive officers as a group:

Name and Address of Beneficial Owner	Amount	Percent of Class(2)
	Beneficially Owned(1)	
Thomas N. Amonett	25,154	*
Jonathan E. Baliff	5,986	*
Stephen J. Cannon	13,185	*
William E. Chiles	354,248	*
Mark B. Duncan	85,373	*
Michael A. Flick	24,546	*
Lori A. Gobillot	0	*
Ian A. Godden	4,141	*
Stephen A. King(3)	2,395,042	6.7%
Thomas C. Knudson	40,154	*
Mathew Masters(3)	2,395,042	6.7%
Randall A. Stafford	55,646	*
Bruce H. Stover	3,541	*
Ken C. Tamblyn	7,290	*
Hilary S. Ware	47,115	*
All Directors, nominees and executive officers as a group (20 persons) (3)	3,119,605	8.7%

\* Less than 1%.

- (1) Based on information as of the Record Date supplied by directors, nominees and executive officers. Unless otherwise indicated, all shares are held by the named individuals with sole voting and investment power. Stock ownership described in the table includes for each of the following directors or executive officers options to purchase within 60 days after the Record Date the number of shares of common stock indicated after such director's or executive officer's name: Thomas N. Amonett - 18,125 shares; Stephen J. Cannon - 8,125 shares; William E. Chiles - 258,950 shares; Mark B. Duncan - 65,068 shares; Michael A. Flick - 18,005 shares; Randall A. Stafford - 47,426 shares and Hilary S. Ware - 41,166 shares. Our directors and executive officers, as a group, held restricted stock which will vest or options to purchase 511,407 shares of our common stock which may be acquired, within 60 days after the Record Date.
- (2) Percentages of our common stock outstanding as of the Record Date.
- (3) Because of the relationship of Messrs. King and Masters to Caledonia, Messrs. King and Masters may be deemed indirect beneficial owners of the 2,395,042 shares of common stock owned by Caledonia (see Security Ownership of Certain Beneficial Owners and Management - Holdings of Principal Stockholders). Pursuant to Rule 16a-1(a)(3), Messrs. King and Masters are reporting indirect beneficial ownership of the entire amount of our securities owned by Caledonia but they disclaim beneficial ownership of such shares.

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**VIII. COMPENSATION DISCUSSION AND ANALYSIS**

**Executive Summary**

Fiscal year 2012 was a strong year for Bristow Group. We increased our operating cash flow by 53% over fiscal year 2011 while making other important changes in our operating approach that continue to position the company for future success. These financial results reflect our focus on making improvements that will generate returns for our stockholders in excess of our cost of capital and create long-term value for all stakeholders. In particular, we are pleased with our improvement in Bristow Value Added, or BVA, during fiscal year 2012, which improved by \$8.4 million over fiscal year 2011. Year-over-year improvement in BVA is the primary financial measure in our management incentive plan, aligning the interests of management with stockholders through its focus on the following performance criteria:

*Revenue Growth.* Management is incented to develop and deliver differentiated services to our clients and get paid for them (i.e., through our Target Zero initiatives under the Bristow Client Promise program). Success in these initiatives leads to increased pricing and more revenue.

*Cost Management.* Management is incented to manage operating and overhead costs. Managing costs allows us to keep more of the revenue we generate.

*Capital (Asset) Management.* By adding the cost of capital to our calculation of financial performance, management is incented to be efficient in the use of capital (assets). Efficient use of capital allows us to generate more cash flow.

Fiscal year 2012 marked a year in which increased revenue, margin and working capital improvements and implementation of more capital efficient methods of acquiring aircraft for use in our business (such as through operating leases) led to improved BVA, which we believe will lead to sustainable improved earnings per share and total shareholder return over the long term. Although changes to customer requirements and fleet management changes and subsequent losses on older model aircraft sales led to impairment charges which negatively affected GAAP earnings per share in fiscal year 2012, we believe the improvements in adjusted EPS as seen in our fiscal year 2012 fourth quarter and continuing focus on year over year BVA improvement will enhance shareholder value for years to come.

Other highlights of our fiscal year 2012 performance include:

Ground safety performance was exceptional, with a Total Recordable Incident Rate (TRIR) of 0.23 per 200,000 man hours, which is at the lowest end of the range experienced in other comparable industries including the global oil & gas exploration and production business. In addition, although four Air Accidents were reported in fiscal year 2012, only one occurred in the rotary wing commercial operations and there were no serious injuries related to any of four reported.

Generating \$231 million in operating cash flow, an \$80 million increase over fiscal year 2011.

Operating revenue improvement of \$84 million, or 8%, which led to adjusted EBITDAR\* improvement, which excludes asset sales and impairments and other special items, of 7%. This was driven by new contract work and pricing primarily in Europe and Nigeria, partially offset by lower earnings from Lider in Brazil primarily due to foreign exchange rate changes.

Prudent management of capital, including improvements in inventory, accounts receivable, accounts payable, and smaller capital investments in aircraft through the use of leasing.

Total liquidity, measured as cash plus undrawn revolver capacity, of \$402 million, a 54% increase over fiscal year 2011.

\* Adjusted EBITDAR is not prepared in accordance with GAAP. For a reconciliation of adjusted EBITDAR to the most comparable GAAP financial measures, please see pages 34-45 of our Annual Report on Form 10-K for the fiscal year ended March 31, 2012.

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Stock price improvement from the beginning to the end of the fiscal year of 21% in excess of the Philadelphia Oil Service Index (OSX) and 15% in excess of the offshore transportation peer group average, which is the peer group used for calculation of relative total shareholder return in the Company's compensation program.

A reduction in our effective tax rate, when adjusted for special items, to under 18% compared to a previously forecasted rate of 22%.

These financial and operational accomplishments are reflected in the compensation decisions made for fiscal year 2012 set forth below. The remainder of this Compensation Discussion and Analysis will describe the executive pay programs in more detail.

### **Compensation Philosophy**

The mission of Bristow Group Inc. is to provide the safest and most efficient helicopter support and aviation services worldwide. The compensation program for executives is designed to support and reinforce the mission of the Company, lead to the consistent enhancement of stockholder value, and attract, retain and incentivize the management team.

The program targets total compensation that is generally consistent with the market median when individual and organizational performance objectives are achieved and provides the opportunity to earn above average compensation when performance exceeds measurable financial, safety, operational and individual goals. To achieve this objective, the program has a significant at-risk component in the form of variable annual and long-term incentives. The program focuses on total compensation with a portion allocated to fixed compensation (salary and benefits) and emphasis on variable annual and long-term incentive compensation. Variable incentives, both annual and longer-term, are important components of the program and are used to align actual pay levels with performance results. Long-term incentives are designed to create a strong emphasis on enhancing total stockholder value over a longer term and align the interests of management with those of stockholders through share ownership. Annual incentives are granted to reward participants based on corporate, business unit and individual results.

The Compensation Committee generally attempts to provide the Company's executives, including Mr. Chiles, with a total compensation package that is competitive and reflective of the performance achieved by the Company compared to its peer group of companies and other companies in the energy and transportation service sectors, and is typically weighted toward long-term incentives.

### **Comparative Compensation Data**

The Compensation Committee has selected Towers Watson as its compensation consultant. Towers Watson provides competitive compensation data from a variety of sources including a proxy peer group and other surveys. The proxy peer group currently consists of thirteen companies that either compete with the Company or compete with the Company for executive talent. The companies currently included in the peer group are Core Laboratories NV, Diamond Offshore Drilling Inc., Dresser-Rand Group, Ensco plc, Helix Energy Solutions Group, McDermott International, Newpark Resources Inc., Noble Corporation, Oceaneering International, Oil States International Inc., Rowan Companies Inc., Superior Energy Services and Tidewater. Towers Watson also provided the Compensation Committee with executive compensation comparisons using the Towers Watson General Industry Executive Compensation Database, which collects data from hundreds of companies for a given year across industries and revenue sizes, the Towers Watson Oilfield Services Compensation Survey, which includes data from companies in our industry with similar sizes, and the Mercer US MCTS for the energy sector which includes data from a broad set of companies in the energy sector. This information was updated for the Compensation Committee in mid-2012 and used by the Compensation Committee in connection with its 2012 Executive Compensation reviews. The Committee considers this data with respect to each component of compensation as well as total compensation from the surveys when setting compensation for its executive officers. The proxy data is used principally as an additional data point, particularly with respect to our CEO and CFO.

### **Compensation Components**

The compensation of our executives is separated into four basic components: base salary, annual incentive compensation, long-term incentives and deferred compensation. The base salary for our Named Executive Officers can represent up to 100% of compensation in any given year when incentives do not pay out or long-term awards do not vest. However, the general mix of compensation for target-level performances in the annual incentive plans, plus the net annualized present value of long-term compensation grants in fiscal year 2012, used by the Compensation Committee for our CEO, our CFO, each of our other three most highly compensated executive officers and a former executive officer who would have been one of our most highly compensated



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executive officers but was no longer employed by the Company at fiscal year end (the Named Executive Officers ) was as follows with a degree of variation by individual incumbent. It is important to note that the influences of the timing of awards, availability of stock, company financial performance and stock price performance could significantly change the basic mix of compensation components as a percentage of total compensation.

For the purpose of measuring total compensation, the Compensation Committee values stock options using the Black-Scholes method. Time-vested restricted stock units are valued at the value of an equivalent amount of the Company's common stock on the date of grant. Performance cash awards are valued at target.

### **Base Salary**

The base salary program generally targets the median range of the marketplace for executives with similar responsibilities. The Compensation Committee considers Towers Watson survey data and data for our compensation peer group when setting executive compensation. The performance of each executive and most employees is reviewed annually. Salary adjustments have been typically effective at June 1 of each year and are based on the individual's experience and background, the general movement of salaries in the marketplace, the Company's financial performance and a qualitative assessment of the individual's performance by his or her immediate supervisor, or in the case of Mr. Chiles, by the Compensation Committee. In addition to its assessment of Mr. Chiles' performance, the Compensation Committee reviews the evaluations for each of the Company's other executive officers. Due to these factors, an executive's base salary may be above or below the market median at any point in time. Base salaries were not adjusted in fiscal year 2012. In May 2012, the Compensation Committee, after considering the factors noted in Executive Summary above and the Compensation Survey data provided by Towers Watson, adjusted base salaries for the CEO and other named executive salaries as follows:

	<b>Prior Base Salary</b>	<b>New Base Salary</b>
Mr. Chiles	\$ 750,000	\$ 825,000
Mr. Baliff	400,000	420,000
Mr. Duncan	367,100	385,455
Mr. Stafford	325,000	331,500
Ms. Ware	340,000	353,600

In addition to the factors described above the Committee considered in the case of Mr. Chiles that his base salary had not been adjusted in four years except for a voluntary 10% pay cut taken by him in 2010 which was reinstated in 2011.

### **Annual Incentive Compensation**

The Company maintains an annual incentive compensation plan to provide selected executive officers and employees the opportunity to share in the improved performance of the Company by achieving specific corporate and business unit financial and safety goals and key individual objectives. Awards under the plan are determined based on specified performance standards, which we refer to as Key Performance Indicators ( KPIs ). However, excessive risk-taking to achieve financial goals is discouraged by requirements that participants must also uphold and certify their compliance with the Company's legal and ethical standards as described in the Company's Code of Business Integrity and the policies that support the Code. The Compensation Committee periodically monitors the award target levels and variances to assure their competitiveness and that they are consistent with compensation strategy for incentives and for total compensation without encouraging excessive risk-taking. Our KPIs typically incorporate certain metrics that are based on our publicly reported financial results.



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### **Fiscal Year 2012 Awards**

For fiscal year 2012, the KPIs used were the following:

Bristow Value Added - BVA is a financial performance measure customized for the Company to measure gross cash flow (after tax operating cash flow) less a charge for the capital employed.

Gross cash flow is total revenue, less total operating expense (excluding depreciation and amortization) plus rent expense for the period less taxes, plus or minus an adjustment for the proportional consolidation of any large strategic equity investment's gross cash flow (e.g., Lider) and excluding special items, if any.

Gross operating assets is a measure of the gross tangible assets deployed into the business to generate the Company's gross cash flow. Gross operating assets include net working capital (excluding cash), gross property, plant and equipment (including the fleet), other non-current tangible assets, capitalized operating leases and an adjustment for the gain or losses on the sale of aircraft. Gross operating assets will also be adjusted for the proportional consolidation of any large strategic equity investment's gross operating assets.

The annual required return is fixed at 10.5% (2.625% per quarter). The capital charge is calculated quarterly based on the ending balance and the full year's capital charge is the sum of the four quarters. The capital charge is defined as gross operating assets times the required return.

We implemented BVA in fiscal year 2012 to enhance our focus on the returns we deliver across our organization. Improvements in BVA is the primary financial measure in our management incentive plan starting in fiscal year 2012, aligning the interests of management with shareholders.

Safety, including the Company's consolidated Bristow Safety Index (BSI) which is Total Recordable Incident Rate (TRIR) - the number of incidents per 200,000 labor hours weighted for severity of the incident, for the fiscal year compared to a preset target, and Air Accidents (AA) - the number of aviation-related accidents incurred by the Company compared to a preset target. In the event of an accident that results in a fatality, the safety portion of the award payout is forfeited for the related business unit and division employees as well as all corporate plan members, including senior management. Safety is a key component of the Bristow Client Promise and our Target Zero safety program, which reflects our commitment to providing higher hours of zero-accident flight time.

Individual Performance - Individual performance relates specifically to the individual and is based on an overall performance evaluation of the individual's contributions during the fiscal year based on a determination by the individual's immediate supervisor, or in the case of Mr. Chiles, the Compensation Committee, compared to individualized goals set by the supervisor, or in the case of Mr. Chiles, the Compensation Committee, at the beginning of the fiscal year. The practice of considering individual performance on a case-by-case basis permits consideration of flexible criteria, including current overall market conditions.

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The KPIs are designed to coincide with the goals and objectives established by the Company in its long-term strategy. KPI weightings are varied by individual position to give emphasis to performance for which participants have the most direct control. Minimum KPI levels must be achieved in order to receive any payout under the annual incentive compensation plan. Participants may earn up to as much as 250% of their annual incentive targets in the event of performance substantially exceeding the preset goals. Annual incentive compensation awards are paid in cash. The KPI weightings for the CEO and other Named Executive Officers for fiscal year 2012 were: BVA - 50%; Safety - 25% and Individual Performance - 25%:

The bonus KPIs and results for fiscal year 2012 were as follows:

**Safety**

	BSI	Air Accidents
KPI at Expected Level	0.20	1
Result	0.17	4*

\* Four Air Accidents reported during the fiscal year included two training related accidents, one fixed wing accident, and one rotary wing accident, none involving any serious injuries.

**BVA**

Neutral year-over-year BVA performance would have resulted in a payout for this KPI at target. Year-over-year improvements in BVA result in increases to the multiplier up to a maximum of three and declines in BVA result in decreases to the multiplier down to a minimum of zero. In 2012, the Company achieved a year-over-year improvement in BVA of \$8.4 million, resulting in a multiplier of 1.30.

The annual incentive target and maximum levels are stated as a percentage of annual base salary and are set based on position grade levels. The annual incentive target, maximum levels and the actual payouts based on the KPI results above for fiscal year 2012 for our CEO and the other Named Executive Officers are outlined below:

Named Executive Officer	Percentage of Base Salary		
	Target	Maximum	Actual
William E. Chiles	100%	250.0%	150.0%
Jonathan E. Baliff	55%	137.5%	77.0%
Mark B. Duncan	55%	137.5%	66.7%
Randall A. Stafford	55%	137.5%	65.7%
Hilary S. Ware	55%	137.5%	70.8%
Richard D. Burman(1)	55%	137.5%	N/A

(1) Mr. Burman left the employ of the Company in March 2012.

If an individual is determined by the Committee to have violated the Company's Code of Business Integrity, that individual may lose a portion or all of their annual incentive compensation as determined by the Committee on a case by case basis. In the event of an accident that results in a fatality, the safety portion of the award payout is forfeited for the related business unit and division employees as well as all corporate plan members, including senior management. There is no provision in our annual incentive plan for retroactively adjusting past performance compensation in the event of a restatement of these results leads to a different outcome, although such a restatement would be taken into consideration by the Compensation Committee in making future compensation decisions. In fiscal year 2012, the Compensation Committee set KPI levels for the performance incentive awards shortly after the end of the prior fiscal year and after the budget for the next fiscal year was approved by our Board.

**Fiscal Year 2013 Awards**

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In May 2012, the Compensation Committee of the Company approved and adopted an annual incentive compensation plan for fiscal year 2013 (year ending March 31, 2013) for our senior employees, including each of our executive officers. The KPIs selected for fiscal year 2013 are:

BVA.

Safety, including BSI and BAIR. BAIR, or Bristow Aviation Incident Rate, is a blended measure of Type A and Type B Incidents per 100,000 flight hours. Type A Incidents are weighted at 2 times the number of incidents. A Type A Incident is defined as an "air accident" as defined by the International Civil Aviation Organization's International Standards and Recommended Practices, and a Type B Incident is defined as a "Serious Incident" under those standards.

Individual performance.

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For 2013, BAIR replaces AA from the 2012 program in order to increase the scope of the Safety KPI to include serious incidents as well as air accidents.

The KPI weightings for the CEO and our Named Executive Officers listed below for the fiscal year 2013 plan are outlined below:

Named Executive Officer	Weighting		
	BVA	Safety	Individual Performance
William E. Chiles	50%	25%	25%
Jonathan E. Baliff	50%	25%	25%
Mark B. Duncan	50%	25%	25%
Randall A. Stafford	50%	25%	25%
Hilary S. Ware	50%	25%	25%

The annual incentive target and maximum levels expressed as a percentage of base salary for fiscal year 2013 for our CEO and the other Named Executive Officers (other than Mr. Burman) are outlined below:

Named Executive Officer	Percentage of Base Salary	
	Target	Maximum
William E. Chiles	100%	250.0%
Jonathan E. Baliff	55%	137.5%
Mark B. Duncan	55%	137.5%
Randall A. Stafford	55%	137.5%
Hilary S. Ware	55%	137.5%

Fiscal year 2013 expected bonus award targets for the Company's executive officers were approved by the Compensation Committee in late May 2012. The KPI's for the target level were set at levels which would require improved financial performance and improvement in safety when compared to actual results for the prior year.

**Long Term Incentives**

Long term incentive awards are used to focus management attention on Company performance over a period of time longer than one year in recognition of the long-term horizons for return on investments and strategic decisions in our business. The awards are designed to motivate management to assist the Company in achieving a high level of long-term performance while discouraging excessive short-term risk taking and serve to link this portion of executive compensation to long-term stockholder value. They are also designed to assist in executive retention through extended vesting periods. Aggregate stock or option holdings of the executive have no bearing on the size of a long term incentive award.

The Company's 2007 Long Term Incentive Plan (the "2007 Plan"), as amended and approved by the Company's stockholders in 2010, permits the granting of any or all of the following types of awards: stock options; restricted stock; performance awards; phantom shares; other stock based awards; bonus shares; and cash awards. Since 2009, the Compensation Committee has used a mix of time-vested stock options and restricted stock units and performance cash awards that vest based on performance over a three-year period to achieve three goals: emphasize performance through the use of options and performance cash awards; add retention value with time restricted stock awards; and reduce the overall number of shares used under the 2007 Plan through a longer term performance cash award. Performance awards are at-risk compensation and do not always vest. For example, performance restricted stock units granted to employees in 2006 were forfeited in fiscal year 2012 when the required performance standards were not met. The Compensation Committee also perceived that the addition of the long-term cash award which vests simultaneously with restricted stock awards would encourage executives to retain stock received rather than needing to sell or have shares withheld to pay taxes.

The 2007 Plan is administered by the Compensation Committee. The Compensation Committee directly oversees the 2007 Plan as it relates to officers of the Company and oversees the 2007 Plan in general, its funding and award components, the type and terms of the awards to be granted and interprets and administers the 2007 Plan for all participants. Generally, awards under the 2007 Plan are granted a short time after the

## Edgar Filing: Bristow Group Inc - Form DEF 14A

Company's financial results for the prior fiscal year have been made public by the filing of the Company's Annual Report on Form 10-K. Occasionally, long term incentive awards are granted at other times when appropriate for new employees or as special recognition of performance.

**Table of Contents****Fiscal Year 2012 Awards**

In fiscal year 2012, the Compensation Committee made grants of stock options, performance cash and restricted stock units (as set forth under Executive Compensation - Grants of Plan-Based Awards ). The options vest ratably over a three-year period beginning on the date of grant. The restricted stock units vest at the end of three years from the date of grant. Performance cash awards only vest at the end of three years depending on how the Company's total shareholder return (TSR) ranks among the companies included in the Simmons & Company Offshore Transportation Services Group Index over the three-year performance period. The cash payout then ranges from 50% to a maximum of 200% for TSR ranging from the 25th percentile to the 75th percentile.

**Fiscal Year 2013 Awards**

In May 2012, the Compensation Committee authorized the annual grant of stock options, time vested restricted stock units and long-term performance cash awards to participating employees, including the following grants to the Named Executive Officers:

Officer	Performance Cash Target	Stock Options	Restricted Stock Units
William E. Chiles	\$ 1,166,667	73,481	26,894
Jonathan E. Baliff	\$ 370,360	23,323	8,536
Mark B. Duncan	\$ 283,309	17,844	6,531
Randall A. Stafford	\$ 220,448	13,855	5,082
Hilary S. Ware	\$ 272,272	17,149	6,276

Restricted stock unit grants vest at the end of three years. Stock Options vest in three equal annual installments beginning on the first anniversary of the grant date. Performance cash awards allow the recipient to receive from 0% to 200% of the target amount shown depending on how the Company's TSR ranks among the companies included in the Simmons & Company Offshore Transportation Services Group Index over the three year performance period. The cash payout then ranges from 50% to a maximum of 200% for TSR ranging from the 25th percentile to the 75th percentile. The amount shown above assumes a 100% payout.

The Compensation Committee believes the dollar value of long-term incentive awards granted by the Company during fiscal year 2013 are consistent with award levels granted by other companies based on their experience and the analysis conducted by Towers Watson.

**Vesting of Prior Awards**

Following March 31, 2012, performance cash awards granted during fiscal year 2009 vested at 84.97 % of the Target level in the following amounts based on the Company's TSR over the three year period ended March 31, 2012: Mr. Chiles - \$849,700, Mr. Duncan - \$205,945, Mr. Stafford - \$171,073 and Ms. Ware - \$139,549.

**Deferred Compensation**

Under the terms of the Company's non-qualified deferred compensation plan for senior executives (the Deferred Compensation Plan ) participants including our Named Executive Officers can elect to defer a portion of their compensation for distribution at a later date. Additionally, the Company contributes to the Deferred Compensation Plan an amount equal to the difference between the percentage matching contribution made by the Company to the applicable employee's 401(k) Plan Account and, in the case of Mr. Chiles, up to 20% of salary and bonus, and in the case of each of our other Named Executive Officers, up to 15% of salary and bonus.

**Perquisites**

Certain employees, including executive officers, are provided with certain perquisites as part of their compensation. These may include Company-paid life or private health insurance policies. Perquisites such as these are a relatively low cost part of compensation to be used in attracting and retaining qualified employees and executives. Other perquisites, such as car allowances and club dues reimbursements, were eliminated in previous years.

For additional information regarding perquisites, see Director and Executive Officer Compensation - Summary Compensation Table.



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### **Other Benefits**

Executive officers are eligible to participate, with other employees, in various employee benefit plans, including paid time off, medical, dental and disability insurance plans and a 401(k) plan. The Compensation Committee exercises no discretion over this participation.

### **Stock Ownership Guidelines**

Our Board has adopted stock ownership guidelines for directors and executive officers. Directors are expected to hold stock with a value equal to four times the annual retainer for directors within a five year period commencing August 2008 or the date on which a director takes office, whichever is later. Executive officers are expected to hold stock with a value equal to a multiple of their base salary as follows: CEO - 4 times; Senior Vice Presidents - 2 times. They are expected to reach this level of holdings within 5 years of June 2011 or from the date they first became an executive officer, whichever is later. The Company does not have specific equity or other security ownership requirements or guidelines for employees other than officers. However, management level employees are encouraged to take an ownership stake in the Company and are specifically compensated with equity compensation. Further, the current compensation design for executives and senior managers contains a cash portion that vests concurrently with time vested restricted stock to encourage them to retain stock received rather than selling or having shares withheld to pay taxes. Margin accounts secured by the Company's common stock held by executive officers and trading in derivatives of Company common stock by executive officers is discouraged but not specifically disallowed by corporate policy. Under our Insider Trading Policy, all insiders are bound by the rules of insider trading and speculation in Company common stock is discouraged.

### **Severance Benefits**

We have entered into employment or severance benefit agreements with each of our Named Executive Officers. Pursuant to these agreements, each of the Named Executive Officers is entitled to severance and/or retirement payments and other benefits in certain situations. See Potential Payments upon Termination or Change-in-Control under Director and Executive Officer Compensation below for a detailed description of the amounts payable and method of calculation. Mr. Burman received a severance payment in connection with his departure from the Company. We believe the severance benefits are reasonable for persons in the offices and rendering the level of services performed by these individuals. We selected higher multiples for terminations associated with a change-in-control to provide additional reasonable protections and benefits to the officers to align their interests with those of shareholders in transactions where their future employment may be at risk. These change-in-control termination payments are based on a double trigger requiring additional reasons such as Good Reason as defined in the agreement or the officer being terminated without cause to ensure such amounts will not be paid when employment continues or the individual elects to resign without good reason. We believe that providing these multiples for change-in-control terminations for up to a two year period after a change in control will provide for their commitment to the Company or its potential acquirer through a change-in-control event, resulting in a continuity of leadership and preserving the shareholders' interests before and after a transaction. The employment agreement for Mr. Chiles also provides for a gross-up payment to the extent Section 280G of the Internal Revenue Code would apply to such payments as excess parachute payments. The employment agreements for the other executive officers contain provisions limiting compensation payable in these circumstances to the extent Section 280G would apply.

### **Administration of Executive Compensation Program**

Our executive compensation program is administered by the Compensation Committee of our Board. The Compensation Committee has established an annual process for reviewing and establishing executive compensation levels. Annual base salaries are typically reviewed and adjusted in June of each year. The annual incentive plan performance goals are approved in May or June of each year. Determination of achievement of these goals, approval of bonuses under the annual incentive compensation for the prior year and granting of long-term incentive awards normally takes place in June after the Company files its fiscal year end financial statements. The Compensation Committee has not established provisions in our annual incentive plan or our 2007 Plan for retroactively adjusting past performance compensation in the event of a restatement of these results leads to a different outcome. Implementation of such provisions has been postponed pending the release of guidelines from the Securities and Exchange Commission, which is expected before the end of 2012.

Compensation consultants are engaged from time to time to provide recommendations on all aspects of executive compensation as directed by the Compensation Committee. The Compensation Committee may or may not adopt any of the recommendations of compensation consultants, but utilizes their work as a check in arriving at its own judgment with respect to what it deems to be appropriate. Compensation consultants have direct access to Compensation Committee members and participate in Compensation Committee meetings, as requested by the Compensation Committee Chairman. They may also provide compensation advice to management with the knowledge and consent of the Compensation Committee.





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William E. Chiles, our President and Chief Executive Officer, Jonathan E. Baliff, our Senior Vice President and Chief Financial Officer, Randall A. Stafford, our Senior Vice President and General Counsel, and Hilary S. Ware, our Senior Vice President - Administration, support the Compensation Committee in performing its role with respect to administering our compensation program. The Compensation Committee conducts performance evaluations of Mr. Chiles, and Mr. Chiles conducts performance evaluations of our other executive officers and makes recommendations to the Compensation Committee regarding all aspects of their compensation. Mr. Chiles, with input from the entire senior management team and the Compensation Committee's compensation consultants, makes recommendations to the Compensation Committee as to performance measures and levels to be used for annual incentive compensation. Messrs. Baliff and Stafford and Ms. Ware act pursuant to delegated authority to fulfill various administrative functions of the Compensation Committee, such as coordinating the hiring process with respect to executives, providing legal and market updates to the Compensation Committee, and overseeing the documentation of equity plans and awards as approved by the Compensation Committee. No executive has the authority to establish or modify executive officer compensation.

In fiscal year 2012, the Company incurred \$83,603 in fees payable to Towers Watson for services provided to the Compensation Committee. Towers Watson also earned \$384,337 in commissions from providers for health and welfare benefit program advisory services which include the following activities: financial management services including analysis and reporting of health and welfare program expenses and trends; strategy and plan design assistance to meet benefit program objectives and remain compliant; management of vendors that provide administrative and insurance services to ensure appropriate service levels and competitive terms/conditions. The provision of such services was preapproved by the Compensation Committee.

### **Shareholder Advisory Say-on-Pay Vote**

At the Annual Meeting, we are providing our stockholders with the opportunity to cast an advisory vote on the compensation of our named executive officers, commonly known as a say-on-pay vote. This vote provides our stockholders the opportunity to express their views regarding the compensation program for our named executive officers as disclosed in this proxy statement. As an advisory vote, the say-on-pay vote at the Annual Meeting will not be binding upon the Company or the Board of Directors. However, the Board of Directors values the opinions expressed by our stockholders, and the Compensation Committee will consider the outcome of the vote when making future compensation decisions for our named executive officers. For additional information, please refer to Advisory Approval of Executive Compensation (Item 2).

The advisory vote at the Annual Meeting will be our second say-on-pay vote. We conducted our first say-on-pay vote at our 2011 annual meeting at which an advisory resolution approving the compensation of our named executive officers, as disclosed in the proxy statement for our 2011 annual meeting, was approved by approximately 90.6% of the shares that were voted either for or against the resolution (excluding abstentions and broker non-votes). We have considered the favorable results of this vote, and the Compensation Committee has not made any changes to our overall executive compensation program as a result of the vote.

At our 2011 annual meeting, we also conducted an advisory vote on the frequency of future shareholder advisory votes on executive compensation, at which the Board of Directors recommended that our stockholders vote in favor of holding annual say-on-pay votes instead of the other options presented. At our 2011 annual meeting, approximately 89.0% of the shares that were voted in favor of one of the three available frequency recommendations (excluding abstentions and broker non-votes) voted in favor of an annual frequency, approximately 0.4% voted in favor of holding future votes once every two years, and approximately 10.6% voted in favor of holding future votes once every three years. In August 2011, we disclosed that, consistent with the results of the advisory vote, we intend to hold future say-on-pay votes annually until we next hold an advisory vote on the frequency of say-on-pay votes as required under SEC rules.

### **Compensation Risk**

The Committee carefully considers the relationship between our overall compensation policies, programs and practices for executive officers and other employees and risk. The Committee continually monitors the Company's general compensation practices, specifically the design, administration and assessment of our incentive plans, to identify any components, measurement factors or potential outcomes that might create an incentive for excessive risk-taking detrimental to the Company. The Committee has determined that the Company's compensation plans and policies do not encourage excessive risk taking.

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**Accounting and Tax Matters**

The Compensation Committee also considers the potential impact of Section 162(m) of the Internal Revenue Code of 1986, as amended ( Section 162(m) ). Section 162(m) disallows a tax deduction for any publicly held corporation for individual compensation exceeding \$1 million in any taxable year for the Chief Executive Officer and the other senior executive officers, other than compensation that is performance-based under a plan that is approved by the shareholders of the corporation and that meets certain technical requirements. While the goal of the Compensation Committee is to design compensation for executives which is tax deductible, the Compensation Committee reserves the right to exercise subjective discretionary compensation decisions where appropriate and therefore has and may in the future authorize awards or payments to executives which may not meet the requirements of Section 162(m).

**Table of Contents****IX. DIRECTOR AND EXECUTIVE OFFICER COMPENSATION****Summary Compensation Table**

The following information relates to compensation paid by the Company for fiscal years 2010, 2011 and 2012 to the Company's Named Executive Officers:

**Summary Compensation Table**

Name & Principal		Non-Equity Incentive Plan					Change in Pension Value & Nonqualified Deferred		
		Stock Awards	Option Awards	Compensation	Compensation	Compensation			
Position	Fiscal Year	Salary (\$)(1)	Bonus (\$)(2)	Awards (\$)(3)	Awards (\$)(3)	Compensation (\$)(4)	Earnings(\$)(5)	Compensation (\$)(6)	Total(\$)
William E. Chiles, President & CEO	2012	\$ 750,000	-	\$ 2,343,502	\$ 1,071,450	\$ 1,125,000	-	\$ 281,443	\$ 5,571,395
	2011	\$ 750,000	\$ 278,040	\$ 1,189,195	\$ 1,038,573	\$ 549,738	-	\$ 372,924	\$ 4,178,469
	2010	\$ 675,000	-	\$ 1,629,403	\$ 1,261,061	\$ 1,050,000	-	\$ 365,071	\$ 4,980,535
Jonathan E. Baliff, Sr. VP & CFO (7)	2012	\$ 400,000	-	\$ 680,276	\$ 311,033	\$ 308,000	-	\$ 103,764	\$ 1,803,073
	2011	\$ 198,356	\$ 350,000	\$ 754,000	-	\$ 171,468	-	\$ 16,507	\$ 1,490,331
Mark B. Duncan, Sr. VP, Commercial	2012	\$ 367,100	-	\$ 506,113	\$ 231,395	\$ 244,810	-	\$ 91,896	\$ 1,441,314
	2011	\$ 367,100	\$ 104,448	\$ 1,059,825	\$ 266,888	\$ 139,193	-	\$ 98,104	\$ 2,035,558
	2010	\$ 334,882	-	\$ 394,905	\$ 305,644	\$ 244,325	-	\$ 88,968	\$ 1,368,724
Randall A. Stafford, Sr. VP, General Counsel	2012	\$ 325,000	-	\$ 388,342	\$ 113,637	\$ 213,383	-	\$ 73,399	\$ 1,113,761
	2011	\$ 323,301	\$ 72,025	\$ 202,100	\$ 176,342	\$ 106,465	-	\$ 86,791	\$ 967,024
	2010	\$ 315,000	-	\$ 328,056	\$ 253,901	\$ 200,813	-	\$ 86,841	\$ 1,184,611
Hilary S. Ware, Sr. VP, Administration	2012	\$ 340,000	-	\$ 451,881	\$ 206,593	\$ 240,763	-	\$ 79,143	\$ 1,318,380
	2011	\$ 340,000	\$ 53,922	\$ 310,906	\$ 271,307	\$ 132,128	-	\$ 87,764	\$ 1,196,027
	2010	\$ 325,000	-	\$ 267,605	\$ 207,099	\$ 199,204	-	\$ 71,642	\$ 1,070,550
Richard D. Burman, Former Sr. VP, Operations (8)	2012	\$ 346,301	-	\$ 506,113	\$ 231,395	-	-	\$ 1,166,145	\$ 2,249,954
	2011	\$ 368,664	\$ 75,105	\$ 1,059,825	\$ 266,888	\$ 143,632	-	\$ 60,019	\$ 1,974,132
	2010	\$ 287,681	-	\$ 393,295	\$ 304,402	\$ 211,255	-	\$ 51,009	\$ 1,247,642

- (1) Under the terms of their employment or severance agreements, Mr. Chiles, Mr. Baliff, Mr. Duncan, Mr. Stafford and Ms. Ware are entitled to the compensation described under "Employment Agreements" below.
- (2) Except for Mr. Baliff, the amount for fiscal year 2011 includes an additional discretionary bonus granted to all recipients of 2008 performance cash awards that were forfeited.
- (3) For awards of stock and performance cash awards, the amount shown is the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. Grants of performance cash awards received in fiscal years 2010, 2011 and 2012 vest at the end of three years if certain performance goals are met. We had intended to report the actual payouts from the performance cash plan in the Non-Equity Incentive Plan column, but have determined that the appropriate reporting is to include the grant date fair value in the Stock Awards column since these awards are within scope of FASB ASC 718. For awards of options (including awards that subsequently have been transferred), the amount shown is the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. For additional information, see Note 10 to our consolidated financial statements in our Annual Report on Form 10-K for the fiscal year ended March 31, 2012. These amounts may not correspond to the actual value that will be recognized by the executive.

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- (4) Annual performance awards approved in June for fiscal years 2010, 2011 and 2012 under the annual incentive compensation plan for such years.
- (5) Our Named Executive Officers did not receive any above-market or preferential earnings on nonqualified deferred compensation during fiscal years 2010, 2011 and 2012.

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(6) Please see footnote 8 for a discussion of amounts applicable to Mr. Burman. Includes for fiscal year 2012:

	Mr. Chiles	Mr. Baliff	Mr. Duncan	Mr. Stafford	Ms. Ware	Mr. Burman
401(k) contribution	\$ 14,700	\$ 14,700	\$ 14,700	\$ 7,350	\$ 14,700	\$ -
Defined Contribution Plan Contribution	-	-	-	-	-	156,263
Life and Disability Insurance	17,780	6,655	6,196	8,680	7,812	5,095
Deferred Compensation Plan Contribution	245,248	77,135	61,244	57,370	56,119	-
Private Executive Health Coverage	-	-	-	-	-	2,505
Reimbursement for spousal travel	3,715	5,274	9,756	-	512	-
Severance	-	-	-	-	-	1,002,282
<b>TOTAL</b>	<b>\$ 281,443</b>	<b>\$ 103,764</b>	<b>\$ 91,896</b>	<b>\$ 73,399</b>	<b>\$ 79,143</b>	<b>\$ 1,166,145</b>

(7) The amount for Mr. Baliff in 2011 represents a \$350,000 cash sign on bonus, the after tax proceeds of which are to be used by him to purchase Company stock.

(8) Mr. Burman left the employ of the Company in March 2012. Mr. Burman was paid in British Pounds Sterling. Cash payment amounts shown are converted to U.S. dollars at the rates in effect March 31, 2010 (\$1.52/£), March 31, 2011(\$1.60/£) and March 16, 2012 (\$1.58/£).

### Grants of Plan-Based Awards

The following table sets forth information concerning grants of awards to each of our Named Executive Officers under our Incentive Plan during fiscal year 2012:

#### Grants of Plan-Based Awards Fiscal Year 2012

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards (\$)(1)
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)		
Mr. Chiles	June 8, 2011(2)	-	-	-	568,750	1,137,500	2,275,000		1,205,750
	June 8, 2011(3)	-	-	-	-	25,982	25,982		1,137,752
	June 8, 2011(4)	-	-	-	-	61,862	61,862	43.79	1,071,450
	June 8, 2011(5)	300,000	750,000	1,875,000	-	-	-		-
Mr. Baliff	June 8, 2011(2)	-	-	-	165,100	330,200	660,400		350,012
	June 8, 2011(3)	-	-	-	-	7,542	7,542		330,264
	June 8, 2011(4)	-	-	-	-	17,958	17,958	43.79	311,033
	June 8, 2011(5)	88,000	220,000	550,000	-	-	-		-
Mr. Duncan	June 8, 2011(2)	-	-	-	122,834	245,667	491,334		260,407
	June 8, 2011(3)	-	-	-	-	5,611	5,611		245,706
	June 8, 2011(4)	-	-	-	-	13,360	13,360	43.79	231,395
	June 8, 2011(5)	80,762	201,905	504,763	-	-	-		-
Mr. Stafford	June 8, 2011(2)	-	-	-	60,317	120,633	241,266		127,871
	June 8, 2011(3)	-	-	-	-	2,755	2,755		120,641
	June 8, 2011(4)	-	-	-	-	6,561	6,561	43.79	113,637
	June 8, 2011(5)	71,500	178,750	446,875	-	-	-		-
	August 2, 2011(3)	-	-	-	-	3,000	3,000		139,830

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Ms. Ware	June 8, 2011(2)	-	-	-	109,667	219,333	438,666		232,493
	June 8, 2011(3)	-	-	-	-	5,010	5,010		219,388
	June 8, 2011(4)	-	-	-	-	11,928	11,928	43.79	206,593
	June 8, 2011(5)	74,800	187,000	467,500	-	-	-		
Mr. Burman(6)	June 8, 2011(2)	-	-	-	122,834	245,667	491,334		260,407
	June 8, 2011(3)	-	-	-	-	5,611	5,611		245,706
	June 8, 2011(4)	-	-	-	-	13,360	13,360	43.79	231,395
	June 8, 2011(5)	82,989	207,472	518,679	-	-	-		-

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- (1) These amounts represent the grant date fair value of stock options and restricted stock units granted to each Named Executive Officer during fiscal year 2012 as computed in accordance with FASB ASC Topic 718. For the relevant assumptions used to determine the valuation of our awards, see Note 10 to our consolidated financial statements in our Annual Report on Form 10-K for the fiscal year ended March 31, 2012.
- (2) Performance cash awards that vest at the end of three years depending on the Company's performance in Total Shareholder Return compared to the Simmons & Company Offshore Transportation Services Group Index.
- (3) Restricted stock units that vest at the end of three years from the date of grant.
- (4) Options that vest in one-third increments on June 8, 2012, 2013 and 2014.
- (5) Annual Incentive Compensation awards that are paid in cash in June 2012 based on key performance indicators for the fiscal year. See Annual Incentive Compensation above.
- (6) Mr. Burman left the employ of the Company in March 2012.

## **Employment Agreements**

On June 6, 2006 the Company entered into an amended and restated employment agreement with William E. Chiles, the Company's President and Chief Executive Officer. As amended and restated, Mr. Chiles' employment agreement had an initial term of three years beginning on June 21, 2004 (the date of his original employment agreement), and, upon June 21, 2007 and each anniversary thereafter, this term is automatically extended by successive one year periods unless either party thereto gives appropriate notice of nonrenewal. Under the agreement, Mr. Chiles serves as President and Chief Executive Officer of the Company and reports to our Board. Mr. Chiles' annual base salary is \$825,000 and he will be eligible for an annual cash bonus, if he and the Company meet certain performance targets, of up to 250% of his base salary. The Company will also credit an annual amount equal to the difference between the percentage matching contribution made by the Company to Mr. Chiles 401(k) Plan Account and up to 20% of Mr. Chiles' annual salary and bonus to Mr. Chiles' Deferred Compensation Plan Account. The Company provides Mr. Chiles a ten-year term life insurance policy in the amount of \$3 million payable to his designated beneficiaries. If Mr. Chiles' employment is terminated by the Company without Cause or by him for Good Reason (as those terms are defined in Mr. Chiles' employment agreement) or under certain other circumstances specified in the agreement, he will be entitled to a lump sum cash payment calculated pursuant to a formula set forth in the agreement, along with other benefits including vesting of outstanding long term incentive awards. The lump sum payment is equal to (i) if the termination occurs within two years of a Change of Control, as defined, three times the sum of Mr. Chiles' annual base salary and highest annual incentive bonus received by him for any of the last three fiscal years, as defined, and (ii) if the termination occurs at any other time, two times the sum of Mr. Chiles' annual base salary and current annual incentive target bonus for the full year in which termination occurred. The agreement also contains confidentiality, non-competition, employee non-solicitation, change-of-control and other provisions.

Mr. Baliff and the Company entered into an employment agreement, effective as of October 11, 2010. The agreement had an initial term of one year which is automatically extended by successive one-year periods unless either party gives appropriate notice of nonrenewal. Under the agreement, Mr. Baliff serves as Senior Vice President and Chief Financial Officer of the Company and reports to the President and Chief Executive Officer of the Company. Mr. Baliff's base salary is \$420,000 and he will be eligible for a cash bonus, if he and the Company meet certain performance targets, of up to 137.5% of his base salary. Mr. Baliff also received an initial equity grant of 25,000 shares of restricted stock and a cash sign-on bonus of \$350,000, the after tax proceeds of which are to be used for the purchase of the Company's common stock. The Company will also credit an annual amount equal to the difference between the percentage matching contribution made by the Company to Mr. Baliff's 401(k) Plan Account and up to 15% of Mr. Baliff's annual salary and bonus to Mr. Baliff's Deferred Compensation Plan Account. The Company provides Mr. Baliff with a term life insurance policy in the amount of \$500,000 payable to his designated beneficiaries. If Mr. Baliff's employment is terminated by the Company or by him for Good Reason (as those terms are defined in Mr. Baliff's employment agreement) or under certain other circumstances specified in Mr. Baliff's employment agreement within two years of a Change of Control, as defined, he will be entitled to a lump sum cash payment equal to three times the sum of Mr. Baliff's annual base salary and highest annual incentive bonus received by him for any of the last three fiscal years, along with other benefits including vesting of outstanding long term incentive awards. The agreement also contains confidentiality, non-competition, employee non-solicitation and other provisions.



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On June 6, 2006 the Company entered into an amended and restated employment agreement with Mark B. Duncan. As amended and restated, Mr. Duncan's employment agreement had an initial term of two years beginning on January 24, 2005 (the date of his

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original employment agreement), and, beginning on January 24, 2007, this term is automatically extended by successive one-year periods unless either party gives appropriate notice of nonrenewal. Mr. Duncan currently serves as Senior Vice President, Commercial of the Company and reports to the President and Chief Executive Officer of the Company. Effective June 1, 2012, Mr. Duncan's annual base salary is \$385,455 and he will be eligible for an annual cash bonus, if he and the Company meet certain performance targets, of up to 137.5% of his base salary. The Company will also credit an annual amount equal to the difference between the percentage matching contribution made by the Company to Mr. Duncan's 401(k) Plan Account and up to 15% of Mr. Duncan's annual salary and bonus to Mr. Duncan's Deferred Compensation Plan Account. The Company provides Mr. Duncan with a term life insurance policy in the amount of \$500,000 payable to his designated beneficiaries. If Mr. Duncan's employment is terminated by the Company without Cause or by him for Good Reason (as those terms are defined in the agreement) or under certain other circumstances specified in the agreement, he will be entitled to a lump sum cash payment calculated pursuant to a formula set forth in the agreement, along with other benefits including vesting of outstanding long term incentive awards. The lump sum payment is equal to (i) if the termination occurs within two years of a Change of Control, as defined, two and one half times the sum of Mr. Duncan's Annual Base Salary, as defined, and Highest Annual Bonus, as defined, and (ii) if the termination occurs at any other time, one and one half times the sum of Mr. Duncan's Annual Base Salary and Target Annual Bonus, as defined. The agreement also contains confidentiality, non-competition, employee non-solicitation, change-of-control and other provisions.

Mr. Stafford and the Company entered into an employment agreement, effective as of May 22, 2006. The agreement had an initial term of two years which is automatically extended by successive one-year periods unless either party gives appropriate notice of nonrenewal. Under the agreement, Mr. Stafford serves as Vice President, General Counsel and Corporate Secretary of the Company and reports to the President and Chief Executive Officer of the Company. Effective June 1, 2012, Mr. Stafford's base salary is \$331,500 and he will be eligible for a cash bonus, if he and the Company meet certain performance targets, of up to 137.5% of his base salary. The Company will also credit an annual amount equal to the difference between the percentage matching contribution made by the Company to Mr. Stafford's 401(k) Plan Account and up to 15% of Mr. Stafford's annual salary and bonus to Mr. Stafford's Deferred Compensation Plan Account. The Company provides Mr. Stafford with a term life insurance policy in the amount of \$500,000 payable to his designated beneficiaries. If Mr. Stafford's employment is terminated by the Company without Cause or by him for Good Reason (as those terms are defined in Mr. Stafford's employment agreement) or under certain other circumstances specified in Mr. Stafford's employment agreement, he will be entitled to a lump sum cash payment calculated pursuant to a formula set forth therein, along with other benefits. The lump sum payment is equal to (i) if the termination occurs within two years of a Change of Control, as defined, three times the sum of Mr. Stafford's annual base salary and highest annual incentive bonus received by him for any of the last three fiscal years and (ii) if the termination occurs at any other time, two times the sum of Mr. Stafford's annual base salary and current annual incentive target bonus for the full year in which termination occurred. The agreement also contains change of control, confidentiality, non-competition, employee non-solicitation and other provisions.

Ms. Ware and the Company entered into an amended and restated severance benefit agreement, effective as of November 4, 2010. The agreement remains in effect for the term of Ms. Ware's employment with the Company. If Ms. Ware's employment is terminated by the Company without Cause or by her for Good Reason (as those terms are defined in Ms. Ware's severance benefit agreement) or under certain other circumstances specified in Ms. Ware's severance benefit agreement, she will be entitled to a lump sum cash payment calculated pursuant to a formula set forth therein, along with other benefits including vesting of outstanding long term incentive awards. The lump sum payment is equal to (i) if the termination occurs within two years of a Change of Control, as defined, three times the sum of Ms. Ware's annual base salary and highest annual incentive bonus received by her for any of the last three fiscal years and (ii) if the termination occurs at any other time, the sum of Ms. Ware's annual base salary and current annual incentive target bonus for the full year in which termination occurred. The agreement also contains confidentiality, non-competition, employee non-solicitation and other provisions.

Mr. Burman, our former Senior Vice President, Operations, entered into an agreement (the Retirement Agreement) with a subsidiary of the Company, pursuant to which Mr. Burman's employment with the Company and all of its subsidiaries and affiliates terminated effective March 16, 2012. Pursuant to the Retirement Agreement, Mr. Burman received a lump sum payment of £261,046 as compensation for the loss of the notice period provided for under his employment agreement and payments totaling £367,350 and £453,852, respectively, as compensation for loss of employment and as payment for certain performance cash awards previously awarded under the Company's incentive plans, which vested on his termination date. In addition, all of Mr. Burman's previously awarded and unvested stock options and performance restricted stock units and certain of his previously awarded and unvested restricted stock awards vested on his termination date. Mr. Burman's stock options will be exercisable for 180 days following March 15, 2012. Certain of Mr. Burman's restricted stock awards will be forfeited in accordance with their terms. The Company also agreed to make a one time payment of £50,000 to the Company's pension plan for the exclusive purpose of providing benefits to or in respect of Mr. Burman. The Company will continue to provide Mr. Burman and certain of his family members with life, medical and personal injury insurance for 12 months following his termination date. The Retirement Agreement contains confidentiality, employee non-solicitation and non-disparagement provisions and a release and waiver.

**Table of Contents****Outstanding Equity Awards at Fiscal Year-End**

The following table sets forth information concerning unexercised stock options and unvested restricted stock of each of our Named Executive Officers:

**Outstanding Equity Awards at Fiscal Year-End March 31, 2012**

Name	Option Awards Equity Incentive Plan Awards:					Stock Awards Equity Incentive Plan Awards:			
	Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Unexercised Options (#)	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(\$)	Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(3)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested(\$)
	Exercisable(1)	Unexercisable	Options (#)						
Mr. Chiles	63,273	-	-	\$ 27.21	06/21/14	-	-	-	\$ 2,020,833(2)
	20,000	-	-	\$ 29.17	12/29/15	-	-	-	-
	25,000	-	-	\$ 35.06	06/14/16	-	-	-	-
	29,000	-	-	\$ 46.45	05/24/17	-	-	-	-
	36,100	-	-	\$ 50.25	06/05/18	-	-	-	-
	49,392	24,697	-	\$ 32.90	06/04/19	-	-	-	-
	23,033	46,067	-	\$ 30.16	06/09/20	-	-	-	-
	-	61,862	-	\$ 43.79	06/08/21	-	-	103,559	\$ 4,942,871(3)
Mr. Baliff	-	-	-	-	-	-	-	-	\$ 330,200(2)
	-	17,958	-	43.79	06/08/21	-	-	32,542	\$ 1,553,230(3)
Mr. Duncan	6,500	-	-	\$ 35.06	06/14/16	-	-	-	\$ 427,667(2)
	8,500	-	-	\$ 46.45	05/24/17	-	-	-	-
	13,600	4,534	-	\$ 50.25	06/05/18	-	-	-	-
	11,971	5,986	-	\$ 32.90	06/04/19	-	-	-	-
	5,919	11,838	-	\$ 30.16	06/09/20	-	-	-	-
	-	13,360	-	\$ 43.79	06/08/21	-	-	50,353	\$ 2,403,349(3)
Mr. Stafford	6,200	-	-	\$ 34.15	05/22/16	-	-	-	\$ 270,633(2)
	7,000	-	-	\$ 46.45	05/24/17	-	-	-	-
	9,300	-	-	\$ 50.25	06/05/18	-	-	-	-
	9,944	4,973	-	\$ 32.90	06/04/19	-	-	-	-
	3,911	7,823	-	\$ 30.16	06/09/20	-	-	-	-
	-	6,561	-	\$ 43.79	06/08/21	-	-	21,682	\$ 1,034,881(3)
Ms. Ware	4,000	-	-	\$ 42.75	08/15/17	-	-	-	\$ 450,100(2)
	7,000	-	-	\$ 50.25	06/05/18	-	-	-	-
	8,112	4,056	-	\$ 32.90	06/04/19	-	-	-	-
	6,017	12,034	-	\$ 30.16	06/09/20	-	-	-	-
	-	11,928	-	\$ 43.79	06/08/21	-	-	19,900	\$ 949,827(2)

(1) Options become exercisable in three equal annual installments after the date of grant.

(2) This amount represents the total of all outstanding unvested performance cash awards assuming a payout at the Target level. Following March 31, 2012, performance cash awards vested at 84.97 % of the Target level in the following amounts based on the Company's TSR

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over the three year period ended March 31, 2012: Mr. Chiles - \$849,700, Mr. Duncan - \$205,945, Mr. Stafford - \$171,073 and Ms. Ware - \$139,549.

- (3) PRSUs vest on the third or fifth anniversary of the date of grant provided total shareholder return as defined in the awards over the applicable performance period attains certain predesignated levels. The PRSUs give the holder the right to receive up to one share of common stock per unit subject to the attainment of certain performance goals. To receive one share for each unit granted on the third or, if not on the third, the fifth anniversary of the Grant Date, the Company's Cumulative Average Total Shareholder Return must have met or exceeded 3%. If the performance measure is not achieved by the fifth anniversary date, the PRSUs expire and no stock is received by the participant. Cumulative Average Total Shareholder Return for any period

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equals (1) 100% multiplied by (2) a fraction, (i) the numerator of which is (x) the Average Market Value (as defined below) during such period of the number of shares of Stock which had a Market Value of \$100 as of the first day of such period, assuming the reinvestment of any dividends paid with respect to such shares during such period on a pre-tax basis in additional shares and taking into account any stock splits, reclassifications or any similar events minus (y) \$100, and (ii) the denominator of which is 100. Average Market Value is the Company's Average Daily Closing Stock Price as quoted on the New York Stock Exchange during the period commencing on the Award Date and concluding on the date immediately preceding the end of the three or five year performance period.

**Option Exercises and Stock Vested**

The following table sets forth information concerning exercises of stock options and vesting of restricted stock of each of our Named Executive Officers during fiscal year 2012:

**Option Exercises and Stock Vested Fiscal Year 2012**

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)
Mr. Chiles	11,727	\$ 267,610	41,100	\$ 1,824,921
Mr. Baliff	-	-	-	-
Mr. Duncan	17,000	\$ 346,820	12,600	\$ 558,906
Mr. Stafford	-	-	10,500	\$ 462,651
Ms. Ware	-	-	3,100	\$ 136,741
Mr. Burman(1)	5,000	104,300	36,823	\$ 1,729,448

(1) Pursuant to his Retirement Agreement, certain of Mr. Burman's outstanding incentive awards vested upon his March 16, 2012 retirement.

**Nonqualified Deferred Compensation Plans**

The following table sets forth information concerning deferred compensation for each of our Named Executive Officers during fiscal year 2012:

**Nonqualified Deferred Compensation Fiscal Year 2012**

Name	Executive Contributions in Last FY (\$)	Registrant Contributions in Last FY (\$)(1)	Aggregate Earnings in Last FY (\$)	Aggregate Withdrawals/ Distributions (\$)	Aggregate Balance at Last FYE (\$)
Mr. Chiles	-	245,248	27,207	-	2,170,570
Mr. Baliff	-	77,135	4,273	-	92,327
Mr. Duncan	-	61,244	30,692	-	503,772
Mr. Stafford	-	57,370	(18,183)	-	366,161
Ms. Ware	-	56,119	(13,430)	-	249,293
Mr. Burman	-	-	-	-	-

(1) Registrant contributions in last fiscal year are included in all other compensation in the Summary Compensation Table. Under the terms of the Company's Deferred Compensation Plan for senior executives, participants can elect to defer a portion of their compensation for distribution at a later date. Additionally, the Company contributes an amount to the Deferred Compensation Plan account of participants equal to the difference between the percentage matching contribution made by the Company to the applicable participant's 401(k)

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Plan Account and in the case of Mr. Chiles, up to 20% of salary and bonus, and in the case of each of our other Named Executive Officers, other than Mr. Burman, up to 15% of annual base salary and bonus. Deferred Compensation Plan holdings are invested in the same general funds available under the Company's 401(k) Plan in accordance with the elections of the plan participant. Participants vest in Company contributions to the Deferred Compensation Plan over a five year term. Distributions upon retirement or termination of employment are made pursuant to the participant's election subject to any applicable limitations of the Internal Revenue Code. We have general contractual obligations to pay the deferred compensation upon the participant's termination of employment for any reason, including but not limited to death, disability or retirement.

**Table of Contents****Potential Payments upon Termination or Change-in-Control**

Each of our Named Executive Officers is party to an employment or severance benefit agreement as described above or is otherwise covered by the Company's severance policies. Pursuant to these agreements, Messrs. Chiles, Baliff, Duncan, Stafford and Ms. Ware are entitled to certain severance benefits. As discussed above, Mr. Burman's employment with the Company ended March 16, 2012. If Messrs. Chiles, Baliff, Duncan, Stafford or Ms. Ware's employment is terminated by the Company without Cause or in some cases by the employee for Good Reason (as defined in the agreement), he or she would be entitled to a lump sum severance payment equal to a multiple of the sum of his or her annual base salary plus his or her current annual incentive target bonus for the full year in which the termination of employment occurred. For Messrs. Chiles and Stafford, the multiple is two, for Mr. Baliff and Ms. Ware, the multiple is one, and for Mr. Duncan, the multiple is 1.50, but his contract also provides for six months' notice of termination. The definition of "Cause" includes, among other things, conviction of the officer of a crime involving moral turpitude or a felony, commission by the officer of fraud upon, or misappropriation of funds of, the Company, knowing engagement by the officer in any activity in direct competition with the Company, and a material breach by the officer of covenants related to confidentiality, non-competition and non-solicitation. The definition of "Good Reason" includes, among other things, a reduction in the officer's base salary or bonus opportunity, a relocation of more than fifty miles of the officer's principal office, a material failure of the Company to comply with any material provision of such employment agreement. Prior to terminating his or her employment for Good Reason, the officer must comply with the notice provisions of his or her employment or severance benefits agreement.

The following amounts would be payable if the listed officer's employment is terminated by the Company without Cause or, in certain cases, by the employee for Good Reason.

	<b>Extended</b>				
	<b>Salary</b>	<b>Target Bonus</b>	<b>Vesting of</b>	<b>Health and other</b>	
	<b>Multiple (1)</b>	<b>Multiple (2)</b>	<b>Equity Awards (3)</b>	<b>Benefits (4)</b>	<b>Total</b>
Mr. Chiles	\$ 1,500,000	\$ 1,500,000	\$ 8,383,094	\$ 110,150	\$ 11,493,244
Mr. Baliff	400,000	220,000	1,954,184	30,075	2,604,259
Mr. Duncan(5)	550,650	302,858	2,032,170	30,075	2,915,753
Mr. Stafford	650,000	357,500	1,542,565	22,283	2,572,348
Ms. Ware	340,000	187,000	1,718,511	2,398	2,247,909
Mr. Burman (6)	1,002,282	-	2,293,986	85,861	3,382,129

(1) Assumes the salary in effect on April 1, 2012.

(2) Assumes target bonus percentage in effect on April 1, 2012.

(3) Except for Mr. Burman, assumes that the triggering event took place on March 30, 2012, the last business day of fiscal year 2012, and the price per share of \$47.73, the closing market price of our common stock as of that date. For Mr. Burman, the amount shown is based on the closing market price on his retirement date, March 16, 2012, of \$48.15.

(4) Varies according to individual choice of medical plan. Accordingly, the amount shown assumes an employee choice which would result in the largest amount the Company would be responsible for. The amount for Mr. Chiles includes \$50,000 for outplacement services.

(5) Mr. Duncan is also entitled to six months prior notice of termination.

(6)

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On March 16, 2012, Mr. Burman departed the employ of the Company. He received the severance payments set forth in the table in accordance with his retirement agreement.

Additionally, if any of the officers' employment is terminated by the Company without Cause or by the officer for Good Reason within the two years following a change in control of our Company, he or she would be entitled to a lump sum severance payment equal to a multiple of the sum of his or her annual base salary plus the higher of (i) his or her current annual incentive target bonus for the full year in which the termination of employment occurred or (ii) the highest annual incentive bonus received by him for any of the last three fiscal years. For Messrs. Chiles, Baliff, Stafford and Ms. Ware, the multiple is three and for Mr. Duncan, the multiple is 2.50, but his contract also provides for six months' notice of termination. In addition to the above, any outstanding stock options, restricted stock, PRSUs or performance cash awards would vest upon the effective date of a change of control and the Company will



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provide such employee with health care benefits for three years. The definition of "Change in Control" includes, subject to certain exceptions, (i) acquisition by any individual, entity or group of beneficial ownership of 35% or more of either the then outstanding shares of common stock of the Company or the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors, (ii) a change in at least a majority of the Company's Board (iii) approval by the shareholders of the Company of a merger, unless immediately following such merger, substantially all of the holders of the Company's securities immediately prior to merger beneficially own more than 50.1% of the common stock of the entity resulting from such merger, and (iv) the sale or other disposition of all or substantially all of the assets of the Company.

The following amounts would be payable if the listed officer's employment is terminated pursuant to a change of control event.

			Vesting	Extended		
	Salary	Highest Annual	of Equity	Health	Tax	
	Multiple	Bonus Multiple	Awards (1)	Benefits (2)	Gross Up	Total
Mr. Chiles	\$ 2,250,000	\$ 3,150,000	\$ 8,383,094	\$ 110,150	\$ 2,979,276	\$ 16,872,520
Mr. Baliff	1,200,000	660,000	1,954,184	30,075	-	3,844,259
Mr. Duncan(3)	917,750	610,813	2,032,170	30,075	-	3,590,808
Mr. Stafford	975,000	620,772	1,542,565	22,283	-	3,160,620
Ms. Ware	1,020,000	597,612	1,718,511	2,398	-	3,338,521
Mr. Burman(4)	-	-	-	-	-	-

(1) Assumes that the triggering event took place on March 31, 2012, the last business day of fiscal year 2012, and the price per share of \$47.73, the closing market price of our common stock as of that date.

(2) Varies according to individual choice of medical plan. Accordingly, the amount shown assumes an employee choice which would result in the largest amount the Company would be responsible for. The amount for Mr. Chiles includes \$50,000 for outplacement services.

(3) Mr. Duncan is also entitled to six months prior notice of termination.

(4) Mr. Burman left the employ of the Company in March 2012.

Any benefits payable pursuant to the above triggering events are payable in a cash lump sum not later than six months following the termination date.

The employment and severance benefit agreements of the Named Executive Officers also contain certain non-competition and non-solicitation provisions. For additional information regarding these employment agreements, see "Director and Executive Officer Compensation - Employment Agreements."

**Table of Contents****Director Compensation**

The following table sets forth information concerning the compensation of each of our directors other than Mr. Chiles, who is a Named Executive Officer:

**Director Compensation - Fiscal Year 2012**

Name	Fees Earned	Stock	All Other	Total
	or Paid in Cash	Awards	Compensation	
	(\$)	\$(1)	(\$)	(\$)
Thomas N. Amonett	72,750	100,000	-	172,750
Stephen J. Cannon	72,750	100,000	-	172,750
Michael A. Flick	94,800	100,000	-	194,800
Ian A. Godden	74,400	100,000	-	174,400
Stephen A. King(2)	67,800	100,000	-	167,800
Thomas C. Knudson	168,000	100,000	-	268,000
Mathew Masters(2)	22,316	100,000	-	122,316
John M. May(2)	37,234	100,000	-	137,234
Bruce H. Stover	62,850	100,000	-	162,850
Ken C. Tamblyn	139,450	50,000	-	189,450

(1) The amounts in this column represent the fair value of restricted stock unit awards computed in accordance with FASB ASC Topic 718. For additional information, see Note 10 to our consolidated financial statements in our Annual Report on Form 10-K for fiscal year 2012.

(2) Pursuant to agreements with Caledonia Investments plc. as employer, Messrs. King, Masters and May assign any compensation received from the Company, including restricted shares awarded under the Company's stock plans, to Caledonia. Messrs. King, Masters and May disclaim beneficial ownership of any such shares.

The Compensation Committee recommends for approval by our Board the annual retainer, meeting fees, stock options and other benefits for members of our Board. The Compensation Committee's objective with respect to director compensation is to provide compensation incentives that attract and retain individuals of outstanding ability. Directors who are Company employees do not receive a retainer or fees for service on our Board or any committees. The Company pays non-employee members of our Board for their service as directors. Currently directors who are not employees will receive:

Annual Chairman of the Board Fee:	\$168,000
Annual director fee:	\$ 40,000
Committee Chairmen Annual Fees:	
Audit Committee	\$ 20,000
Compensation Committee	\$ 20,000
Governance and Nominating Committee	\$ 10,000
Meeting attendance fees (per meeting):	\$ 2,000
Equity-based compensation:	

At each Annual Meeting of Stockholders of the Company, each non-employee director is granted a number of restricted stock units with a value of \$100,000 at the closing price on the date of the annual meeting. The restricted stock units vest six months after the date of grant. Directors may elect to receive half of this award in the form of cash in certain circumstances.

Directors are also reimbursed for reasonable out-of-pocket expenses incurred in attending meetings of our Board or committees and for other reasonable expenses related to the performance of their duties as directors.



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**X. COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION**

The Compensation Committee has reviewed and discussed the above Compensation Discussion and Analysis with management and, based on such review and discussions, the Compensation Committee recommended to our Board that the Compensation Discussion and Analysis be included in this proxy statement.

Michael A. Flick, Chairman

Thomas N. Amonett

Lori A. Gobillot

Mathew Masters

Bruce H. Stover

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**XI. AUDIT COMMITTEE REPORT**

The Audit Committee's principal functions are to select each year a firm of independent auditors, to assist our Board in fulfilling its responsibility for oversight of the Company's accounting and internal control systems and principal accounting policies, to recommend to the Company's Board, based on its discussions with the Company's management and independent auditors, the inclusion of the audited financial statements in the Company's Annual Report on Form 10-K and to oversee the entire independent audit function. The Company believes that each of the six members of the Audit Committee satisfy the requirements of the applicable rules of the SEC and the NYSE as to independence, financial literacy and experience. Our Board has determined that at least one member, Ken C. Tamblyn, is an audit committee financial expert as defined by the SEC. Our Board has adopted a charter for the Audit Committee, a copy of which is posted on our website, [www.bristowgroup.com](http://www.bristowgroup.com), under the Governance caption.

In connection with the Company's consolidated financial statements for the fiscal year ended March 31, 2012, the Audit Committee has:

reviewed and discussed the audited financial statements with management;

discussed with the Company's independent auditors, KPMG LLP, the matters required to be discussed by Statements on Auditing Standards No. 61, as amended;

received the written disclosures and the letter from KPMG LLP as required by Independence Standards Board Standard No. 1 and discussed with the auditors their independence; and,

considered whether the provision of services by KPMG LLP not related to the audit of the Company's consolidated financial statements and the review of the Company's interim financial statements is compatible with maintaining the independence of KPMG LLP.

Based on the review and discussions with the Company's management and independent auditors, as set forth above, the Audit Committee recommended to the Company's Board, and our Board has approved, that the audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2012, as filed with the SEC.

Audit Committee

Ken C. Tamblyn, Chairman

Thomas N. Amonett

Stephen J. Cannon

Michael A. Flick

Ian F. Godden

Stephen A. King

**Table of Contents****XII. RELATIONSHIP WITH INDEPENDENT PUBLIC ACCOUNTANTS**

KPMG conducted the examination of the Company's financial statements for the fiscal year 2012. Representatives of KPMG are expected to be present at the Annual Meeting with the opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions.

During the Company's two most recent fiscal years, the Company did not consult KPMG with respect to the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company's financial statements, or any other matters or reportable events listed in the Items 304(a)(2)(i) and (ii) of Regulation S-K.

**Accounting Fees and Services**

Set forth below are the fees paid by the Company to KPMG for the fiscal years indicated.

	<b>2012</b>	<b>2011</b>
Audit Fees	\$ 2,147,424	\$ 2,688,047
Audit-Related Fees	\$ -	\$ 27,690
All Other Fees	\$ 1,465,128	\$ 520,432
Tax Fees	\$ 477,727	\$ 380,556

**Description of Non-Audit Services**

Audit fees for each period include costs to assess our internal controls over financial reporting.

Audit-Related Fees - audit-related fees for fiscal year 2011 related principally to review of an SEC comment letter.

All Other Fees - such fees relate to immigration and transaction support consulting services.

Tax Fees - tax fees included fees for tax compliance, tax advice and tax planning services rendered by the Company's independent accountants.

**Audit Committee Pre-Approval Policies and Procedures**

Our Audit Committee has policies and procedures that require the pre-approval by the Audit Committee of all fees paid to, and all services performed by, our independent accounting firm. At the beginning of each year, the Audit Committee approves the proposed services, including the nature, type and scope of services contemplated and the related fees, to be rendered by KPMG during the year. In addition, Audit Committee pre-approval is also required for those engagements that may arise during the course of the year that are outside the scope of the initial services and fees pre-approved by the Audit Committee.

Our Audit Committee policy requires prior Audit Committee approval of all services performed by our independent accounting firm, regardless of the scope of such services. The Audit Committee has delegated this prior approval authority to its Chairman for all non-audit services undertaken in the ordinary course. Any services approved by the Audit Committee Chairman pursuant to this delegated authority must be reported to the full Audit Committee at its next regularly scheduled meeting.

Pursuant to the Sarbanes-Oxley Act of 2002, the fees and services provided as noted in the table above were authorized and approved by the Audit Committee in compliance with the pre-approval policies and procedures described herein.

**Approval and Ratification of Independent Public Accountant**

The Audit Committee of the Company's Board has selected the firm of KPMG as the Company's independent auditors for fiscal year 2013. Stockholder approval and ratification of this selection is not required by law or by the bylaws of the Company. Nevertheless, our Board has chosen to submit it to the stockholders for their approval and ratification. Of the shares represented and entitled to vote at the Annual Meeting (whether in person or by proxy), more votes must be cast in favor of than votes cast against the proposal to ratify and approve the selection of KPMG as the Company's independent auditors for fiscal year 2013, in order for this proposal to be adopted. The Proxyholder named in the accompanying proxy card will vote FOR the foregoing proposal unless otherwise directed therein. Abstentions will not be counted either as a

vote FOR or as a vote AGAINST the proposal to ratify and

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approve the selection of KPMG as the Company's independent auditors for fiscal year 2013. Broker nonvotes will be treated as not present for purposes of calculating the vote with respect to the foregoing proposal, and will not be counted either as a vote FOR or AGAINST or as an ABSTENTION with respect thereto. If more votes are cast AGAINST this proposal than FOR, our Board will take such decision into consideration in selecting independent auditors for the Company.

**Our Board recommends a vote FOR the approval and ratification of the selection of KPMG LLP as the Company's independent auditors for fiscal year 2013.**



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### **XIII. OTHER MATTERS**

#### **Compensation Committee Interlocks and Insider Participation**

No member of the Compensation Committee during the fiscal year 2012 was an officer or employee of the Company or was formerly an officer of the Company. No member of the Compensation Committee had any relationship requiring disclosure by the Company under any paragraph of Item 404 of Regulation S-K (Transaction with Related Persons, Promoters and Certain Control Persons), except for Mr. Masters who serves as a director (without compensation) of our affiliate, Bristow Aviation Holdings Limited described below.

#### **Transactions with Related Persons**

On December 19, 1996, the Company acquired 49% of the common stock and other significant economic interest in Bristow Aviation Holdings Limited ( "Bristow Aviation" ), a U.K. corporation, which holds all of the outstanding shares in Bristow Helicopter Group Limited ( "BHGL" ), pursuant to a Master Agreement dated December 12, 1996, among the Company, Caledonia Industrial Services Limited ( "CIS" ), a predecessor in interest to Caledonia, and certain other persons (the "Master Agreement" ). As a result primarily of that transaction, CIS became the beneficial owner of 1,752,754 shares of our common stock. Also on December 19, 1996, the Company and CIS entered into a Registration Rights Agreement for the benefit of CIS with respect to our common stock. The Master Agreement provides that so long as CIS (now Caledonia) owns (1) at least 1,000,000 shares of our common stock or (2) at least 49% of the total outstanding ordinary shares of Bristow Aviation, it will have the right to designate two persons for nomination to our Board and to replace any directors so nominated. Caledonia has designated Messrs. King and Masters for nomination to our Board to be voted on at the Annual Meeting. On December 4, 2002, CIS: (i) sold to Caledonia all its holdings of our common stock and our 6% Convertible Subordinated Notes (the "6% Notes" ) and (ii) transferred to Caledonia all of its rights and obligations under the Master Agreement and related documents. On July 29, 2003, we redeemed the 6% Notes with a portion of the proceeds from our sale of \$230.0 million principal amount of 6 1/8% Senior Notes due 2013. This reduced the amount of our common stock beneficially owned by Caledonia to 1,300,000 shares at that time.

The 1996 transaction also included certain executory obligations of the parties that remain in effect between us and Caledonia and its affiliates, certain of which are described below. All such obligations were the result of arms length negotiations between the parties that were concluded before Messrs. King and Masters were nominated or elected to our Board and are, in our view, fair and reasonable to the Company.

In connection with the Bristow Aviation transaction, we and Caledonia also entered into a Put/Call Agreement whereunder, upon giving specified prior notice, we have the right to buy all the Bristow Aviation shares held by Caledonia, who, in turn, has the right to sell such shares to us. Under the current United Kingdom law, we would be required, in order for Bristow Aviation to retain its operating license, to find a qualified European Union investor to own any Bristow Aviation shares we have a right or obligation to acquire pursuant to the Put/Call Agreement. Any put or call of the Bristow Aviation shares will be subject to the approval of the Civil Aviation Authority.

In connection with the Bristow Aviation transaction, we acquired £91.0 million (approximately \$145.9 million) in principal amount of 13.5% subordinated unsecured loan stock (debt) of Bristow Aviation. Bristow Aviation had the right and elected to defer payment of interest on the loan stock. Any deferred interest also accrues interest at an annual rate of 13.5%. With our agreement, no interest payments have been made through March 31, 2012.

In March 2004, the Company prepaid a portion of the put/call option price to Caledonia, representing the amount of guaranteed return since inception, amounting to \$11.4 million. In consideration of this, the shareholders of Bristow Aviation agreed to reduce the guaranteed return factor used in calculating the put/call option price, effective April 1, 2004, from 12% per annum to LIBOR plus 3%. In May 2004, the Company acquired eight million shares of deferred stock, essentially a subordinated class of stock with no voting rights, from Bristow Aviation for £1 per share (\$14.4 million in total). Bristow Aviation used these proceeds to redeem £8 million (\$14.4 million) of its ordinary share capital at par value on a pro rata basis from all its outstanding shareholders, including the Company. The result of these changes was to reduce the cost of the guaranteed return to the other shareholders by \$2.3 million on an annual basis.

Beginning in September 2004, the Company began paying to Caledonia the amount of guaranteed return on the put/call on a quarterly basis. In fiscal year 2012, the Company paid to Caledonia \$0.1 million representing the amount due for the period from April 1, 2011 to March 31, 2012.

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As of March 31, 2012, Caledonia was the beneficial owner of 2,395,042 shares of common stock of the Company. See Security Ownership of Certain Beneficial Owners and Management.

During fiscal year 2012, we leased an average of 81 aircraft to Bristow Aviation, or its subsidiaries, and received total lease payments of approximately \$161.3 million.

The foregoing transactions with Bristow Aviation are eliminated for financial reporting purposes in consolidation.

## **Review and Approval of Related Party Transactions**

The Company has adopted a written policy governing transactions with related parties that applies to all transactions required to be disclosed as related party transactions under Item 404 of Regulation S-K. Under this policy, all such related person transactions are required to be approved or ratified by the Audit Committee. No member of the Audit Committee may review or approve any transaction or amendment if he is involved directly or indirectly in the transaction. Our Board may also decide that a majority of directors disinterested in the transaction will review and approve a particular transaction or amendment. When reviewing and approving a related person transaction, the Audit Committee, or other board committee as the case may be, will be required to fully inform itself about the related party's relationship and interest regarding the material facts of the proposed transaction and determine that the transaction is fair to the Company.

## **Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Exchange Act requires our directors, officers, and certain beneficial owners (collectively, Section 16 Persons) to file with the SEC and NYSE reports of beneficial ownership on Form 3 and reports of changes in ownership on Form 4 or 5. Copies of all such reports are required to be furnished to us. To our knowledge, based solely on a review of the copies of Section 16(a) reports furnished to us for fiscal year 2012 and other information, all filing requirements for the Section 16 Persons have been complied with during or with respect to fiscal year 2012.

## **Items of Business to Be Acted Upon at the Meeting**

### **Item 1. *ELECTION OF THE NOMINEES NAMED IN THIS PROXY STATEMENT AS DIRECTORS***

**Our Board recommends that you vote FOR the election of each of the following nominees:**

Thomas N. Amonett

Stephen J. Cannon

William E. Chiles

Michael A. Flick

Lori A. Gobillot

Ian A. Godden

Stephen A. King

Thomas C. Knudson

Mathew Masters

Bruce H. Stover

Biographical information for these nominees can be found on pages 10, 11 and 12 of this proxy statement.

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### **Item 2. *ADVISORY APPROVAL OF EXECUTIVE COMPENSATION***

Our Board unanimously recommends that stockholders approve, on an advisory basis, the compensation of the Company's named executive officers by voting FOR the approval of the following resolution:

**RESOLVED**, that the compensation of the Company's named executive officers, as disclosed in the Company's proxy statement relating to the 2012 annual meeting of stockholders pursuant to the executive compensation disclosure rules promulgated by the SEC, is hereby approved.

### **Item 3. *APPROVAL AND RATIFICATION OF THE COMPANY'S INDEPENDENT AUDITOR***

Our Board recommends that you vote FOR the approval and ratification of the selection of KPMG LLP as the Company's independent auditors for fiscal year 2013.

## **VOTING OF THE PROXY**

SHARES REPRESENTED BY ALL PROPERLY EXECUTED PROXIES WILL BE VOTED AS DIRECTED IN THE PROXIES. IF NO DIRECTION IS SPECIFIED, SUCH SHARES WILL BE VOTED FOR THE NOMINEES AND FOR THE OTHER PROPOSALS SET FORTH ABOVE.

### **General**

The cost of soliciting Proxies will be borne by us, and upon request, we will reimburse brokerage firms, banks, trustees, nominees and other persons for their out-of-pocket expenses in forwarding proxy materials to the beneficial owners of our securities. Our directors, officers and employees may, but without compensation other than regular compensation, solicit Proxies by telephone, telegraph, or personal interview.

### **Householding**

The SEC permits a single set of annual reports and proxy statements to be sent to any household at which two or more stockholders reside if they appear to be members of the same family. Each stockholder continues to receive a separate proxy card. This procedure, referred to as householding, reduces the volume of duplicate information stockholders receive and reduces mailing and printing expenses. A number of brokerage firms have instituted householding. As a result, if you hold your shares through a broker and you reside at an address at which two or more stockholders reside, you will likely be receiving only one annual report and proxy statement unless any stockholder at that address has given the broker contrary instructions. However, if any such beneficial stockholder residing at such an address wishes to receive a separate annual report or proxy statement in the future, or if any such beneficial stockholder that elected to continue to receive separate annual reports or proxy statements wishes to receive a single annual report or proxy statement in the future, that stockholder should contact their broker or send a request to Secretary, Bristow Group Inc., 2103 City West Blvd., 4th Floor, Houston, Texas 77042, telephone number (713) 267-7600.

**Upon the written request of any stockholder entitled to vote at the Annual Meeting, we will provide, without charge, a copy of our Annual Report on Form 10-K for fiscal year 2012. Any such request should be directed to Secretary, Bristow Group Inc., 2103 City West Blvd., 4th Floor, Houston, Texas 77042, telephone number (713) 267-7600. Requests from beneficial owners of our shares must set forth a good faith representation that as of June 8, 2012, the requester was a beneficial owner of shares entitled to vote at the Annual Meeting.**

By Order of the Board of Directors

Randall A. Stafford

*Senior Vice President and General Counsel,*

*Corporate Secretary*

June 18, 2012

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**YOUR VOTE IS IMPORTANT. PLEASE VOTE TODAY.**

**We encourage you to take advantage of Internet or telephone voting.**

**Both are available 24 hours a day, 7 days a week.**

Internet and telephone voting is available through 11:59 PM Eastern Time the day prior to the stockholder meeting date.

**INTERNET**

**<http://www.proxyvoting.com/brs>**

Use the Internet to vote your proxy.

Have your proxy card in hand when you access the web site.

**OR**

**BRISTOW GROUP INC.**

**TELEPHONE**

**1-866-540-5760**

Use any touch-tone telephone to vote your proxy. Have your proxy card in hand when you call.

If you vote your proxy by Internet or by telephone, you do NOT need to mail back your proxy card.

To vote by mail, mark, sign and date your proxy card and return it in the enclosed postage-paid envelope.

**Your Internet or telephone vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed and returned**

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your proxy card.

25519 Fulfillment  
25929

q FOLD AND DETACH HERE q

Please mark your votes as

indicated in this example

X

		FOR		WITHHOLD	*EXCEPTIONS			
1. ELECTION OF DIRECTORS		ALL	FOR ALL			FOR	AGAINST	ABSTAIN
Nominees:								
01 Thomas N. Amonett	06 Ian A. Godden	..	..	..	2. Advisory approval of executive compensation.	..	..	..
02 Stephen J. Cannon	07 Stephen A. King							
03 William E. Chiles	08 Thomas C. Knudson							
04 Michael A. Flick	09 Mathew Masters							
05 Lori A. Gobillot	10 Bruce H. Stover							
					3. Approval and ratification of the selection of KPMG LLP as the Company's independent auditors for the fiscal year ending March 31, 2013.	..	..	..

(INSTRUCTIONS: To withhold authority to vote for any individual nominee, mark the

Exceptions box above and write that nominee's name in the space provided below.)

\*Exceptions

Mark Here for ..  
Address Change  
or Comments

SEE  
REVERSE

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**NOTE: Please sign as name appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such.**

Signature

Signature

Date



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***You can now access your Bristow Group Inc. account online.***

Access your Bristow Group Inc. account online via Investor ServiceDirect® (ISD).

The transfer agent for Bristow Group Inc. now makes it easy and convenient to get current information on your shareholder account.

View account status	View payment history for dividends
View certificate history	Make address changes
View book-entry information	Obtain a duplicate 1099 tax form

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Choose **MLink<sup>SM</sup>** for fast, easy and secure 24/7 online access to your future proxy materials, investment plan statements, tax documents and more. Simply log on to **Investor ServiceDirect®** at <http://www.cpushareownerservices.com> where step-by-step instructions will prompt you through enrollment.

**Important notice regarding the Internet availability of proxy materials for the Annual Meeting of Stockholders.** The Proxy Statement and the 2012 Annual Report to Stockholders are available at: <http://www.proxyvoting.com/brs>

q **FOLD AND DETACH HERE** q

**PROXY**

**BRISTOW GROUP INC.**

**THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

The undersigned stockholder of Bristow Group Inc., a Delaware corporation (the Company), hereby appoints William E. Chiles and Randall A. Stafford, and each of them, proxies with power of substitution to vote and act for the undersigned, as designated on the reverse side, with respect to the number of shares of the common stock the undersigned would be entitled to vote at the Annual Meeting of Stockholders of the Company to be held at the Norris Conference Center, 803 Town & Country Boulevard, Houston, Texas 77024 on Wednesday, August 1, 2012, at 8:00 a.m., and at any adjournments thereof, and, at their discretion, the proxies are authorized to vote upon such other business as may properly come

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before the meeting.

**THE SHARES REPRESENTED BY THIS PROXY WILL BE VOTED AS DIRECTED HEREIN BY THE STOCKHOLDER. IF NO DIRECTION IS SPECIFIED WHEN THE DULY EXECUTED PROXY IS RETURNED, SUCH SHARES WILL BE VOTED IN ACCORDANCE WITH THE RECOMMENDATION OF THE BOARD OF DIRECTORS OF THE COMPANY.**

Our Board of Directors recommends that you vote FOR each of the nominees listed on the reverse side FOR election as Directors of the Company, FOR the approval of the Company's executive compensation and FOR approval and ratification of the selection of KPMG LLP as the Company's independent auditors for the fiscal year ending March 31, 2013.

**Address Change/Comments**  
**(Mark the corresponding box on the reverse side)**

SHAREOWNER SERVICES  
P.O. BOX 3550  
SOUTH HACKENSACK, NJ 07606-9250

(Continued and to be marked, dated and signed, on the other side)

25519

Fulfillment  
25929